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Conclusion

When political historians used to comment upon the dominance of the Conservatives in the period between the early 1950s and the mid-1990s, the explanations seemed straightforward. The Conservatives had a set of cultural norms that made them well equipped for the demands of government, and well positioned to recover quickly when they faced the inconvenience of opposition. They were a party characterized by first, unity and loyalty; second, they were a pragmatic party that avoided ideology, and third, they were the natural party of government, a claim which reflected their superior governing competence (Ramsden 1999).

However, the explanatory label of an ‘appetite for power’ that underpins these assumptions is too straightforward. To understand political success requires a deeper understanding of failure. Post-war Conservatism is not simply a case of stating that the Conservatives have shown a remarkable capacity for adaptation. Rather it involves explaining why processes of adaptation have worked – that is, when they have provided the route map from opposition and into long-term periods of government (e.g. post 1945 and post 1975). It also involves analysing why some processes of adaptation partially worked – that is, electoral recovery but not governing competence (e.g. post 1965 and the failure of the Heath administration and perhaps the Cameron era). It demands that we evaluate why the process of adaptation post 1997 was so problematic. Thus the chapters within this book examined the processes of adaptation in terms of success, partial success and failure.

This book has charted the journey for the Conservatives across five periods of time which are seen to represent the different strategic approaches – or statecraft methods – that the party has used. These five periods are loosely defined as One Nation (1945–65); Heathite Modernization (1965–75); Thatcherite (1975–92); Post-Thatcherite (1992–2005); and Cameronite Modernization (2005–). In each period considered, the leadership has sought to, or struggled to, gain acceptance within the party for a particular narrative of Conservatism. Constructing that narrative, and gaining acceptance for it, then determines the viability of the statecraft strategy – will it be accepted internally by the party and provide the basis for unity? Will it provide a basis for being dominant or competitive in political debate? Will it provide a means for effective voter mobilization? And once elected, will it provide a means for effective governance?

Statecraft allows us to examine elite strategy and explore the elements that were successful and why, and the elements that were not and why not.

Statecraft shows an awareness of the prevailing economic climate, the evolving patterns of party positioning and competition, and the changing interests and preferences of the electorate. It is sensitive to structural constraints (and opportunities), but it also provides a clear means by which respective leadership cliques confronted, and tried to resolve, political dilemmas in a way that promoted their governing competence and protected their electoral appeal (Buller and James 2012: 534).

The conclusion reconsiders the dimensions of statecraft and relates them to the traditional assumptions that have characterized much of the scholarship on the Conservatives. The unity and loyalty assumption is tied to the party management dimension of statecraft; the pragmatism and non-ideological assumption is tied to the political argument hegemony dimension of statecraft; and the natural party of government assumption is tied to the governing competence dimension of statecraft. The conclusion will examine these one by one, before examining the final statecraft dimension, (electoral strategy), against a key underdeveloped aspect of traditional historical work on the Conservatives – that is, the need for more awareness of Labour.

The ‘Statecraft’ party management dimension: The unity and loyalty myth

Statecraft places an emphasis on the politics of support. It involves externally voter mobilization, but internally it requires the support of the party for the approach adopted. As the analysis below demonstrates, notions of ‘unity’ and ‘loyalty’ are questionable when we examine Conservative developments since 1945.

The unity myth: Increasing parliamentary rebellions

Parliamentary cohesion was the norm within the PCP of the 1950s (Beer 1969: 377). Conservative rebellion rates in the first five parliaments after 1945 were 1945–50 (2.1 per cent); 1950–51 (0.8 per cent); 1951–55 (1.4 per cent); 1955–59 (1.4 per cent), and then 11.8 per cent in the 1959–64 Parliament as the third-term administration degenerated (Norton 1978: 208). The primary explanation for this was the effectiveness of the Whips’ Office in terms of their liaison role, that is, making compromises or retreats to limit rebellions and defeats (Searing 1994: 240–80). It is not to say that disputes did not exist within the PCP (for example, Suez), but Berrington argues that they were ‘temporary’ and over ‘solitary and specific issues’ (Berrington 1961: 368). The era in which ‘cohesion was strained but never broken’ (Berrington 1961: 362) has not really been seen since. There was a significant upsurge in parliamentary dissent during the 1970–74 government that had

a 18.5 per cent rebellion rate overall, which was partly due to the inflexible leadership methods of Edward Heath (Norton 1978: 208). Margaret Thatcher found parliamentary party management less problematic than Heath, primarily due to her large majorities. Rebellion rates actually remained similar to the Heath era but seemed to matter less. The 1970–74 Parliament witnessed 204 incidences of Conservative rebellion, and the four terms between 1979 and 1997 provoked similar levels: 1979–83 (159); 1983–87 (203); 1987–92 (198) and 1992–97 (174) (Cowley and Stuart 2003: 315–31).

Before the 1983 general election, Francis Pym expressed concerns about securing an excessively large majority as it could embed patterns of rebellion that might prove difficult to stop later on (Pym 1985: 78). This fear became reality by the 1992 Parliament, where John Major suffered from the difficulties (and resentments) created by occupying power for so long. The list of those who have been ‘dispossessed’ (former ministers) and ‘never possessed’ (those backbenchers for whom ministerial office has not been forthcoming) grew (Seldon and Sanklecha 2004: 61–2). Moreover, the rebellion rate in the 1992–97 Parliament would have been considerably higher but for his willingness to compromise and make concessions in order to avoid a continuation of the parliamentary guerrilla warfare that characterized the passage of the Maastricht Treaty in 1992–93 (Heppell 2006: 81–115).

The above analysis demonstrates the increasing difficulty of maintaining legislative unity among Conservative parliamentarians. However, rebellions only matter in the sense of how they are interpreted by the political media and thereby understood by the electorate. The Major administration actually became rather adept at limiting formal parliamentary dissent. However, despite this formal legislative cohesion the electorate thought that they were divided due to their behaviour outside of Parliament. Conservative critics of the leadership appeared to be ‘afflicted with the College Green mentality’, where between 1992 and 1997 the ‘electronic media were in almost permanent session, offering a camera to any Conservative parliamentarians willing to criticise Major’. Behavioural dissent did destabilize the Major administration, but the ‘willingness’ of backbenchers to ‘advertise’ their attitudinal differences ‘was far more politically debilitating’ (Heppell 2006: 115). Furthermore, the Thatcher/Major era saw the embedding of labelling with the PCP. This categorizing of Conservatives as being either wet or dry, or Europhile or Eurosceptic undermined their electoral appeal (Foley 2002: 27–30).

A litany of non-parliamentary symbols of division contributed to their defeat in 1997. Major constantly reminded his own party of the need for unity and loyalty, and the damage that division and disloyalty would do to their electoral appeal. However, Major also contributed to the impression of division. He played the victim as he talked about the difficulty of dealing with the ‘bastards’ within his own Cabinet in 1993, by resigning the leadership in his infamous ‘put up or shut up’ speech in 1995, and his pleading of ‘don’t bind my hands’ during the 1997 election campaign. An indelible image of weakness was added to the impression of division (Foley 2002: 201).

The loyalty myth: The insecurity of Conservative leaders

When parties select their leaders statecraft considerations should be paramount, that is, which candidate offers electability (the politics of support), but also competence (the politics of power) (Stark 1996). Thereafter, the primary requirement of the leader is to ensure that the Conservatives are well placed to do well at the next election, with the relationship between the leader and the followership being dependent on whether s/he looks likely to succeed in that objective (Bale 2010: 17). As a hierarchical organization, the Conservatives have historically placed an emphasis on strong leadership, as 'the leader is expected to lead, to impart a sense of direction . . . if things go well, the leader is praised, if things go badly, the leader is blamed' (Norton 1998: 77). The contingent nature of that relationship is best described as 'autocracy tempered by assassination' (Bale 2010: 17).

After 1965 the evolution of the rules governing how the Conservatives select their leaders began to undermine the security of tenure of incumbents. The loyalty to the leader assumption has to be questioned by considering the events of 1975, 1989, 1990, 1995 and 2003. In the autumn of 1974 the Conservatives amended their leadership procedures to ensure that Heath could be challenged, whereupon Thatcher challenged him. Thatcher would be the victim of two annual challenges, one unsuccessful in 1989 and one indirectly successful in 1990. Both acts of disloyalty were initiated with minimal difficulty, requiring only a challenger backed by a proposer and seconder. John Redwood showed no loyalty to Major when 'challenging' in 1995, and the credibility of the loyalty claim was undermined further by the speed with which Iain Duncan Smith was removed in 2003 (Quinn 2012: 31–55, 97–129).

However, the removal of Duncan Smith should not detract from the fact that the existing leadership selection/ejection procedures have left David Cameron in a stronger position than Thatcher or Major. First of all, Cameron is not subject to the annual re-election procedures that led to Thatcher being challenged in 1989 and 1990, and contributed to Major being undermined by speculation about possible challengers. Nor does Cameron have to fear an actual direct named challenger. To remove Cameron the PCP now have to secure the backing of 15 per cent of fellow Conservative parliamentarians for a confidence motion to take place. To remove Cameron in that confidence motion they need a majority of Conservative parliamentarians to state that they have no confidence in Cameron. However, this process is fraught with more risks than the procedures that unseated Thatcher, and 'the constraints of government make the successful activating of the confidence motion less likely than in opposition' (Heppell 2013b: 145). This is because removing Cameron via a confidence motion would only create a vacancy, which would be filled via first, the eliminative parliamentary ballots to screen out the least attractive candidates; and then second, the decisive membership ballot.

Unless the Conservatives ‘can agree on only one candidate standing, the costs associated with this – time; financial; and disunity – make this procedure ill suited to government’ (Heppell 2013b: 145).

Alongside the fact that Cameron is more secure through the confidence motion, he has also been fortunate that being in coalition initially masked the extent of the divisions within his own party. In the first year of coalition political journalists appeared to be more interested in divisions within the coalition – for example, over tuition fees and AV – than the divisions within the Conservatives as the dominant coalition partner. They have continued to show an interest in coalition fissures as the Parliament progressed – for example, over House of Lords reform and constituency equalization. Like Major before him the European issue has become the dominant concern in terms of party management. As identified in the latter stages of the last chapter, the rebellion rate within the PCP is the highest in post-war Conservative history. However, this can be attributed to the necessity of compromise that comes with coalition, a defence case that was not available for Major. It is also possible that the reduced number of ministerial posts on offer, and the reduced prospect of ministerial reshuffles that flow from being in coalition, have meant that the power of patronage is not as powerful a weapon of party management under Cameron as for previous Conservative leaders.

Party management is thus a hugely challenging area for Conservative leaders. Notions of unity and loyalty as secret weapons lack conviction. Political scientists can obsess about parliamentary rebellion rates, and they can also create semantic debates between behavioural and attitudinal divisions or whether the Conservatives are a party of tendencies or a party of factions (Cowley and Norton 1999, 2002; Heppell 2002). However, these ivory tower debates are not that important; what is important is the electoral perception of division. Those perceptions are shaped by political journalists. And here lies a type of new challenge that earlier leaders could not have imagined: Conservative Home. Described as a ‘party within a party’, Conservative Home acts as a forum for discussion for the ‘remote’ and ‘voiceless’ membership, allowing them to bypass the centralized mentality of the party, and get straight to the heart of Westminster debate. Its founder and editor, Tim Montgomerie, has been described as the ‘high priest of Conservatism’ and one of the ‘most influential’ Conservatives, despite being unelected and holding no formal position within the official structures of the party. His relentless criticisms of Cameron – a ‘disappointing leader’, presiding over ‘error upon error’, and his ‘talking up’ of Boris Johnson, explain why Montgomerie is regarded as a ‘problem’ for Cameron (Helm 2012; Beckett 2012). The existence of this forum to mobilize dissent and coordinate criticism of the leadership presents a new party management dilemma.

Presenting the electorate with an image of a unified party is central to successful electioneering. This is why effective party management is a key requirement for successful Conservative leaders, and why it is a key component of successful statecraft. The previous five chapters have demonstrated that

far from being straightforward, party management is a complex and evolving challenge. Two notable academics – John Barnes and Arthur Aughey – have questioned the oversimplified notions of unity and loyalty and the assumption that the party is made up of tendencies, rather than factions (Barnes 1994: 342–3; Aughey 1996: 85). However, they have been in the minority. After reading the last five chapters hopefully the reader will appreciate the scale of the party management difficulties since 1945, which (prior to 1997) ‘makes the party’s historic achievement of containing the effects of division (electoral defeat)’, and their periods of ‘electoral success that much more striking’ (Aughey 1996: 85).

The ‘Statecraft’ party political argument hegemony dimension: Pragmatic or ideological responses to quandaries?

Political argument hegemony is the second statecraft dimension. It refers to the need to ensure that the party is competitive or dominant when it comes to shaping the political agenda. Bale describes this as the ‘struggle to establish a particular version of commonsense’, so that they are perceived to be the more plausible party in terms of policy solutions (Bale 1999: 14). In the fight to establish a particular version of common sense, the most important issue is what is seen as the dominant concern, even though this changes over time. Responding to those prevailing social concerns constitutes the ‘quandary’ around which the core beliefs or narrative of Conservative statecraft is understood (Taylor 2005a: 134).

The 1945–1970s quandary: The full employment expectation

Between 1945 and 1975 the quandary was how to address electoral expectations of full employment. The Conservatives responded to the negativity surrounding their record in the 1930s during the depression and the era of mass unemployment. Their positional changes in the immediate post-war era constituted their mechanism for renewal and enabled the one-nation narrative to humanize and legitimize Conservatism. Harold Macmillan in particular was wedded to the pursuit of a mixed economy and welfare spending as the narrative of Conservatism, as this addressed the quandary of maintaining full employment (Evans and Taylor 1996: 84).

Even during the retrospectively viewed era of affluence there was a fear that inflationary pressures were threatening ‘Conservative statecraft by stoking up resentment within the Party, and threatened a clash with the unions’ (Taylor 2005a: 138). Macmillan’s unwillingness to agree with Peter

Thorneycroft's view that they should permit a small rise in unemployment to discipline bargainers, led to Thorneycroft resigning alongside Nigel Birch and Enoch Powell in 1958 (Green 2000: 409–30). The period between 1961 and 1964 saw attempts to adhere to the existing strategy of maintaining the post-war settlement, and involved attempts to modernize (and thereby preserve) it. In the late Macmillan era this would result in the Keynesian plus package, based around first, the establishment of the National Economic Development Council to advance economic growth; second, the National Incomes Commission was formed with the objective of reigning in inflationary pressures by controlling wage increases; and finally, entry into the EEC which was the final piece of Macmillan's 'grand design' for modernization (Hennessy 2000: 257).

The process of policy renewal undertaken under Heath in opposition culminated in the Selsdon Agenda and the Quiet Revolution which appeared to challenge post-war Conservative strategy. The implementation of the Selsdon agenda created such an increase in unemployment that Heath feared that re-election would not be possible, whereupon either a pragmatic adjustment in policy (or a U-turn) was undertaken. The quandary of full employment had been threatened by the dual threat of trade union power and inflationary pressures to such an extent that a new quandary existed – the stagflation of rising unemployment and inflation. Conservative statecraft had 'collapsed' (Taylor 2005a: 140).

The 1970–1980s quandary: The trade union problem and inflation

Advocates of the one-nation tradition and defenders of the Conservative approach post 1945 attempted to attribute their strategic positioning of the party to their pragmatism. Take for example the view of Conservatism of Iain Gilmour and Francis Pym. Gilmour argued that Conservatism is 'not an ideology or a doctrine', it is 'not an -ism' and 'cannot be aggregated into a creed' (Gilmour 1977: 121), while Pym concluded that 'the main strength of Conservatism is adaptability' and 'its main enemy is ideology' (Pym 1985: 172). The likes of Gilmour and Pym would come to question the new narrative of Conservatism from 1975 (their criticisms being more vocal as ex-ministers after 1981 and 1983 respectively). The intellectual influence for the Thatcherite solution to the quandary of trade union power and the inflationary spiral was Powell, and his advocacy of deregulation, denationalization and control of the money supply as the means for controlling inflation (McLean 2001: 128–40).

The strategy was a challenge to traditional Conservative orthodoxies. It was to allow unemployment to rise. Without permitting this there would be no incentive for greater discipline within the public sector or from the trade unions. The threat of redundancy would intensify if the intervening

instincts of the post-war era were abandoned. Wets felt the approach was ‘extreme’ (Prior 1986: 119) and feared ‘electoral catastrophe’ (Evans 2013: 49). However, not only did inflation fall but the electoral consequences of increased unemployment did not prevent Thatcher from securing two re-elections, thus undermining the wets. The narrative of Thatcherism achieved dominance by the 1980s as their solution to the stagflation quandary sought to establish that there was no alternative to a smaller state, lower direct taxes, restrictions on trade union power and the eradication of socialism (Taylor 2005a: 143).

By the late 1980s Thatcher was assumed to have won the ‘battle of ideas’. Labour had been defeated three successive times; the threat of the SDP breaking the mould of British politics had not occurred; the trade union movement had been neutered and within her own party her wet critics had been marginalized. However, Thatcherism led to the creation of New Labour, and

if the battle of ideas at elite level is so complete that the main opposition party capitulates on the main points and continues to quibble over only the details of policy, the electoral advantage can be nullified or even turned against the “winning side,” which can be vulnerable to a public demand for fresh faces if all other considerations are roughly equal. (Dorey et al. 2011: 13)

The 1990–2000s quandary: High-quality public services

Once New Labour set about courting middle England by making an accommodation with Thatcherism in key areas of economic policy, social policy, privatization and trade union reform, this placed the Conservatives in a strategic bind (Hay 1999: 77–103). If New Labour had expropriated much of the thinking of Conservatism – market economics, privatization, property ownership, and tough law and order policies – this left the Conservatives with limited grounds for critiquing them, and ‘left Conservatism bereft of a mobilising statecraft’ (Taylor 2005a: 152). The Conservatives faced an ‘invidious choice’ as they ‘could either shift their policy stance to the right – thus threatening their own political argument hegemony by appearing more extreme than Thatcher herself’, or they could ‘claim that Tony Blair was much more left wing than his programme implied’ (Dorey et al. 2011: 13)

This is a legitimate argument but it is only part of the equation. New Labour was more than simply an accommodation with Thatcherism. The New Labour pursuit of the Third Way combined an acceptance of the market *with* the notion of an active and enabling state. The Third Way moved beyond the old politics of state intervention from the old left and the *laissez-faire* mentality of the new right, and claimed that traditional ‘opposites’

could be combined into a coherent discourse. This allowed New Labour 'to position themselves against an outmoded Conservative obsession with the free market' that had 'blunted their ability to address problems with the social fabric' and thus portray the Conservatives 'as socially regressive and lacking in compassion, particularly with respect to the excluded'. (Buckler and Dolowitz 2009: 24).

The Conservatives were to lose dominance of elite political debate in the post-Thatcherite era because the nature of the quandary had evolved. The quandary was public service delivery and issues relating to quality of life, in which Labour were dominant (Seldon and Snowdon 2005a: 253). The electorate had switched their policy prioritizations and attitudes away from the primacy of tax reductions and privatization, the very policy domains that had acted as the pillars of Conservative political argument hegemony in the age of Thatcherism. It was actually Duncan Smith who made the greatest strides in attempting to persuade the Conservatives to re-orientate their efforts towards addressing this, rather than fighting the battles of the Thatcherite era. To educate the party Duncan Smith attempted to draw comparisons with the 1970s, as he argued that then: 'we were faced with the task of turning Britain around' and 'the challenges were mainly economic'. However, he warned his party that although 'we tamed the power of the unions and unleashed the latest spirit of enterprise within our nation' we must recognize that 'time has moved on' (Taylor 2005a: 150). He instructed the Conservatives to compete with New Labour over the central quandary of the quality of public services, and in doing so his solutions would help form the basis of the Big Society narrative that Cameron would embrace.

After 1945 the Conservatives overcame two quandaries – to the post-war settlement after 1945 to address the quandary of full employment; and in the late 1970s to markets in order to address the quandary of the inflationary spiral stimulated by excessive trade union power and governmental overload. These constituted successful adaptations in terms of ensuring that the Conservatives were deemed to be competitive or dominant in terms of political debate. The process of adaptation that would lead to being competitive once more in terms of political debate took far longer to achieve after 1997. When faced with the new quandary of public service delivery, New Labour possessed political argument hegemony. Part of the reason why the Conservatives were slow to adapt to this was a consequence of the previous quandary. The Thatcherite solution had changed the culture and norms of the party. Not only were the claims to unity and loyalty finally shattered by the politics of Thatcherism, but their claim to pragmatism and rejection of ideology was also exposed. For much of the New Labour era the Conservatives remained dogmatically attached to Thatcherism, and were resistant to attempts to transcend it. That Thatcherism had successfully rooted out socialism, and that New Labour was more moderate was an additional part of their strategic problem (Taylor 2005a: 133, 152).

Writing in 2005 Taylor suggested that because the Conservatives could not offer a convincing narrative for financing and delivering public services – the prevailing quandary – they were ‘locked into a systemic crisis’ (Taylor 2005a: 152–3). Their recovery and return to power, albeit through coalition could be partly attributed to the modernizing impact of Cameron, but it was also due to the discrediting of New Labour due to the economic crash (Heffernan 2011: 167). This created a new quandary of how to rebalance the economy creating space for the Conservatives. It undermined New Labour’s political argument hegemony based around the choice of investment versus cuts. As Peter Mandelson admitted, it left Labour open to the accusation that ‘we would simply keep on spending, borrowing and taking on debt’ (Mandelson 2010: 477). The post-crash quandary of how to rebalance the economy switched the debate not to reducing the role of the state, but into a debate about the timing or prioritization of that reduction. The challenge for the Conservatives was to promote a rational and necessary retrenchment of the state pragmatically pursued in the national interest, rather than looking as though they were being driven by ideology.

The ‘Statecraft’ party governing competence dimension: The natural party of government?

The third dimension of statecraft is whether the party when in government can demonstrate competence through their policy choices (Bale 1999: 14). Demonstrating competence is not solely about the policy choices that are selected (and those rejected) but electoral understanding of their implementation. The Conservatives have often benefitted from the fact that Labour administrations have been more associated with major economic policy failures that can be easily understood by the electorate. Not until Black Wednesday did the Conservatives suffer an economic policy failure that matched the symbolism of failure associated with Labour in 1947, 1967, 1976 or 1979. The two sustained periods of Conservative government in the post-war era (1951–64 and 1979–97) were achieved primarily because the Conservatives were viewed as being more competent than Labour.

The one-nation claim for competence: ‘Never had it so Good’

The multi-term Conservative administration after 1951 was able to use the age of affluence to showcase that their politics was that of prosperity. The fears of what an incoming Conservative administration might do proved to be groundless – there would be no rolling back of the Attlee settlement.

As the decade progressed, the Conservatives crafted their appeal around their superior competence relative to Labour and thereby their suitability as the custodians of the enlarged state (Gamble 1988: 64). The consumerism of the 1950s in the 'never had it so good' era provided their claim to governing competence. It was ruthlessly exploited for electoral advantage by the famous 1959 poster campaign: 'Life's Better with the Conservatives' and the warning 'Don't Let Labour Ruin it' (Macmillan 1972: 15). Conservative claims to superior governing competence were threatened by the humiliation of Suez, which was dealt with by apportioning blame to Anthony Eden and replacing him, and then the highly effective leadership of Macmillan between 1957 and 1960.

However, the viability of the one-nation statecraft approach was not sustainable beyond the 1950s. It lacked a sustainable mechanism through which to depoliticize contentious issues (the pre-eminent concern for Conservative governments) and thus put them at one remove from the government. Their embracing of Keynesian demand management techniques was supposed to act as an automatic economic pilot and an instrument of statecraft. It was intended that it would enable the political elite to set the overall framework by oversight through the Treasury, meaning that 'the autonomy shells of both business and unions would not be broken by state action' and thereby 'demand management could be carried on by Governments as a relatively autonomous activity'. Bulpitt suggests that Conservative acceptance of Keynesian techniques and methods reflected the fact that there was

a very neat fit between Keynes' politics and the Conservative statecraft *for office* . . . both regarded government as the concern of an insulated elite, and both were especially interested in gaining relative autonomy in matters of high politics. It follows that the Keynesian consensus was not so much a policy consensus, but one of statecraft. Therefore, any thesis of a "corporate bias" in this period must be heavily qualified. In so far as corporate practices existed they were the froth on the beer, not the beer itself. Centre autonomy was always the principal rule of Conservative statecraft. (Bulpitt 1986a: 27–8)

The failure to demonstrate competence under Heath: 'Who Governs?'

Adherence to Keynesian demand management provided an appropriate, but time-specific, instrument of statecraft for the Conservatives. However, the degeneration of the Conservative administration of the early 1960s ran concomitant to the need to develop a post-Keynesian strategy for economic management, as the automaticity offered by Keynesian demand management was unable to provide evidence of governing competence when addressing

the quandary of inflation or increasing trade union militancy (Evans and Taylor 1996: 225).

The prevailing orthodoxy between 1962 and the mid-1970s became the modernization of the British economy, but in order to stimulate economic growth an even more interventionist stance from government was required. This evolving new orthodoxy carried with it overtly statist connotations creating a gravitational pull towards Labour as the more appropriate conduit for implementing modernization. Through its social contract with the trade unions Labour had a statecraft strategy; furthermore they appeared to have acquired dominance in the quest for political argument hegemony. Meanwhile, the Conservatives were devoid of an instrument of statecraft. Having lost political argument hegemony it possessed no viable strategy to provide potential governing competence, and their internal unity began to unravel in the Heath era. For many Conservatives engagement with modernization, as an instrument of statecraft to demonstrate their competence, was futile and self-defeating (Bulpitt 1986a: 27–8).

The Thatcherite claim to competence: 'There is No Alternative'

For Thatcherites the solution to the quandary of militant trade unionism, the inflationary spiral *and* the route map to demonstrating Conservative competence was a smaller state, free markets, lower direct taxation and the curbing of trade union power (Taylor 2005a: 142–3). Thatcherism made its claim for electoral acceptance as much through necessity as through evidence of its success. This was underpinned by the 'constant repetition' of the claim that 'there is no alternative' (McLean 2001: 226). The phrase was central to the Thatcherite response to critics within (the wets) and outside (Labour and the SDP Liberal Alliance) and became emblematic of her political style (Berlinski 2008).

The claim for competence came through two devices: deflection and depoliticization. Deflection involved persuading the electorate that they were pursuing remedial policy choices that were necessary due to the governing mistakes of the consensus era that had created decline (Stevens 2002: 120). Depoliticization was pursued in different forms. For example, Thatcherites feared that the politicization of wage determination had intensified the conflict between government and trade unions, thus leading to an increasing perception that governments were incompetent. The combined impact of eschewing a formal incomes policy, the reform of the trade unions and their pursuit of privatization was designed to 'take government out of Labour disputes' (McLean 2001: 220). Ultimately, privatization was both an economic *and* political weapon through which they could question the competence and suitability of Labour to the demands of government. Would Labour be able to look credible as a potential party of government while

maintaining their commitment to nationalization, and the need to increase taxation to fund multiple re-nationalizations (McLean 2001: 219–20)?

In this context two observations about the ‘competence’ of Thatcherite Conservatism can be identified. First, it was through time-specific means by which the Conservatives could rhetorically claim to be the party of low taxation, as the sales of nationalized assets provided the revenue stream to allow the tax deductions to seem credible. This process of rolling back the frontiers of state provided considerable opportunities for the Conservatives, but in time there would be less left to realistically roll back. So, for example, the privatizations of the Major era, Coal and Rail were more contentious, and Major actually backed away from attempting to privatize the Post Office (Seldon 1997: 505). Second, the logic of the privatization strategy for funding tax cuts and implying that taxes would have to rise under Labour was dependent upon Labour being bound to Clause IV (see below pp. 176–7).

Committed Thatcherites like to construct an interpretation of history that states that the Thatcher era restored their claim to competence, and the defeat of 1997 was solely due to the weak leadership of Major. It is fair to comment that post-Thatcherite Conservatism was undermined by evidence of policy failure. Within the first 18 months of their fourth term in office two cataclysmic policy failures – ejection from the ERM and the economic mismanagement that necessitated increases in taxation – destroyed their reputation for economic competence (Heppell 2008a: 585–8).

However, Conservative claims to governing competence were threatened in the late-Thatcher years by her unyielding commitment to the poll tax, which they were only able to overcome by removing her from the leadership. The Thatcher years also produced the conundrum of how they can be viewed as competent when unemployment escalated so rapidly. McLean implies that the Thatcherite electoral coalition was sustained by the considerable benefits secured for the south. This was sufficient to secure parliamentary majorities in a distorted first past the post-system especially when the centre/centre left was fractured. This suggests that the hardest hit by the rise in unemployment was predominantly in the industrial cities (and the north) which were Labour heartlands anyway. Those suffering were thus ‘politically excluded’ anyway and were so concentrated as to prevent Labour mobilizing them as a ‘political force’ (McLean 2001: 217, 227). However, when economic insecurities hit the Conservative south in the second recession of the late 1980s/early 1990s, this left the Conservatives far more vulnerable. That vulnerability was not exploited by Labour until the mid-1990s as they moved beyond the old politics of state intervention from the old left and the market of the new right to offer a third way alternative. The Third Way triangulated and transcended the old ideological debates by offering a new politics based on economic efficiency and social justice. It created not only a new electoral base for the left (the politics of support), but as the decade after 1997 showed, it also created a new (and competent)

policy programme for the left (the politics of power) (McAnulla 2006: 138). The triumph of New Labour appeared to have challenged the assumption that the Conservatives were the natural party of government, and this claim was built around their apparent superiority in the realm of economic management (Beech 2008: 1–3).

The ‘Statecraft’ party winning election strategy dimension: The Conservatives versus Old and New Labour

This last point demonstrates that Conservative statecraft strategies have to be viewed through the lens of their competition. Thus perceptions that the Conservatives did or did not possess internal unity, did or did not have dominance of elite debate and did or did not offer competence were claims made relative to Labour. Of these, the primary comparative advantage that the Conservatives were able to exploit electorally was the perception that Labour lacked governing credibility due to their ‘inability to manage the economy in such a way as to improve the lot and the living standards of the mass of the people’ (Mitchell 2000: 178–80).

Conservative exploitation of these perceptions was relentless and shaped the thinking of New Labour by the mid-1990s. New Labour modernizers realized that the Conservatives had crafted a potent narrative of ‘Old’ Labour which undermined their capacity to appeal to the middle classes. Not only were Labour governments incompetent, but they were a threat to the economic stability and security of the middle classes. Labour governments would increase income tax; they were dominated by the trade unions, and they only represented the interests of the poor (Buckler and Dolowitz 2009: 17).

The rhetorical use of ‘Old’ and ‘New’ Labour was central to the renewal of Labour and the unravelling of the Conservatives in the 1990s. The term ‘New’ helped the modernizers to distance *their* Labour Party from the traditional Conservative narrative of Labour as ‘economically inefficient’ (Buckler and Dolowitz 2009: 11, 16). Blair and the modernizers set about disassociating themselves from both the negative politics, but also the negative images, of Old Labour. The litmus test of modernization was the reform of clause IV of the Labour Party constitution, which through its commitment to public ownership was a symbol of Old Labour. Its continued existence was anachronistic, (as Labour would not re-nationalize if returned to office), and it provided electoral utility for the Conservatives. It enabled the Conservatives to infer that taxation would have to rise under Labour, (to finance re-nationalizations), and it indicated Labour’s misunderstanding of the global economy and the role of markets. Clause IV was successfully challenged and reformed by Blair. Labour had broken with its past and now possessed a new clause, which noted their belief in a dynamic economy, the

enterprise of the market and the rigour of competition. By doing so, the electoral strategy of the Conservatives was fatally undermined, as it was predicated on Labour's continued adherence to 'Old' Labour. Conservatives needed the threat of socialism, and the perils of trade union militancy to instil fear into the middle classes. If the trade unions were tamed, then the threat lacked the potency necessary to validate Conservative electioneering (Heppell 2006: 287–8). The mid-1990s 'New Labour, New Danger' electioneering slogan failed to gain traction as not enough of the electorate feared Blair as they had previous Labour leaders.

Once in office New Labour utilized a statecraft strategy that the Conservatives could not penetrate. New Labour had secured dominance in terms of the dimensions of statecraft – that is, party management, political argument hegemony and governing competence. Notably in the period between 1994 until the impact of Iraq, Blair secured a degree of unity that his predecessors could have only envied (Cowley and Stuart 2003: 317).

However, the primary explanation for the success of New Labour in the Blair era was the performance of the economy. With 10 years of continuous quarters of economic growth being recorded between 1997 and 2007, New Labour had a superior economic performance than any previous Labour government (Lee 2008). Moreover, until the onset of the economic crisis of late 2007, Labour could claim to have usurped the Conservatives as the party of governing competence as the economy maintained steady growth and low inflation rates while unemployment was falling (Beech 2008: 2–3). The prudence that they displayed during their first term in office helped to establish credibility with the financial markets. What was really problematic for the Conservatives was the fact that 'New Labour did not make any dramatic mistakes', and 'there was no currency crisis; no flight of capital; no balance of payments crisis; no recession; no failure to control either public spending or inflation' (Sanders et al. 2001: 801). By presiding over such prolonged economic stability they had denied the Conservatives the trigger that could allow them to demonstrate the economic incompetence of Labour. They framed party competition on economic matters as a choice between investment under Labour or cuts under the Conservatives (Rawnsley 2010: 654).

Conservative statecraft dilemmas: Post-Cameron?

The economic crisis of 2008 changed the dynamics of British politics. The prevailing quandary of public service delivery which had provided political argument hegemony for New Labour changed. A new quandary emerged in the shape of deficit reduction and the need to rebalance the economy. The Conservative narrative of moving away from Big Government to allow space for the emergence of the Big Society has not gained the traction

within the electorate that Cameron would have hoped for. While there is a reluctant acceptance of the necessity for a retrenchment of the state, gaining dominance on the methods and speed will be central to electoral competition in forthcoming years. Compelling the Liberal Democrats to endorse their economic recovery route map in order to form the coalition gave the Conservative initial benefits. It enabled them to narrate unpopular choices around necessity and national interest, rather than ideology. However, the subsequent economic record of the coalition has magnified electoral concerns about their competence. A positive that the Conservatives can take is that electoral doubts still remain about the credibility of Labour; thus deflection and the appropriating of blame will remain a key ingredient of Conservative electioneering.

With the Big Society narrative unable to provide the basis for dominance in elite debate, and the performance of the economy limiting their claims to competence, it is not surprising that tensions within the PCP have gathered apace. Cameron had initiated a modernization process in opposition that sought adaptation of Conservatism from its Thatcherite legacy. Cameron accepted the Thatcherite legacy in the economic and European spheres and is legitimately labelled as dry and Eurosceptic. His deviation from, and transcending of Thatcherism, was in the social sphere, and has never truly been embraced by a PCP which is predominantly socially conservative (Heppell 2013a). Many social conservatives happen to also be hard Eurosceptics, who fear that Cameron is allowing the Conservatives to be outflanked on the right by UKIP. Due to these concerns, combined with the limits to the use of patronage caused by being in coalition, Cameron has experienced an increase in rebellions (in Parliament), and criticism (through the media) of his strategic approach. This interpretation shows that moving beyond Thatcherism has been hugely problematic for the Conservatives. The Cameronite statecraft strategy is characterized by fragility. Doubts exist about his capacity to keep the Conservatives in office after 2015. Should they enter opposition then a further process of adaptation will occur, re-orientating Conservatism once again.