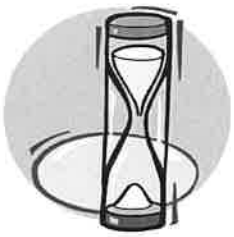
Timeline of British History (1979–2007)


1978–9 Sustained industrial unrest results in the *'winter of discontent'* and helps Margaret Thatcher win power for the Conservatives.

1979 Margaret Thatcher *(right)* is elected as Britain's first female prime minister as the Conservatives return to power after five years in opposition. Michael Foot takes over from Callaghan as Labour's new leader.

1980 Thatcher removes the link between pensions and average earnings to control public expenditure. She also introduces laws to limit powers of trade unions, privatises nationalised industries and encourages greater home ownership.

1981 The *'Gang of Four'* break away from the *'moderate'* right-wing of the Labour Party to form the SDP *(Social Democrat Party)*.

1982 The Falklands War *(right)*, commences in April after Argentina invade the islands. Britain declares war and reclaims the territory after 74 days, boosting Thatcher's status ('Falklands factor').

1983 After the Falklands victory, Thatcher wins the general election in a landslide triumph. Opposition is divided and Labour's worst post-war result sees Neil Kinnock succeed Foot as leader.

1984 The miners' strike begins. After a year of violence and unrest, the trade unions are defeated and Thatcher is victorious.

**Brighton bomb – the IRA attack the Conservative Party Conference, almost killing Thatcher and her cabinet.*

1986 The Single European Act is signed by Margaret Thatcher, leading to much closer European integration.

**The 'Westland affair' leads to Michael Heseltine's resignation from the cabinet, creating a potential rival for Conservative leadership.*

1987 A historic third election win for Thatcher amidst economic boom. The downside sees unemployment creeping up.

1989 The Poll Tax is introduced in Scotland, a year ahead of the rest of the UK. Chancellor Nigel Lawson resigns in protest at Thatcher's style of leadership and use of political advisers.

**Britain joins the ERM (Exchange Rate Mechanism) – a cross-European currency link.*

1990 Riots in London and other cities against the flagship Poll Tax, damaging Thatcher's position. Prior to her departure from office, Deputy Prime Minister Sir Geoffrey Howe resigns, criticising the Prime Minister's leadership style.

**After over eleven years as prime minister, Thatcher reluctantly resigns after leadership challenge by Michael Heseltine. John Major* (right) *succeeds her as prime minister.*

1992 **Against all the odds, John Major wins the 1992 general election with a narrow parliamentary majority of 21, the Conservatives' fourth victory in a row.**

****Black Wednesday – September 1992 – the pound leaves the ERM, destroying Conservatives' economic credibility.***

1993 John Major's disastrous 'back to basics' campaign leads to further loss of support for the Conservatives.

1994 Tony Blair *(right)* becomes the new leader of the Labour Party, launching 'New Labour' and 'modernising' the party in the process.

1995 John Major wins leadership election to remain Conservative leader and outflanks his critics.

Tony Blair removes 'Clause 4' (of nationalisation of industry) from the Labour Party's Constitution.

1996 Following defections and deaths of MPs, at the end of 1996 John Major loses his parliamentary majority and the Conservatives form a minority government.

1997 Labour takes office for the first time in 18 years under Tony Blair *(right)*, with a landslide 179 seat majority. The Conservatives suffer their heaviest election defeat of the twentieth century.

1997–8 Devolution introduced in Scotland and Wales, while Northern Ireland agrees to peaceful government with the signing of the Good Friday Agreement (1998).

2001 Blair is re-elected with a second landslide election victory. The 9/11 terrorist attacks *(right)* have major impact on both foreign and domestic policies of Blair's Government.

2003 — Blair controversially supports US invasion of Iraq, causing major divisions within the governing party and across the country.

2005 — Despite growing unpopularity and the failures of Iraq War, Blair is re-elected with a reduced majority, becoming the first Labour prime minister to win three successive general elections.

2007 — After ten years as prime minister, Tony Blair stands down to be replaced by his long-term Chancellor and political rival, Gordon Brown *(right)*.

Introductory History Exercise

Key figures of Britain 1979–2007

Using textbooks and the Internet, can you find out at least six things about **one** or more of the individuals below? Present your findings to the rest of your group.

Margaret Thatcher 	
John Major 	
Tony Blair 	

The Impact of Thatcherism (1979–1990)

After two demoralising yet very close general election defeats in 1974, Edward Heath was ousted by Margaret Thatcher as Conservative leader in February 1975. Many historians mark this date as the end of the so-called 'years of consensus' in British politics. Four years later in 1979, in the midst of trade union unrest, Thatcher eventually came to national power with a convincing parliamentary majority of 43. On being elected and as she was about to enter 10 Downing Street for the first time as prime minister, Margaret Thatcher quoted St Francis of Assisi, stating:

> *Where there is discord, may we bring harmony. Where there is error, may we bring truth. Where there is doubt, may we bring faith, and where there is despair, may we bring hope.*

There would be much debate over future years as to whether she successfully fulfilled this religion-inspired promise. The swing of 5.2%, which was the biggest since 1945, indicated a clear mood change within the British electorate, and Thatcher appeared to offer a clear vision of what she was against, but was less clear about what she proposed to do or what she was for. She was thrust into office in an existing environment of industrial decline and rampant trade union power and subsequently:

> *Thatcher's style was deliberately confrontational. She made no secret of the fact that she intended to blow apart misbegotten notions of* ***'consensus'***.[1]

Party	MPs
	1979
Conservative	339
Labour	269
Liberal	11
Others	16

Thatcher and her ***'New Right'*** allies were quite explicitly against the *'years of consensus'* that had existed between 1945 and the mid-1970s, and they represented *'a major departure from the political consensus on welfare… (and) also a fundamental change of direction for the Conservatives'*.[2]

Task

Look at the Conservative Party's 1979 manifesto on the Internet and try to find evidence that the party's policies represented a new direction after the 'years of consensus'? Try to list at least five policy examples to support this viewpoint.

The following web links may be of use for this purpose:

- *http://www.margaretthatcher.org/document/110858*
- *http://www.conservativemanifesto.com/1979/1979-conservative-manifesto.shtml*

New Right

The 'New Right' is a conservative political movement that emerged in the USA and Britain in the late 1970s and 1980s. Its views consisted of a combination of very liberal (neo-liberal) attitudes towards the free-market capitalist economy, combined with conservative social attitudes relating to personal responsibility, morality and the importance of maintaining law and order.

1 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 4, p. 43.

2 C Collette & K Laybourn, *Modern Britain Since 1979* (2003), Ch. 1, p. 8.

The *'Thatcherites'* as they became known, identified successive Labour and Conservative governments as pursuing failed *'Keynesian'* policies that were damaging Britain's economic performance. They argued that the state had to do less and the individual be given more freedom in order to improve general living standards, offering a significant review of the relationship between state and citizen over the previous thirty years. They had also not forgotten the political humiliation suffered by the Conservatives in 1974 at the hands of what they believed to be an over-powerful trade union movement that needed to be restricted and controlled.

Margaret Thatcher as leader

As well as being the first female prime minister, Thatcher was unusual in other respects. She was not part of the semi-aristocratic Conservative hierarchy of landowners and gentry, but instead came from a lower middle class background, the daughter of a grocer with distinctly traditional *'Victorian values'*. Thatcher rejected the paternalistic approach of the *'One Nation'* Conservatives and preferred a more 'individualistic' free market outlook.

A key influence was the American economist **Milton Friedman** who devised the idea of monetarism as an alternative to socialism. She and her allies on the **'New Right'** such as Keith Joseph were also particularly influenced by **F A Hayek's** *(right) 'The Road to Serfdom'* (1944), an academic attack on collectivist government. Below is an extract which outlines Hayek's *'individualistic'* viewpoint on economic management:

> *As soon as the state takes upon itself the task of planning the whole economic life, the problem of the… different individuals and groups must indeed become the central political problem. As the coercive power of the state will alone decide who is to have what, the only power worth having will be a share in the exercise of this directing power.*
>
> *This single power, the ruling group, should have control over all human ends, and particularly that it should have complete control over the position of each individual in society.*[3]

Although Margaret Thatcher herself had no clearly formulated ideology on taking office in 1979, she instead had a *'gut instinct….. to break away from the consensus that the two main parties had shared since the Second World War.'*[4] This rejection of much of the post-war **consensus** (political agreement) and an increasing adherence to such *'radical'* policies and ideas would subsequently make Thatcher ***'the most controversial prime minister in post-war British history'***.[5]

3 F A Hayek, *The Road to Serfdom* (1944), pp. 80–81.

4 Andy McSmith, *No Such Thing as Society: A History of Britain in the 1980s* (2011), Ch. 1, p. 20.

5 Alan Sked & Chris Cook, *Post War Britain: A Political History* (4th ed., 1993), Ch. 12, p. 328.

Thatcher's economic policies and their impact

Amidst early economic difficulties, there was division within the cabinet as many ***'One Nation'*** moderates within the Conservative Party urged Margaret Thatcher to ease off and review some of her monetarist economic policies which involved severe cutbacks in public spending. Such criticism tended to come from the *'Heathite wets'* such as *Ian Gilmour, Francis Pym and James Prior*, the Conservative old guard who Thatcher often dismissed as *'Those Tory grandees'*, and who were systematically removed from her cabinet over the years. At the 1980 Conservative Party Conference, in an atmosphere of growing social discontent due to her economic policies, Thatcher responded in typically forthright manner to calls to review her economic approach with a policy U-turn:

> *You turn (U-turn) if you want to, the lady's not for turning.*

These sentiments, expressed in what became a landmark speech, cemented Thatcher's burgeoning image as a strong leader and went some way to establishing her as the ***'Iron Lady'***– a force to be reckoned with in British politics. The explicit dismissal of a U-turn was also a pointed criticism of Heath's U-turn over economic policy in the early 1970s.

How Thatcher tackled inflation

Thatcher and her first Chancellor of the Exchequer, *Geoffrey Howe,* targeted inflation as the scourge of the British economy, given that it peaked at 26% in the mid-1970s, and was still overhigh when the Conservatives took office.

> *Inflation was a monetary phenomenon which it would require monetary discipline to curb.*[6]

Thatcher and Howe believed that excessive inflation was at the root of Britain's economic difficulties and poor performance throughout the 1970s. Harsh public spending cuts and **monetarism** were the Thatcherite medicine for dealing with the key problems of inflation, balancing the national budget and dealing with militant trade unions.

Monetarism

This economic theory focuses on inflation as the key economic indicator that needs to be managed in a modern economy. This viewpoint believes that inflation is caused by an excess quantity of money within the economic system, and is closely aligned with a free-market outlook. The emphasis is, therefore, on the need to control the money supply along with the provision of credit (financial loans), in order to generate economic prosperity while controlling inflation.

Key Thatcherite economic tools were as follows:

- Raising interest rates
- Reducing government expenditure and borrowing and running a balanced budget
- Direct and indirect taxes raised in the short term, notably VAT
- Deregulation of state controls and reduced subsidies to industry

Inflation

A general rise in the average level of prices.

Interest Rate

The percentage rate paid for the use of money, by the borrower to the lender.

6 Margaret Thatcher, *The Downing Street Years* (1993), Ch. 1, p. 33.

Key Question

Did monetarism mean that high levels of unemployment, social unrest and trade union anger were inevitable?

Key Thatcher Cabinet Members

- **Geoffrey Howe** – Chancellor of Exchequer, Foreign Secretary and Deputy Prime Minister (1979–1990). Viewed as one of her most loyal supporters until he resigned and publicly criticised her leadership style in 1990.
- **Nigel Lawson** – Chancellor of Exchequer (1983–1989). Along with Howe, seen as one of the principal architects of Thatcherite economic policy. Like Howe, he tired of her autocratic style and resigned in 1989, before arguing for her removal in 1990.
- **Michael Heseltine** – Environment Secretary, Defence Secretary (1979–1986). Influential in Thatcher's downfall after resigning from her cabinet in 1986 and challenging her for the party leadership in 1990.
- **Norman Tebbit** – Employment Secretary, Trade Secretary, Conservative Chairman (1981–1987). Another loyalist of Thatcher, but one who remained loyal. Was heavily involved in passing anti-trade union employment laws and steering the government through the 1984–1985 miners' strike. Stood down to care for his wife after they were both injured in the 1984 Brighton Bombing.

Thatcher's early Budgets have been summarised as follows:

> *Faced with an annual inflation rate well in excess of 20 per cent, Thatcher moved to redistribute income in favour of the rich in Geoffrey Howe's tax-cutting Budget of 1979…She then moved to control the supply of money, supporting Howe's 1981 Budget, which raised taxes during a recession – a monetarist action designed to reduce inflation – which ran contrary to accepted 'Keynesian' policy.*[7]

Howe's first Budget raised indirect taxation (e.g. VAT) as a means of controlling soaring inflation. It did, however, cut direct taxation, notably in relation to the top level of income tax which was cut from a punitive 85% down to 60% in 1979. Limits on government spending and borrowing were also introduced as part of the first phase of monetarism. Howe's most significant Budget is often viewed as the one which took place in 1981, which saw significant spending cutbacks, with social unrest to follow in various inner-cities. There are contrasting views of this particular Budget with the Thatcherites seeing it as:

> *…the epitome of soundness, an exercise in rigour that laid the foundations for the strong economic recovery*[8]

By contrast, the 'wet' liberal Conservatives and some left-leaning commentators despaired of the social implications of such fiscal conservatism, while 364 economists famously wrote a letter to *The Times* newspaper in 1981 warning that such hardline monetarist policies would exacerbate an already damaging recession and create further unemployment.

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7 C Collette & K Laybourn, *Modern Britain Since 1979* (2003), Ch. 1, p. 8.

8 Larry Elliott, 'Budget 2010: George Osborne's austerity package haunted by spectre of 1981', *The Guardian*, 22nd June 2010, *http://www.guardian.co.uk/uk/2010/jun/22/budget-budget-deficit*

The successful evidence of the Conservative government's purge against inflation could be seen in figures which indicated that inflation had **fallen by 21.8% in April 1980 to 3.7% in June 1983**, although the figure would fluctuate. This was a great economic achievement but at the cost of high levels of unemployment, peaking at over three million on two separate occasions, and generally high **interest rates**, which ranged between 10 and 17% for most of the 1980s.

High interest levels were seen as a key element in controlling the money supply as part of monetarism. There was also a sharp decline in manufacturing output due to these policies, with some consequences of Howe's early Budgets *'spectacularly gruesome'*.[9] Chancellors Howe and then Lawson gradually abandoned monetarism by 1986 with unemployment rapidly rising, inflation falling, but with the money supply rising rapidly: a situation ostensibly impossible according to monetarist theory. Critics of this economic policy argued that it was actually the lack of spending power due to unemployment which reduced inflation, not the government's attempts to control the money supply.

Recession

A period of temporary depression in economic activity or overall prosperity. It more specifically refers to a decline in any nation's Gross Domestic Product (GDP), or negative real economic growth, for two or more successive quarters of a year.

Thatcher's economic policies had led to a sharp **recession** from 1979–1982, during which period unemployment rocketed from one million in 1979 to a staggering three million by 1983, a figure only matched in the twentieth century during the depression-plagued 1930s. This was largely due to government spending reductions and the economy actually **shrank by 2% in 1981**. Such negative factors resulted in significant social problems and unrest, and notable riots in *Brixton, Bristol* and *Liverpool (Toxteth)*, with elements of racial tension evident in such unrest. The impact of such discord meant that *'throughout 1981, Britain was a country nowhere near to being at peace with itself'*.[10] Cabinet minister Michael Heseltine recalled the turbulence of *'that long hot summer of 1981'*[11] in his political memoirs:

> *The trouble had begun with the riots in Brixton over Easter. In July the rioting was more widespread: in South London, in Southall, in Moss Side in Manchester, in Birmingham, Preston, Wolverhampton, Hull and to a lesser extent in other cities around the country. But among the very worst was that which took place over a period of a week or more in Toxteth, Liverpool.*[12]

Questions and Talking Points

1. Outline key differences between monetarism and Keynesianism economic policies from 1945 to the 1970s. Focus on the following points: money supply, inflation, taxation, public spending levels, interest rates.
2. Why was there so much civil and social unrest in the early 1980s?

9 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004) Ch. 2, p. 21.
10 Hugo Young, *One of Us* (1989), Ch. 12, p. 239.
11 Michael Heseltine, *Life in the Jungle* (2000), Ch. 12, p. 215.
12 Michael Heseltine, *Life in the Jungle* (2000), Ch. 12, p. 215.

The Falklands War (1982)

Lead-up to conflict

There had been simmering tensions for some time about ongoing British sovereignty over the distant **Falkland Islands,** a one-time part of the Empire situated over 8,000 miles from mainland Britain. Given its location just off the Argentinian coast in the South Pacific, it was a group of islands which Argentina referred to as 'The Malvinas' and sought to reclaim for itself. Following some significant defence cuts and the withdrawal of British forces from the area from the late 1970s onwards, the unpopular military 'junta' that controlled Argentina saw an opportunity to boost its position, and on 2nd April 1982 it ordered the invasion of this distant British colony.

Political context and key events

The Argentinians had wrongly calculated that Britain was too weak to respond in military terms, and despite advice from some ministers and Foreign Office civil servants to negotiate a peace deal, Margaret Thatcher was determined to avenge this aggression. She consequently sent out a large British task force within days of the invasion. The military conflict formally commenced when British forces arrived on the islands on 30th April 1982.

By mid-June the islands had been recaptured with the loss of 254 British troops and approximately 700 Argentinians, at a financial cost of approximately £700 million for the British government. The most controversial incident of the conflict was Thatcher's order to sink the Argentinian warship *The General Belgrano* on 2nd May 1982. It was sunk because the British Navy claimed it had breached an 'exclusion zone' around the islands, but Argentina claimed the ship was outside it. It led to the deaths of over 300 Argentinian sailors and some have subsequently accused Thatcher of being responsible for a 'war crime' in carrying out this order. However, others have hailed it as decisive leadership which proved to be a turning point in the war.

Consequences of the conflict

The British military victory was confirmed when the Argentinians surrendered on 14th June 1982, and after a period of tension and uncertainty as to how the conflict would develop, Britain had appeared to re-assert itself on the international stage. There were then some major domestic political consequences that followed, and it ultimately appeared worth it for Thatcher and her government, with the government's popularity soaring as a result.

Prior to the Falklands conflict the Conservatives were staring down the barrel of electoral defeat. Unemployment was rising and the opinion polls were indicating a loss of power at the next election. In November 1981 the formerly safe Conservative seat of Crosby on Merseyside fell to the SDP's Shirley Williams in a stunning by-election result. Had the war gone wrong, the consequences would almost certainly have seen the departure of Margaret Thatcher as prime minister, and this was a risk she was fully aware of throughout the conflict. This perceived national 'regeneration' brought about by the war created a surge in patriotism back in Britain and a boost in her own self-confidence. This was a major boost for the Conservatives' election prospects, which had previously been troubled by a recession, rising unemployment and the emergence of the SDP (following this new party's breakaway from the Labour Party in early 1981).

For further details on the 1982 Falklands War, the following website has lots of good detail and information:

- *http://news.bbc.co.uk/1/hi/in_depth/uk/2007/falklands_anniversary/default.stm*

There is also a good timeline below:

- *http://www.telegraph.co.uk/news/2016/06/14/the-falklands-war-timeline/*

The 'Falklands Factor' was the single most important factor in the large Conservative election victory of 1983.[13]

Some have argued that the Falklands victory was part of a more **assertive foreign policy** under Margaret Thatcher, which included a more active and vigorous role against the Soviet Union as part of the Cold War.

Thatcher and the Cold War

The election to office of Thatcher in 1979 and **Ronald Reagan** *(below)* in the USA a year later, proved to be very significant for the development and ultimate outcome of the **Cold War**. This tense international conflict had existed between the capitalist West and the communist Eastern Europe since 1945. Reagan and Thatcher shared a *'right-wing'* ideology and were ardent *'free market'* capitalists determined to challenge and undermine the Soviet Union, a nation they perceived to be an ideologically bankrupt communist state.

13 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 8, p. 99.

President Reagan's initial retreat from *'détente'* to a more aggressive style of diplomacy towards the Soviet Union in the 1980s was ardently supported by his key ally Margaret Thatcher. As the 1980s progressed, it became clear that Thatcher and Reagan used their shared capitalist ideology to strengthen their unity in often tense diplomatic dealings with the Soviet Union and its opposing communist viewpoint. This close ideological affinity between Thatcher and Reagan formed the basis of an extremely close **'special relationship'** during the 1980s.

Détente

Détente is a French term used in recent times to refer to a relaxing or easing of tension. It has been used in international politics particularly since the early 1970s, primarily relating to the general easing of tensions between the Soviet Union and the USA and a general thawing of the Cold War from approximately the late 1960s until the early 1980s.

Many believe that such a united approach was a key factor in bringing Moscow and President **Mikhail Gorbachev** to the negotiating table and ultimately contributed to the collapse of various Eastern European communist regimes in the late 1980s, the end of the Cold War in the West's favour and the eventual break-up of the Soviet Union in 1991. Thatcher was said to have played a useful intermediary role between the two superpowers:

> *She used her good relationship with Gorbachev to demonstrate…that she was a key player on the world stage, able to move easily between the superpowers.*[14]

Thatcher's support for the USA in this ideological conflict with the Soviets included the storage of cruise missiles on Greenham Common, sparking significant protests from **CND** *(Campaign for Nuclear Disarmament)*, and also allowing US aircraft to fly over British airspace when bombing Libya in 1986. Thatcher's high-profile visit to the Soviet Union in early 1987 projected her as a world stateswoman and generated powerful images that enhanced her reputation in the run-up to the 1987 general election. As US–Soviet relations thawed and the Cold War appeared to be reaching its peaceful conclusion by the final years of the 1980s, episodes such as the fall of the Berlin Wall (1989) and the reunification of Germany (1990) were seen to be major events in this process. Given her close infraction with both superpower leaders over previous years, Margaret Thatcher could claim to have played an important role in the build-up to this dramatic shift in global relations.

This burgeoning international role appeared to have played a part in transforming Britain's position on the international scene, having been viewed as 'the sick man of Europe' in the 1970s. While Britain could never claim to have the military or economic capacity of either of the major superpowers, by the mid to late 1980s it appeared to have a valuable contribution to make as a key player in world affairs. The implications of this were a marked improvement in Britain's reputation in the international arena.

1983 general election and beyond

Party	*MPs*
	1983
Con	397
Lab	209
Lib	23
Others	21

After the patriotic frenzy created by the 1982 Falklands War, Thatcher won a massive electoral victory in 1983 with a parliamentary majority of 144. This overwhelming re-election for a second term was all the more remarkable considering there were three million people unemployed at the time. This year marked the high point of Conservative post-war fortunes. She was assisted by a divided opposition, with the Labour defectors, the SDP, taking a quarter of the popular vote as Labour slumped to a post-war low.

14 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 9, p. 111.

During the 1983 general election campaign, Labour's left-wing shift under **Michael Foot's** leadership had resulted in policies that were seen by the wider public as extreme and unpopular, with its radical manifesto later famously described by one Labour MP as *'the longest suicide note in history'*. Further damaged by its SDP defectors, the Labour Party appeared to be in a very poor position as an alternative government. Many wavering voters, therefore, rejected Labour, as opposed to enthusiastically endorsing the Conservatives.

The Prime Minister now appeared to be much more focused and *'driven by conviction'*[15] as Thatcherite policies developed further and took shape as an ideology. From the outset, this administration appeared more confident and focused:

> *Far more successful than the first…it had direction, it became increasingly committed to the privatisation of public services and the reduction of public expenditure… on the welfare state.*[16]

Labour divisions – The Gang of Four and the SDP

The eventually decisive Conservative general election victory of 1983 was certainly helped by ongoing Labour Party divisions. Such divisions came to a head after the party's general election defeat in May 1979, with each party faction blaming the other for the loss of power. The following year, 1980, saw the election of Michael Foot as the new Labour leader, a figure from the party's left-wing faction which was now in the ascendancy. The left-wing radical Tony Benn (*right*) also only lost out on winning the deputy leadership to the more moderate Denis Healey by the tiniest of margins.

Foot's leadership position was too much for the party's moderate wing to take, and in January 1981 former Labour ministers **Roy Jenkins, David Owen, Shirley Williams and Bill Rodgers** issued the **'Limehouse Declaration'**, *'calling for a new start in British politics… duly formalised as the Social Democratic Party or SDP two months later'*.[17]

The SDP's main policy grievances with Labour were focused on its left-wing economic policies, its defence policies involving nuclear disarmament and its *'anti-Europeanism'* and desire to withdraw from the EEC. The four prominent MPs at the SDP's head became known as ***'The Gang of Four'*** and this new party threatened to *'break the mould'* of British politics and was initially bolstered by the defection of 13 Labour MPs and one Conservative MP to its ranks.

Despite winning a series of high-profile by-elections in 1981–1982, namely from the Conservatives in Crosby and in Glasgow, the SDP fizzled out as a political force against the might of Thatcherism. The SDP won only six MPs in 1983 as part of an alliance with the Liberals and by the late 1980s the party had ceased to be an effective player on the British political scene. Most of its members joined the newly formed Liberal Democrats in 1988, but a few die-hards fought to the bitter end until the party was finally dissolved as an organisation in 1990.

15 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 12, p. 146.
16 C Collette & K Laybourn, *Modern Britain Since 1979* (2003), Ch. 1, p. 9.
17 Andrew Marr, *A History of Modern Britain* (2007), p. 396.

Post-election aftermath

In the aftermath of her second and most decisive general election victory in 1983, Thatcher appeared to have transformed her political fortunes and a dominant period of her leadership now beckoned. A new ideology known as ***'Thatcherism'*** had been coined by the media, and as one commentator observed:

> *Thatcher was the only twentieth-century prime minister to become eponymous (by) the use of the term 'Thatcherism'.*[18]

Key Principles of Thatcherism

- The 'free market' ideas/philosophy of Thatcher's ideological mentors Sir Keith Joseph and Enoch Powell
- Return to nineteenth-century classical laissez-faire economics
- Reduced role for the state (government)
- Victorian values
- Priority of market forces
- Creating a culture of enterprise
- Monetarism
- Focus on individualism and self-help
- British patriotism and nationalism

Not everyone agrees with this idea of a *'Thatcherite'* philosophy, as many critics believe that Thatcherism was based on opposition and prejudice towards certain issues, e.g. trade union power, excessive state influence, etc. and that these *'principles'* were put together in a somewhat pragmatic way. However, what soon became clear was that the interpretation of 'Thatcherite' policies would create significant political and social division within Britain.

Questions and Talking Points

1. Was Thatcherism a credible political philosophy?
2. In what ways did Thatcherism mark a break from the political consensus of the post-war years.
3. Summarise the key factors in the 1983 general election result.

18 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 1, p. 2

Margaret Thatcher generally became more hostile to all things European the longer she remained in office. In 1984 she negotiated a **financial rebate** from the European Union due to Britain getting a poor deal relating to how much countries paid into Europe and how much they got out. This was mainly due to the UK's relatively small farming sector, which resulted in Britain receiving only a small share of European farming subsidies. She signed the **Single European Act in 1986,** when, somewhat ironically given her scepticism towards Europe, 'she transferred more **sovereignty** to the European Community than anyone has done before or since'.[19]

> ***Sovereignty***
> Supreme authority within a territory.

However, her evolving mood was particularly evident in her hostile and Eurosceptic **'Bruges Speech'** in September 1988:

> *To try to suppress nationhood and concentrate power at the centre of a European conglomerate would be highly damaging and would jeopardise the objectives we seek to achieve. Europe will be stronger precisely because it has France as France, Spain as Spain, Britain as Britain, each with its own customs, traditions and identity. It would be folly to try to fit them into some sort of identikit European personality.*[20]
> ***Margaret Thatcher, Bruges Speech, 20th September 1988***

This speech has been viewed as a key moment in the modern Conservative Party's attitude towards Europe, as it:

> *...did reconfigure Conservative political discourse on Europe and legitimated Eurosceptic opinion.*[21]

The **Bruges Group** of Eurosceptic Conservative MPs was formed in commemoration of this speech, and such anti-European hostility was heightened by the **1988 Immigration Act** which gave enhanced rights of immigration to citizens of the EEC (later known as the EU). However, not all in her party shared her growing hostility to Europe. Tensions also emerged within the Conservative Party over proposals to build a Channel Tunnel which would improve transport and trade links with continental Europe. Some Conservatives were less enthusiastic than others, fearing a further undermining of Britain's geographical detachment and political **sovereignty.** However, commercial and business interests prevailed, with work commencing in 1988 and the landmark project being eventually completed in 1994.

Tensions over Europe appeared to come to a head with the damaging resignation speech of former Deputy Prime Minister **Sir Geoffrey Howe** in November 1990. Howe cited Thatcher's negative attitude to Europe and reluctance to join the **ERM (Exchange Rate Mechanism)** as being damaging to Britain's national interest. Britain's trade with Europe had increased from 30% to 50% since 1973 and this was cited by pro-Europeans as a key factor in maintaining constructive relations with the European Community.

19 Michael Heseltine, *Life in the Jungle* (2000), Ch. 16, p. 348.
20 Source: *http://www.margaretthatcher.org/speeches/displaydocument.asp?docid=107332*
21 Andrew Geddes, 'Europe' in Kevin Hickson (ed.), *The Political Thought of the Conservative Party since 1945* (2005), Ch. 6, p. 115.

From 1989 onwards Britain entered another recession, the second significant economic downturn during the Thatcher administration when unemployment again peaked at over three million. Some Eurosceptics have blamed the onset of this economic slump on the decision to join the **Exchange Rate Mechanism (ERM)** in October 1990, a policy Thatcher is said to have adopted reluctantly under pressure from pro-European ministers. This policy, which continued under John Major's premiership from 1990 onwards, was part an anti-inflation strategy, whereby the pound's interest rate was linked in with the German mark at all costs. This often resulted in interest rates that were higher than some believed they should be. The reasons for joining were emphasised by Sir Geoffrey Howe in his resignation speech in November 1990:

The conduct of our policy against inflation could no longer rest solely on attempts to measure and control the domestic money supply. We had no doubt that we should be helped in that battle, and, indeed, in other respects, by joining the Exchange Rate Mechanism of the European monetary system.[22]

Thatcher's increasing level of hostility to Europe was a key factor in many of her own party turning against her in 1990, as they felt her attitude to the continent was harming Britain's influence within this sphere:

> *Her uncompromising stance on the European Community did not unify the cabinet and contributed to an image of a government that was both arrogant and divided.*[23]

It was perhaps no coincidence that her chief opponent for the leadership in 1990, Michael Heseltine, was an ardent pro-European. In the post-Thatcher years, Europe has appeared to represent the great 'fault line' running through the party, creating damaging divisions in its wake. One commentator has gone as far as describing the European issue as having *'formed the fault line of Conservative politics at least since 1945'*.[24]

Impact of Thatcherism on society

The miners' strike 1984–1985

In March 1984, simmering trade union unrest exploded into a full-scale miners' strike, which erupted as a successor to the two large strikes of the early 1970s and which went on to become *'the longest major strike in British history'*.[25] The National Coal Board had announced proposals to close 20 mines with the loss of 20,000 jobs, and such plans to streamline and close hundreds of coal pits provoked an inevitable angry response from the mining unions. An earlier threat to strike had been curtailed in 1981 when a deal was struck with the unions.

However, many within the Conservative Party's leadership now saw the ideal opportunity to instil greater economic efficiency into the mining industry, along with the opportunity for a degree of revenge following Heath's humiliation at the hands of the *National Union of Mineworkers (NUM)* in 1974. This latter factor was particularly relevant to Thatcher who had been a cabinet minister in Heath's government, and her administration felt that it was in a strong position in relation to the miners, being less reliant on British coal for electricity as had been the case in the past.

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22 Sir Geoffrey Howe, speech in the House of Commons, Hansard, 13th November 1990, Column 461.

23 Dennis Kavanagh & Anthony Seldon, *The Powers Behind the Prime Minister: The hidden influence of number ten* (1999), Ch. 7, p. 205.

24 Philip Norton, 'The Constitution' in Kevin Hickson (ed.), *The Political Thought of the Conservative Party since 1945* (2005), Ch. 5, p. 100.

25 Sammy Palfrey, *Writing and the Miners' Strike 1984–85*, Working Class Movement Library, Bulletin No. 12.

It was also an opportunity for the Thatcherite ideology to address the *'trade union problem'* once and for all, as it had pledged to on taking office in 1979. The Thatcher administration's *'free market'* approach had sourced cheap overseas coal supplies to prevent the over-reliance on domestic coal resources. Following her recent electoral success and defeat of the Argentinian invaders of the Falklands, Thatcher felt increasingly confident in dealing with what she viewed as *'the enemy within'*.

> *Governments had walked in fear of a coal strike for decades… Margaret Thatcher's government had broken not just a strike but a spell. Parliament had regained its sovereignty.*[26]

With the weight of the government's resources and the police behind her and with coal supplies stockpiled in preparation for this dispute, it was always likely that Thatcher would emerge from the strike victorious, unlike the less focused Heath in the 1970s. However, some have claimed that she also enjoyed a degree of luck during this prolonged and bruising crisis, where violence and clashes between miners and police were common occurrences at picket lines throughout 1984 in particular, creating significant social instability in the process. The strike created great division across Britain, with many people, primarily those on the left of politics and within mining communities, strongly sympathising with the miners' plight, particularly the impact that the strike had on their families:

> *Bitterly divided in many areas, subjected to intimidation and violence by militants in some parts of the country, and in others facing a desperate struggle to make ends meet while the dispute continued.*[27]

The impact of the strike on the country's mining communities was harsh in both social and economic terms, with striking miners receiving no pay and relying on union hardship funds and external charity for a prolonged period. Many families were divided between striking and non-striking miners and there was further regional division between striking and non-striking parts of the country. Once the strike had been won in the government's favour, many mining communities became wastelands of deprivation and high unemployment for many years to come.

Some cabinet ministers later admitted that despite the determined focus of the Thatcher Government in winning this struggle, there were times during the strike when it was unclear who would win the day and that Thatcher's career hung in the balance. Many *'One Nation'* Conservatives were alarmed by the aggressive and unsympathetic stance Thatcher adopted towards the miners during this bitter industrial dispute, particularly as many mining communities suffered great hardship as a result of such events. Thatcher was accused by her opponents of wanting to destroy the power of trade unions in revenge for the events of the 1970s, and was ultimately greatly strengthened by this industrial victory, assisted in her cause by divisions between the miners themselves:

> *Thatcher was lucky to defeat the miners, the lack of unity amongst the miners' unions helping her cause.*[28]

Thatcher's determination was, therefore, aided by some political luck in that the leaders of the mining unions did not comply with her new trade union legislation. With the Yorkshire-based NUM leader **Arthur Scargill** calling the strike without an official ballot *(required by Thatcher's new legislation)*, this alienated miners in Nottinghamshire in particular, the majority of whom carried on working throughout the strike. This factor helped to strengthen the government's position significantly and the strike formally ended a year later in March 1985, with the miners beaten and divided and Thatcher victorious.

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26 Norman Tebbit, *Upwardly Mobile* (1989), Ch. 11, p. 302.

27 Alan Sked & Chris Cook, *Post War Britain: A Political History* (4th ed., 1993), Ch. 14, p. 449.

28 C Collette & K Laybourn, *Modern Britain Since 1979* (2003), Ch. 1, p. 9.

Consequently, many largely northern mining communities went into terminal decline, as did the one-time trade union giant the NUM, which lost the bulk of its membership as the mines closed in the following years; indeed its membership fell by 72% between 1979 and 1986. Thatcher's confrontational approach in defeating the miners was symptomatic of her belief that British industry needed modernising, although whether in doing so she saved or destroyed Britain's long-term economic and industrial base has been a matter of significant debate in subsequent years.

Task

To find out more about the 1984–1985 miners' strike, particularly in relation to its social and economic impact on Britain's mining communities, watch the films *Brassed Off* (1996) and *Billy Elliott* (2000) which are set during this period of divisive industrial conflict. Again, be aware of bias along with factual evidence. For further details on the 1984–1985 miners' strike, the following website has lots of good detail and information:

http://news.bbc.co.uk/1/hi/in_depth/uk/2004/miners_strike/default.stm

Questions and Talking Points

1. Why did Thatcher refer to the miners as the 'enemy within'?
2. How did the miners' strike fit in with the Conservatives' wider strategy of dealing with the trade unions?
3. Why did the Thatcher Government defeat the miners' strike of 1984–1985?

Thatcher and industrial relations

The miners' dispute was the crescendo in Thatcher's long-term strategy to curb trade union power and influence in British politics. Thatcher had come to power in 1979 promising to bring trade unions under control, and it was a key issue at the 1979 election. During her time in office she passed a wave of significant legislation aimed at reforming the country's industrial relations and bringing the trade unions under control by preventing a return to the unrest of the 1970s.

Margaret Thatcher had been a government minister in Heath's doomed administration of 1970–1974, and such an experience at the hands of the trade unions had sharpened her resolve to address the issue of trade union power once and for all. The Thatcher administration subsequently passed several pieces of key anti-union legislation throughout the 1980s that severely reduced trade union powers in the following notable ways:

- Outlawing **'flying pickets'** – prohibiting workers picketing places of work other than their own.
- The **'closed shop'** made more difficult to enforce – outlawing a practice where workers had to join a trade union in certain jobs/industries.
- Introducing regular elections to key union positions such as general secretary.
- Requiring trade unions to regularly ballot members on who political donations were given to.
- Requiring ballots of members and notice to be given to employers before any strike action can take place.
- Making trade unions legally and financially responsible for any **'wildcat'** strikes (unofficial industrial action).

Thatcher was particularly motivated by restoring the rule of law following the anarchy and violence that had regularly occurred at industrial picket lines in the 1970s due to trade union unrest. Her Government ultimately felt that trade unions and the labour market in general needed to be brought back under control by a revised legal framework. This approach was part of a consistent Conservative focus from 1979 onwards that appeared to view the 'public sector' (state employees) as being an overpaid and over-unionised sector in comparison to those employed by private companies **(private sector)**. Thatcher, therefore, sought to encourage the extension of an enhanced non-unionised private sector, boosted by a growth in small businesses as a means of altering the balance of the labour market and further undermining trade union power.

Year	Union membership	% of the workforce
1975	12 million	51
1979	13.5 million	53.4
1985	10.7 million	45.6
1991	8.1 million	37

Source: Trade Union membership levels, British Historical Studies, Department of Employment/Labour Force Survey

http://www.unionancestors.co.uk/Images/TU%20membership%201900–2000.pdf

The table above indicates that by a combination of legislation and defeating union strike activity, by the time she left office Margaret Thatcher appeared to have demoralised the trade union movement and influenced a notable decline in its membership base.

Thatcher's essentially individualist ideology put her at odds with the trade unions' more *'collectivist'* outlook. She also had particular problems with the extreme socialist and even *'Marxist'* positions of some of the prominent trade union leaders, most notably the NUM's militant leader **Arthur Scargill,** whom she famously locked horns with in the 1984–1985 miners' strike. In 1984, trade union membership was banned at the government's intelligence headquarters, **GCHQ,** despite complaints that it was an infringement of workers' human rights. According to the *'Thatcherite'* view of Britain's past, the main obstacle to British enterprise had been the privileged position and reactionary attitudes of British trade unions.[29]

On an ideological level, Thatcher also appeared to be committed to embracing the traditionally 'tough' Conservative position on law and order, and was committed to restoring the rule of law following the anarchy and violence that had regularly occurred at industrial picket lines in the 1970s due to trade union unrest. This could be linked to her moralistic and 'neo-conservative' approach to social matters, which was critical of the permissive legislation of the late 1960s, and which she and her political allies felt could be linked to rising crime levels. She was also aware of Labour's *'institutional'* links with trade unions and how some of these laws would create difficulties for Labour's organisation. Many Labour MPs and trade unionists must have wished they had accepted the far more lenient terms of Barbara Castle's 'In Place of Strife' White Paper ten years previously. Thatcher's trade union proposals ultimately made strike action much more difficult to initiate.

29 Alan Sked & Chris Cook, *Post War Britain: A Political History* (4th ed., 1993), Ch. 13, p. 342.

The trade unions were weakened and the number of days lost to strike action plummeted significantly, with **only one million working days** lost to strike action in 1990, compared to an **average of 13 million** during the 1970s. However, trade unions were not killed off completely and they would remain a prominent pressure group within British society in future years, albeit with fewer rights and industrial powers. *Margaret Thatcher therefore ultimately managed to curb trade union power where all previous governments had failed.*

Questions and Talking Points

1. What historical events suggested the Conservatives and the trade unions were often likely to clash?
2. Was the ideology of 'Thatcherism' incompatible with trade unionism?
3. In what ways were Margaret Thatcher's trade union policies a success?

Thatcher and privatisation

One of Margaret Thatcher's most controversial domestic policies was **privatisation,** a key feature of her more assertive second term in office from 1983 onwards. Privatisation chimed in with the core belief of Thatcherism of *'individualism'*, and it involved releasing large swathes of industry and business from the control of the state, which was viewed as an inefficient and inappropriate owner of such resources by the Thatcher administration. Many Conservatives believed lots of the nationalised industries had been failing and badly run for many years and that something radical needed to be done with them as a result. Thatcher and her supporters subsequently talked about 'rolling back the frontiers' of the British welfare state and revising the post-war settlement in relation to key British industries.

Privatisation

To transfer a business or industry from public to private ownership

Thatcher's privatisation policies were the most visible example of her government changing the post-war political settlement that had been based on socialist *'Keynesian'* principles. By 1987, 14 major British companies including British Gas, British Telecom and British Aerospace, among others, had been sold to the private sector at great profit. Both large-scale and individual shareholders purchased shares in these companies, with the number of shareholders more than trebling during the decade, from approximately 3 million to 11 million. This example of 'popular capitalism' brought in considerable revenue for the Thatcher Government, with an average of £4,700 million a year between 1987 and 1989.

Such revenue gave the Thatcher administration the capacity to implement the **cuts in taxation** that were also a key part of its political strategy. Such a flagship policy was one of the most significant features of her period of office, and it clearly changed British society in a fundamental way. Thatcher particularly promoted the capitalist streak that the policy developed within individuals, and she saw how it provided the potential for people to make money and become **socially mobile**. 'Social mobility' was an important element of Thatcherism – allowing people from lower social classes to rise up the economic ladder and improve their social position, and, while some people did benefit from this, it was not something that more traditional and paternalistic Conservatives were as supportive of. It was aimed at supposedly dissolving and reducing class differences (although this didn't necessarily happen in practice and class/social divisions remained apparent throughout the 1980s).

Such policies generated wealth and led to the deregulation of such industries away from the control of the state, as well as the creation of a more *'individualist'* society which was part of Thatcher's ultimate political goal. Such sentiments appeared to have been summed up in one of Mrs Thatcher's most famous interviews from this period:

> *And, you know, there is no such thing as society. There are individual men and women, and there are families. And no government can do anything except through people, and people must look to themselves first. It's our duty to look after ourselves and then, also to look after our neighbour.*[30]

The above comments caused great controversy and many critics have attacked them as typifying the perceived *'selfishness'* of Thatcherism, as well as highlighting the social divisions that its policies appeared to be creating. Supporters of Thatcher say such criticism has been exaggerated, but her ***'No such thing as society'*** comments are seen as a reflection of the political culture of the 1980s. The *'yuppie'* generation were prominent, young people who made large amounts of money from the financial markets and new businesses and who seemed a world away from the poverty that existed in the declining traditional industries found in coal and steel towns. This new 'yuppie' culture seemed to symbolise the social separation between the 'haves' and 'have-nots' in 1980s Britain, again reflecting the deeply divisive nature of Thatcherism.

30 Margaret Thatcher, Interview with Woman's Own Magazine, 31st October 1987: http://www.margaretthatcher.org/document/106689

There were many critics of privatisation, most obviously the Labour opposition with its socialist objections to such large-scale private ownership. It was also pointed out that some industries simply switched from being uncompetitive public monopolies to uncompetitive private ones, while the pay of the chief executives of such privatised industries grew to excessively high levels, which many claimed was not a fair reward for their efforts. Many such private industries eventually came to employ ex-Conservative ministers (after retirement) which also raised some concerns and criticism about the privatisation process.

Many new shareholders also didn't hold on to their shares for long, selling quickly to make a profit in the short-term, which raised question marks about how durable the idea of 'popular capitalism' really was. There was also criticism from some *'One Nation'* Tories, the most prominent being former prime minister **Harold Macmillan** *(left)*. He compared the policy of privatising the nation's assets as being the equivalent of ***'selling off the family silver'***, arguing that Britain was actually selling off its national assets for good.

Critics of privatisation also argued that the industries were national assets and should not be sold off to wealthy individuals or capitalist speculators. It was also claimed that such a policy put profit before the provision of decent public services. Labour opposition was initially fierce, but over the years, as the policy became clearly popular, such hostility weakened in the face of its electoral popularity. Thatcher's ultimate victory from this policy was to see Labour abandon its historic policy of nationalisation when Tony Blair authorised the abolition of ***'Clause 4'*** of the Labour Party's constitution in 1995. Her supporters say that privatisation played a key role in the defeat of socialist ideology in Britain.

Task

The film *Wall Street* (1987), while based in the USA, is said to be a useful reflection of *'yuppie'* culture in the 1980s. The slogan ***'greed is good'*** is used by one of its prominent characters to reflect contemporary transatlantic attitudes within some parts of the business community.

While a useful reflection of the 1980s, always be aware of bias in such films.

Questions and Talking Points

1. Why were Margaret Thatcher's comments about 'society' viewed as so controversial?
2. To what extent was Thatcher correct that society does not exist?
3. Outline the key arguments for and against privatisation.

Wider privatisation

Thatcher's *'privatisation'* principles were extended to other areas of the British economy and society. Thatcher's focus was always based on her roots as a grocer's daughter from Lincolnshire – **seeking value for money, reducing waste and limiting the power of the state.**

Some of Thatcher's most frustrating political struggles came within the sphere of **local government**, when a number of left-wing Labour councils came into conflict with central government over their high levels of spending. Thatcher imposed strict limits on several London boroughs and most notably the city of Liverpool, which was briefly run by the left-wing **Militant Tendency** and fiercely fought the spending cutbacks that were dictated by central government during the mid-1980s.

Such clashes led to the severe cutback or ***'capping'*** of local government powers during this period in order for central government to keep a tight rein on overall national spending as part of its anti-inflation strategy. It also led to the introduction of controversial policies such as **Compulsory Competitive Tendering (CCT)** which brought private companies into the provision of local council services – another extension of the privatisation phenomena, which also generated further opposition.

In 1985 Thatcher's Government abolished the **Greater London Council** *(GLC, below)* and the six metropolitan councils, claiming that they were an expensive and unnecessary layer of local government. The fact that all of these authorities were now run by the Labour opposition (with high-spending policy programmes) was cited by both critics and supporters as a further reason for their abolition.

Opponents of Thatcherism argue that she was fundamentally opposed to many of the principles of the British welfare state with its focus on collectivism and state intervention – two of her most feared political concepts. Some have argued that she *'was seeking to roll back the scope of the welfare state and therefore reverse some of the more compassionate achievements of the post-1945 consensus'*.[31]

Thatcher's focus on the broader welfare state centred on the key areas of education, the benefits system and the NHS. On an economic level, she believed that the welfare system needed to be reduced in terms of expenditure and its high percentage of public spending. However, on a moral level she also believed that the welfare state was a restraining factor on people becoming *'socially mobile'* and fulfilling their potential. In 1980, as a symbolic sign of her overall approach, Thatcher abolished the **link between pensions and average earnings**, instead linking the pension in with a much lower inflation rate. This decision both saved the government money and encouraged people to become less reliant on the state for their pension. Thatcher also sought to bring the principles of **privatisation** to the welfare state wherever possible, and this was a highly controversial strategy which generated much opposition.

31 Stephen J Lee, Aspects of British Political History 1914–1995 (1996), Ch. 15, p. 231.

The NHS

Many Conservatives on the *'New Right'* resented the socialist origins of the National Health Service (NHS) and viewed it as bureaucratic and expensive, and this viewpoint had gained momentum since the economic difficulties of the 1970s in particular. Thatcherites, therefore, sought to make the NHS more efficient, streamline it and ultimately make it better value for money. In the early days of the 1980s, retrenchment and reductions in public spending saw aspects of the NHS targeted for cutbacks. By the time of the second Thatcher Government from 1983 onwards, genuine concerns were developing about a run-down service, with cuts in hospital beds and lengthy waiting lists developing.

The principle of privatisation appeared to be at the heart of Conservative NHS policy also, with an encouragement of greater private involvement in the health service and the creation of a so-called *'internal market'*, where there would be greater competition in providing healthcare from service providers. The idea was that hospitals and external providers of healthcare resources would compete with each other to provide the most efficient service and provide services that could be 'purchased' by GPs on behalf of their patients.

Many opponents baulked at the introduction of such capitalist principles into a socialist institution, but Thatcherites claimed it generated more efficiency and greater value for money. Thatcher was accused of running a *'two-tier'* NHS with different standards across the service, with a basic health service still in place, but with variable levels of service provision existing in some parts of the country due to the extra private investment and competition (that was not equally distributed to all users of the NHS).

> *Although the NHS remained a public service, its internal structure was rebuilt to import market principles into a non-market operation.*[32]

However, despite such *'marketisation'*, the NHS was one of the few policy areas that saw a spending increase in real terms during the Thatcher years, as well as law and order and the military. Despite this, the long-term credibility of the NHS was questioned by opposition MPs who claimed that Conservative **tax cuts** had impacted on public services and investment in the NHS had, therefore, not been sufficient to meet the increased level of demand brought about by an ageing population.

Education – 'Thatcherite' choice

In line with the key *'Thatcherite'* principles of freedom and less state intervention, Margaret Thatcher's Government sought to promote greater **choice** for parents and their children in terms of education provision. Thatcher had been Education Minister in Heath's Government up to 1974 and one of her first key decisions was to prevent the final phase of grammar schools becoming **comprehensives,** and so a small number of grammars *(approximately 160 in England and Wales – 3% of all secondary schools),* continued to exist with a **selective system** of education using the 11+ exam.

The Thatcher Government then sought to bring in more *'individualism'* and less state control into the education system by a series of acts and reforms, culminating in the **1988 Education Reform Act.** This created *'Grant Maintained Schools'* which were able to *'opt-out'* of local authority control, often run by left-wing Labour politicians. Such schools were given greater independence in managing their own affairs and spending their own budgets, another example of Thatcherite philosophy in action. Such schools were encouraged to compete with other schools for the best pupils, a further example of the principles of the *'market'* being extended into state provision.

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32 Hugo Young, *One of Us* (1989), Ch. 22, p. 529.

Critics have claimed that Thatcher's education policies were blighted by significant cuts in spending and criticisms that her policies had created a divided *'two-tier'* system, where some schools prospered and selected the best pupils, while many others went into decline due to financial pressures and due to a high concentration of weak academic pupils. This also created some significant anger among the teaching profession, a key group of public sector workers who became increasingly hostile to the Conservative Party.

Housing policy

One of Margaret Thatcher's most popular social policies was the extension of the *'right to buy'* council houses for existing tenants. **The Housing Act of 1980,** introduced by then Environment Secretary **Michael Heseltine**, saw the provisions for the state to sell council houses to tenants at much reduced rates. This policy was consistent with the *'New Right'* view of individualism, greater **'social mobility'** and a reduced role for the state, with the houses sold becoming the property of individuals as opposed to bureaucratic local councils. This policy of discounted sales made home-ownership a more realistic option for many ordinary families who had previously believed that it was beyond their financial reach. It led to levels of housing owner-occupation rising from 55% to almost 65%, and between 1979 and 1995, 2.1 million properties were transferred from public to private ownership under this policy, with sales continuing.

Sales figures peaked at over 200,000 in 1982–1983, and there were electoral benefits for the Conservatives, with many former Labour voting council tenants switching to the Conservatives in gratitude for this opportunity of owning their own properties. Many of this new breed of home-owners were the skilled working-classes, often known as the C2s, who shifted to voting Conservative in significant numbers. This growth in home ownership was, therefore, reflected in the ongoing electoral success of the Conservatives throughout the 1980s, as they were rewarded at the polling booths by many of the million and a quarter that took this option over the course of the decade, and which raised £18 billion for the government in the process.

However, political critics accused the Conservatives of pursuing a short-sighted policy that appealed to individual greed rather than the longer term social good. The government blocked local authorities from replacing the council houses that were sold (in order to curb public spending and inflation), and the consequences resulted in a shortage of affordable social housing that has continued to the early years of the twenty-first century *(see table below)*, as well as the emergence of a growing number of people by the mid-1980s who had nowhere to live, as *'for the first time in a quarter of a century, homeless beggars became a fixture on city streets.'*[33] This suggested a clear failure of Thatcherite economic and social policies, and that within an era of stubbornly high unemployment in some parts of the country, a homeless underclass became a more common feature of British society by the late 1980s.

Trends in housing tenure: 1981 to 1991			
All households – England			
Year	**Owners**	***Social renters***	***Private renters***
1981	9.86	5.46	1.91
1984	10.99	5.03	1.92
1988	12.248	4.706	1.702
1991	13.05	4.436	1.824

** All figures in millions*

33 Andy McSmith, *No Such Thing as Society*: A History of Britain in the 1980s (2011), Ch. 14, p. 265.

Despite accusations from the Labour opposition that the Thatcher Government progressively starved the welfare state of funds, neither the NHS nor the education system was dismantled as some people had feared. Indeed, it has been noted that *'Thatcher was never given the opportunity to dismantle the welfare state. Popular and party resistance to any such suggestion was just too strong'.*[34] The comments below also indicate that the welfare state was required to cushion the impact of monetarism and public spending cuts during the early years of her premiership. Such high levels of unemployment required a substantial welfare state, and this meant it was difficult to make financial savings in this area.

> *The impact of monetarist economic policies meant that the welfare state was needed more than ever to deal with the growth of unemployment and poverty.*[35]

Questions and Talking Points

1. Why and how did monetarism impact on Thatcher's social policies?
2. What did Margaret Thatcher seek to do differently from past governments in managing the broader welfare state?
3. What factors prevented Thatcher introducing even more radical cutbacks and reforms to the welfare state?

Summary of key Thatcherite principles in social policy:

1. *Housing:* sale of council houses/privatisation of council house stock.
2. *Education:* grant-maintained schools provided greater control and independence to individual schools, head teachers and governors.
3. *NHS:* introduction of the ***'internal market'*** into hospitals and the health service.
4. *Local government:* Compulsory Competitive Tendering (CCT) in provision of local council services.
5. *GP fundholders:* GPs controlled and managed own budgets in dealing with patients.

34 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 237.
35 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 237.

Thatcher and law and order

The Conservatives always prided themselves as the *'party of law and order'* and they believed that industrial protest had threatened the rule of law in the late 1970s and that this issue needed to be addressed. Thatcher had announced during the 1979 election campaign that Britain's priorities were ***'less tax and more law and order'***.

One of the first actions of Thatcher's Government was to push through pay rises for the police and the armed forces, a contrast to her attempts to reduce expenditure on the wider public services. Public spending on law and order did significantly increase during her premiership, much to the police force's appreciation, and an extra 10,000 officers were recruited between 1979 and 1982. They would later play a key role in the dispute with the miners and with other protestors such as the CND campaigners (a majority of who were women and feminist activists) hostile to American missiles at Greenham Common. Such a financial focus on law and order and then prison building *(compared to cutbacks in the welfare state)* was seen *'as a symbolic announcement of the Government's law and order priorities'*.[36]

Northern Ireland policy

Margaret Thatcher was a traditional unionist who supported most of the population of Northern Ireland and their desire to remain within the UK. There was, however, a significant and often militant minority (republican) viewpoint to end this 'union', and political violence had been an unfortunate feature of this province since the late 1960s. Thatcher had herself experienced this first hand when her Northern Ireland spokesman, Airey Neave MP, was assassinated by Irish republican terrorists in a bomb attack in a car park in Parliament in 1979. This event hardened her unionist beliefs even further, making her determined not to give in to violence.

The Brighton Bombing (1984)

In the early hours of 12th October 1984, the IRA bombed the Grand Hotel in Brighton where many prominent Conservative politicians were staying for their annual party conference. The bomb was ultimately an assassination attempt on the Prime Minister, but she emerged unscathed. Thatcher had become the IRA's prime target following her refusal to grant *'political prisoner'* status to **the IRA hunger strikers** imprisoned within the H-blocks of the Maze prison in Belfast. Thatcher viewed them as terrorists, not political prisoners, and thus 10 hunger strikers (led by **Bobby Sands),** died at various intervals throughout 1981.

> *Nothing like it had ever happened before in Britain. The scenes at the hotel, shown on breakfast television, gripped the nation.*
> **Hugo Young, *One of Us* (1989), Ch. 16, p. 372**

The attack at Brighton was, therefore, a long-term IRA response to how Thatcher had dealt with the hunger strikers, and it killed five Conservative delegates, including Sir Anthony Berry MP, and injured 34 others. Senior cabinet member Norman Tebbit was among those who had to be rescued from under tonnes of rubble, and his wife was permanently disabled as a result of the bomb.

36 Eric J Evans, *Thatcher and Thatcherism* (2nd ed., 2004), Ch. 6, p. 75.

Many people felt that the party conference could not continue in such circumstances, but Mrs Thatcher was typically adamant that democracy should not be disrupted by terrorist activities. The next day, in true combative form, Margaret Thatcher looked undeterred as she made her conference speech: ***'This government will not weaken, this nation will meet the challenge, democracy will prevail.'***

Today we were unlucky, but remember we have only to be lucky once; you will have to be lucky always.

This was the Irish Republican Army's *(IRA's)* chilling statement after they had carried out the most outrageous crime in their history – an act that amounted to the attempted murder of the whole British cabinet on 12th October 1984. Not since Guy Fawkes and the Gunpowder Plot of 1605 had such an audacious crime been attempted in the name of politics. IRA activist *Patrick Magee* was later charged with the bombing and given eight life sentences and ordered to serve a minimum of 35 years in jail. He was controversially released after serving only 14 years in 1999 as part of the **Good Friday Agreement.**

Some have highlighted the Brighton bomb as a watershed in the Northern Ireland *'troubles'*, as it appeared to make politicians of all sides realise the need for an urgent and peaceful solution to the ongoing problem. As the *'Brighton Bomber'* Magee has himself said:

After Brighton, anything was possible and the British for the first time began to look very differently at us.

Questions and Talking Points

1. How can the Brighton bomb of 1984 be seen as a key stage in the road to peace in Northern Ireland?
2. What did such ongoing violence suggest about the situation in Northern Ireland?

Task

A controversial and recent film about the 1981 IRA hunger strikes, *Hunger* (2008), may be worth watching to understand more about this event.
Always be aware of political bias in such films, however.

The Anglo-Irish Agreement (1985)

A further major turning point in Northern Ireland's turbulent history saw Margaret Thatcher and Irish Taoiseach Garret Fitzgerald sign the **Anglo-Irish Agreement (AIA)** at Hillsborough Castle on **15th November 1985**. It represented the most significant development in Anglo-Irish relations since partition in 1920. The agreement was a treaty lodged at the United Nations and supported by the British Parliament and Dáil Éireann *(Irish Parliament)*.

The agreement came after years of negotiations between British and Irish governments and it was an attempt to put a lid on the escalating violence. To deal with the alienation of the Catholic community in the north, a formal role was offered to Dublin. *'Joint Authority'* was a key Irish aim to ensure that all citizens of the province felt represented. Thatcher was an unlikely figure to sign such an agreement having hardened her pro-unionist views following the assassination of Airey Neave in 1979, and the Brighton bombing of 1984. However, even she saw the need to tackle the violence. The agreement had two key aims:

1. *To increase the province's security*
2. *To halt the IRA's rise*

The agreement also established the **consent principle** – *that there would be no change in Northern Ireland's constitutional position without the approval of the majority of those living there.*

The agreement was welcomed by the moderate nationalist SDLP, but rejected by Sinn Fein and denounced in Ireland by opposition leader **Charles Haughey** who claimed it *'copper-fastened'* partition and accepted *'the British presence in Ireland as valid and legitimate'*. The unionists were also vehemently opposed to the agreement, resenting the involvement of the Irish Republic in Northern Ireland's affairs.

This settlement represented a major review of British **sovereignty** within Northern Ireland and a **compromise** between the British and Irish governments. In return for Dublin formally recognising the legitimacy of Northern Ireland *(for the first time)*, London agreed to confer with the Irish government on matters relating to Northern Ireland's nationalist minority. The agreement did not give the Republic the joint authority it desired but it set up an *Intergovernmental Conference* headed by the Secretary of State for Northern Ireland and the Irish Foreign Minister, with a permanent secretariat of civil servants from both sides of the border. It monitored political, security and legal issues relating to the nationalist minority.

All 15 Unionist MPs forced by-elections on the issue in January 1986 and a day of action was called on 3rd March 1986, leading to loyalist violence and trouble with the RUC. British and Irish governments differed on the agreement's significance. Garret Fitzgerald considered the Republic's role *'as near to Joint Authority as one can get'*. Thatcher maintained that Ireland's role was merely **consultative** with Northern Ireland's constitutional position unaltered. Nationalists were told it represented progress towards a united Ireland, while unionists were told it secured the union.

As a compromise solution to a complex problem, the agreement attempted to be all things to all people, and it would survive to form the basis of later developments in this complex peace process.

Questions and Talking Points

1. How significant was the 1985 Anglo-Irish Agreement to the Irish peace process?
2. What was the irony of Mrs Thatcher signing the 1985 Anglo-Irish Agreement and what prompted her to do so?
3. Why did the Anglo-Irish Agreement offer something to both nationalists and unionists?

1987 General election and beyond

Despite a modest Labour recovery, Margaret Thatcher won a third successive general election in June 1987 with a stunning *'landslide'* majority of over 100 seats. She now appeared to be at the height of her political power, *'in an almost unassailable position, with the economy doing well, higher levels of income tax down to 40 per cent by 1988, increased public spending and a revenue surplus'*.[37]

Party	*MPs* 1987
Con	376
Lab	229
Lib	22
Others	23

If she had resigned soon after this third election victory, she would have been remembered for all of her successes and retained a largely positive legacy. However, many commentators believe that Margaret Thatcher clung to office for too long, and a catalogue of problems began to blight her achievements. This began with a stock market crash in October 1987, a development which appeared to undermine the *'economic boom'* that had been cultivated for the election earlier in the year, and which suggested that the economic growth created by her government was not sustainable in the long term.

Thatcher and her chancellor from 1983, **Nigel Lawson**, were accused by critics of manipulating and artificially *'massaging'* the economy with tax cuts prior to elections in order to maximise their party's popularity. Lawson had cut 2p off the basic rate of income tax in successive budgets in 1987 and 1988, reducing the rate from 29p to 25p in the pound which proved to be hugely popular with voters (equating to a total tax cut of £4 billion a year).

The basic rate of taxation had been 33p in the pound when the Conservatives took power, and in 1988, the higher rate of tax was cut again from 60% to 40%. Such tax cuts helped to generate the ***'Lawson boom'*** of consumer spending and increased prosperity (for some at least), and this was further boosted by the fact that more jobs were being created by the flourishing free-market, as *'unemployment would peak in Spring 1986… and the Conservatives believed they were entitled to some recognition for having got over the worst.'*[38]

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37 C Collette & K Laybourn, *Modern Britain Since 1979* (2003), Ch. 1, p. 10.

38 Andy McSmith, *No Such Thing as Society: A History of Britain in the 1980s* (2011), Ch. 14, p. 262.

A key Thatcher philosophy was to liberate people from high taxes and to create greater individual spending power. Cuts in taxation were a clear vehicle for people to achieve this policy aspiration, and this approach and attitude appeared to come to a head in 1987. Critics have claimed that such radical cuts in taxation had a negative impact in the long term on the provision of public services such as the NHS and education which suffered funding cutbacks as a result, and which disproportionately affected the poorer and most vulnerable members of society in an adverse way.

However, in the short term at least, the Conservatives pumped £7.5 billion into education, health and social services in 1987 on the back of profits from privatisation. This government spending spree reflected broader consumer spending and appeared to be a complete break with monetarist principles, instead appearing to be part of a strategy to appeal to voters at election time. Nevertheless, by the late 1980s, Thatcher's monetarist and tax-cutting emphasis over the course of a decade had transformed the nature of the British economy, although whether for better or worse was the basis of major political debate.

(Thatcher implemented) the greatest tax cuts by any administration in the twentieth century.[39]

The 1987 election result also highlighted that Thatcherism was not winning over the entire nation. While the Conservatives continued to perform well in the Southeast and parts of the Midlands, the northern cities, Scotland and Wales actually witnessed a sharp drop in Tory support at this election, to the extent that most major cities in the north now had no Conservative MPs. The 'Celtic' regions of the UK certainly didn't appear to be enthusiastic about Thatcherism either. Many commentators referred to a *'North-South'* divide in political terms, with the industrial urban areas less enthused by tax cuts and more concerned about spending cuts in some public services.

The Poll Tax and opposition to it

As the flagship policy of her third term in office, Thatcher clung resolutely to the **Community Charge (Poll Tax)**, despite internal party objections and increasing public and electoral hostility. This became fully evident in a series of shattering by-election defeats in *Mid Staffordshire (to Labour in March 1990)* and *Eastbourne (to the Liberal Democrats in October 1990)* on massive swings of over 20%. Polls suggested large swathes of the population would be financially worse off as a result of its introduction, but Thatcher felt it was a fairer system than the existing rates (which she had been determined to reform for some time).

It was scheduled for introduction in England in April 1990, but was rolled-out a year earlier in Scotland, a fact for which many Scots never forgave the Prime Minister. Riots against the Poll Tax occurred across Scotland, London and other cities throughout 1989 and into 1990, and it was observed that *'the poll tax produced the biggest protest movement since CND'*,[40] with thousands of non-payers going to jail, including one Labour MP. However, despite such hostile opposition to this policy, the Prime Minister adhered to her *'iron lady'* image and she refused to countenance a U-turn.

39 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 234.

40 Andy McSmith, *No Such Thing as Society: A History of Britain in the 1980s* (2011), Ch. 14, p. 278.

Such unrest and evidence of **'extra-parliamentary opposition'** and direct action appeared to have developed throughout the decade following the riots of 1981 and the industrial unrest stemming from the miners' strike in the mid-1980s. Such 'extra-parliamentary opposition' had certainly seemed to be a growing phenomenon during the 1980s, with urban riots across Britain in 1981, large-scale industrial unrest in 1984–1985 (miners' strike) and now further large-scale protests in 1989–1990. This may have been due to the controversial nature of many of Thatcher's policies, or also due to the growing assertiveness of the British public after years of broadly accepting the nature of government policy-making during the 'years of consensus'.

Consequently, as a result of this inflexibility to respond to such large-scale opposition, *'the debacle of the poll tax'*[41] played a key part in Margaret Thatcher's downfall, particularly the violence during the major London riot in March 1990. Further protest and unrest became evident in other forms and bodies – notably various anti-Poll Tax pressure groups, the media, satirists, arts and cultural groups, charities and even religious bodies and certain churches. The slogan *'can't pay, won't pay'* became commonly associated with anti-Poll Tax campaigns, and non-payment was encouraged by some opposition bodies as a means of defeating the policy. In the early 1990s, one Labour MP, Terry Fields, was even sent to jail for 60 days for non-payment. The 'morality' and 'fairness' of the policy was at the heart of such varied and wide-ranging objections to it.

The policy's electoral unpopularity was ultimately a key factor in why sufficient Tory MPs, in vulnerable seats, voted to remove her from office. However, while the Poll Tax caused Thatcher severe short-term damage, it was a series of destabilising events since the 1986 Westland Affair that generally contributed to her longer-term demise, with a notable surge in inflation during the late 1980s and the onset of a further recession also weakening her political position. Her increasingly vulnerable position by 1990 could be summarised as follows:

> *Thatcher was elbowed out of power by sections of the Conservative Party which feared that she had become so stuck in her ways that she would lead them to electoral disaster.*[42]

The Fall of Thatcher and her legacy

Margaret Thatcher's increasing political vulnerability stemming from her inflexibility on issues such as the Poll Tax was highlighted by a *'stalking horse'* challenge to her leadership in late 1989. **Sir Anthony Meyer** was a somewhat obscure backbench MP from the moderate, pro-European wing of the Conservative Party who realised he had no realistic chance of ousting the Prime Minister as party leader. However, it was significant that this was the first time that she had been formally challenged since becoming leader in 1975, evidence of growing opposition to her from within her own ranks. A total of 33 of her MPs voted for Meyer, and 60 did not support her with abstentions included, a figure which should have served as a warning of internal party unrest towards some of her policies.

Growing economic problems also saw interest rates rise to 15% by October 1989, which had a severe and negative impact on the mortgages of the increased numbers of homeowners. Within the same period of autumn 1989, Thatcher was further weakened by the resignation of her Chancellor **Nigel Lawson,** who made it clear he was unhappy with her increasingly domineering style of leadership, her use of external political advisers and her hostility to coordinate cross-European attempts to tackle inflation. Such a loss of a one-time ally suggested that Thatcher's grip on power was weakening:

41 Geoffrey Wheatcroft, *The Strange Death of Tory England* (2005), Ch. 9, p. 171.

42 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 229.

Further troubles followed the demotion in July 1989 of Sir Geoffrey Howe from the Foreign Office to the Leadership of the House of Commons, as well as Nigel Lawson's sensational resignation from the Treasury in October 1989, and the reluctant resignation in July 1990 of Nicholas Ridley (after his expression of anti-German and anti-EC views in a Spectator interview). The final straw was Sir Geoffrey's decision of 1st November 1990 to leave the government.[43]

By November 1990, former Chancellor and Foreign Secretary **Sir Geoffrey Howe** resigned over the way he was treated by the Prime Minister and in particular of her anti-European rhetoric, which he felt was damaging Britain's international position. His dramatic resignation speech, using cricketing metaphor and read to a stunned House of Commons, made it quite clear that he felt that the time was right for her to stand down and for a more significant figure to challenge her. It was condemned by Thatcher and her allies as *'treachery'*, but it has been seen by many as the short-term catalyst to the Prime Minister's eventual downfall, as outlined below:

Geoffrey Howe's venomous Commons speech in November 1990 triggered the end of Margaret Thatcher's rule.[44]

Already damaged by the Poll Tax and the weakening economy in particular, her ongoing anti-European attitude had pushed key minsters such as Howe over the edge in terms of no longer being able to support her. By the time of Howe's resignation in November 1990, the momentum for a leadership challenge appeared to be unstoppable, and former cabinet minister **Michael Heseltine** appeared on the horizon as a rival contender to the Prime Minister after spending four years on the backbenches following his resignation over the *Westland Affair in 1986.*

When the leadership ballot of MPs actually occurred on 20th November 1990, Thatcher won on the first round but the margin of victory was not sufficient according to party rules to avoid a second round of voting. Such a level of internal opposition, with almost half of her MPs failing to support her, meant that she had been fatally wounded in political terms. After speaking to her cabinet she subsequently resigned on 22nd November 1990, despite initially vowing to fight on. Thatcher recalled that *'between ten and twelve members of the cabinet… did not think I could win'*,[45] a significant share of the total number. Her political demise was all the more difficult for her to take as *'after three election triumphs, she had been the victim of the most ruthless acts of political ingratitude in the history of modern Britain'*,[46] although this is a viewpoint of those who sympathised with her.

For her opponents (both inside and outside of her party), her demise was a welcome development that proved that all political figures, however dominant, were ultimately held accountable for their political actions and policies. In the second leadership ballot held a week later, **John Major** and **Douglas Hurd** entered the fray in a bid to stop Heseltine taking the Conservative crown, but the outcome was ultimately decided after Hurd dropped out and urged all his supporters to back John Major.

Major had emerged largely unnoticed and had enjoyed a smooth rise towards the political peak. He had been a cabinet minister only since 1987, yet had already held two prominent positions of Foreign Secretary and Chancellor of the Exchequer (if only quite briefly). His working-class background had broader political appeal, and he appeared to have fewer enemies within the Conservative Party – notably fewer than Heseltine. Major ultimately succeeded Thatcher and became her successor both as party leader and prime minister on 28th November 1990, when he topped the ballot of Conservative MPs and both of his opponents conceded defeat. It was the end of the Thatcher era and the start of the Major years.

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43 D Butler & D Kavanagh, *The British General Election of 1992* (1992), Ch. 2, p. 23.

44 Source: Peter Oborne, *Daily Mail*, 13th September 2008.

45 Margaret Thatcher, *The Downing Street Years (1993)*, Ch. 28, p. 854.

46 Alan Sked & Chris Cook, *Post War Britain: A Political History* (4th ed., 1993), Ch. 15, p. 551.

Margaret Thatcher became something of an institution within British politics and society during the 1980s. This was due primarily to her length of tenure at No. 10 Downing Street, which made her the longest serving prime minister of the twentieth century. Indeed, her eleven and a half years in the job were only surpassed in modern history by Lord Liverpool, who governed between 1812 and 1827. Her increasingly powerful personality and controversial policies added weight and gravitas to her position, and *'her ideas were forcefully delivered and backed by a personal dominance'*.[47]

Supporters of Margaret Thatcher and the *'Thatcher Revolution'* claim that she left Britain in a much healthier economic state than in 1979 when it was viewed as *'the sick man of Europe'* and riddled by industrial unrest, inflation and economic decline. By the time she departed from office in 1990, standards of living had risen significantly for most people as share ownership and home ownership rocketed, and class mobility became more apparent. In many people's eyes her time in office had transformed both the British economy and British society into *'a land profoundly different'*,[48] although there was some significant political disagreement between left and right whether this was for better or worse.

In many respects, Britain had become the *'property-owning democracy'* she had set out to create, and her popular policies meant that she broadened the Conservatives' appeal amongst a wider social spectrum. The employed workforce grew from 22.5 million in 1979 and peaked at 26.9 million in 1989, and this meant a higher standard of living for much of the population, with a significant growth in consumption of various domestic goods and products. More people were generally becoming better off, with significant employment growths among women and within the service industries.

Consequently, more British families were able to purchase hi-tech consumer and electronic goods such as the latest TVs, video players and kitchen appliances, while also enjoying regular foreign holidays. Popular policies such as privatisation and council house sales also forced the Labour Party to move away from its traditional *'socialist'* policies. The advent of Tony Blair in 1994 symbolised Labour's rejection of its previous 'left-wing' policies, and Blair maintained key Thatcherite policies such as tax cuts, privatisation and the free market economy once in power after 1997. Most Thatcherite trade union reforms were maintained and Tony Blair even modelled his leadership style on that of Margaret Thatcher, adopting a centralising approach that often sidelined cabinet government.

It has indeed been claimed that New Labour's policies were generally closer to the ideas of Margaret Thatcher than to the ideology of Old Labour.

Thatcher's impact on British politics cast a large shadow over her next two successors, John Major and Tony Blair. Margaret Thatcher's influence and presence after 1990 was undeniable, and Major, in particular, found her legacy and, what he would consider, her interfering, seriously hampered his political progress. Major's supporters would later criticise her and say that her 'sniping' and criticism of his regime was a factor in the Conservatives' landslide defeat in 1997. The irony is that many of her policies were adopted by Labour under Blair, making it a far more electable prospect by 1997. When asked what her greatest achievement was, Thatcher once declared that it was *'Tony Blair and New Labour'*, making a clear reference to how the bulk of her policy agenda had stood the test of time under a change of government.

By 1990 the UK appeared to be a far more confident and prosperous nation and a key player on the international stage, evident in the Falklands victory and in the close relations enjoyed with the USA and

47 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 231.

48 Andy McSmith, *No Such Thing as Society: A History of Britain in the 1980s* (2011), Epilogue, p. 335.

its President Ronald Reagan, where the *'special relationship'* was significantly rekindled. Thatcher herself had become a figure of international standing on the world stage and played an active diplomatic role in the ending of the **Cold War** in the late 1980s. Thatcher's policies in relation to trade unions, privatisation and the welfare state were almost *'revolutionary'* in comparison to the previous 30 years of policy-making.

Critics argue that such cosmetic improvements masked a sharp division between rich and poor, and along with the wealth Thatcherism had generated, there was equal amounts of poverty and major social problems created during the 11 years of her rule. Indeed, the period witnessed the largest redistribution of income in favour of the wealthy in modern economic history, leading to the resurrection of the quote from the twentieth-century economist J K Galbraith, that she had created *'private affluence alongside public squalor'*.

Six Key Priorities of Thatcherism

- Reduce the state's role in the life of the individual
- Develop a 'Market Economy' to arrest Britain's economic decline
- To promote popular capitalism through privatisation
- To destroy inflation
- To cut the power of trade unions and end industrial conflict
- To improve Britain's international status

Adapted from source:
Stephen J Lee, Aspects of British Political History 1914–1995 *(1996), Ch. 15, p. 231.*

Thatcher was viewed as a controversial prime minister particularly because she pursued policies that were very different from those of the previous 30 years. One commentator has noted that *'she made no secret of her dislike of political consensus between the parties'*.[49] She ultimately believed in the merits of *'self help'* and *'Victorian values'* as opposed to the belief in the need for state intervention as the solution to all of the social and economic problems that had existed for much of the post-war period during the *'years of consensus'*. In adopting this approach, the relationship between the state and the citizen was radically altered in a less 'statist' and a more individualistic direction during her time in power. Thatcher presided over a number of conflicts, both international and domestic, and in this sense her period of power was one of divisive and conflicting politics that featured an increase in *'extra-parliamentary opposition'*.

49 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 229.

Her *'individualist'* ideology was clearly evident in her raft of significant trade union reforms and key policies, such as privatisation, also played a major role in her long-term and deliberate political strategy. This made her a radical politician for her time, in many ways an unusual title for a Conservative, but she ultimately succeeded in moving the British political agenda towards a right-wing perspective after a long period of it being located on the centre-left. It is for this determined ability to challenge existing political attitudes and beliefs that she is remembered as a landmark prime minister. She was finally removed from office in a somewhat *'ruthless'* manner, when her party decided that she was no longer a vote-winner but rather an electoral liability. A combination of her domineering political style and significant policy differences appear to have been key factors in her demise. However, she could take consolation that she had never been rejected by the electorate.

A good recent film focusing on events of the Thatcher years is the 'Iron Lady' (2011).

The following BBC website is an excellent overview of the Thatcher years between 1979 and 1990: 'The Thatcher Years in Statistics'

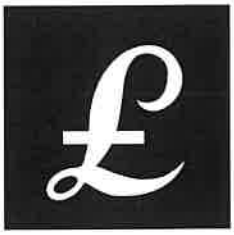
http://news.bbc.co.uk/1/hi/in_depth/629/629/4447082.stm

Historical Interpretations

The 'Thatcherite' or 'New Right' view of the 1980s is that the economic policies of monetarism, privatisation, reduced public spending and tax cuts were the radical shock that the British economy needed after the stagnation and industrial unrest of the 1970s. Friedman and Hayek were key influences of this approach to governance that rejected the principles of the post-war consensus that had dominated since 1945. As a result, the Thatcherite view of this period claims that conditions were put in place for long-term economic growth and, as a result, many people were better off as the decade progressed. Trade union power needed to be tackled and was dealt with in an efficient way that past governments of all parties had failed to do.

Left-of-centre and social democratic critics of this era took a contrasting view of the decade and argued that the economic policies imposed were too harsh and that the associated social consequences were overlooked. The gap between rich and poor subsequently grew to unacceptable levels and the levels of poverty increased significantly, with public services also adversely affected by such reductions in public spending. This perspective also claimed that the legislation introduced to deal with trade union powers was excessive and sought to destroy these bodies in a politically-motivated approach. The 'Keynesian' perspective of left-wing historians such as Eric Hobsbawm claimed that Thatcher's policies destroyed the post-war consensus that had produced an economic 'Golden Age'.

Exercise 1: What were the key problems facing Britain in the 1980s?



Which were the most significant issues affecting Britain in the 1980s? Rank in order from the list below and briefly explain why:

- Wealth creation
- Unemployment
- Inflation
- Entrepreneurial culture
- Taxation
- Privatisation
- Social conflict

1.
2.
3.
4.
5.
6.
7.

Revision Exercise 2: Conservative Government 1979–1990

Outline the key successes and failures of the Conservative government (1979–1990).

Policy/Issue	Successes	Failures
Political		
Economic		
Social		
Cultural		

Exercise 3: Key Revision Questions 1979–1990

Revision Quiz

1. The control of which economic indicator did Margaret Thatcher prioritise in order for Britain's economy to recover? **(1)**

.....

2. Describe two conflicts which Margaret Thatcher found herself involved in during the 1980s (*e.g. military, social, industrial, political*).

..... **(2)**

..... **(2)**

3. What happened to the Labour Party in 1981 that helped the Conservative Party's electoral fortunes? **(2)**

.....

.....

4. Which flagship policy played a key role in Margaret Thatcher's fall from power? **(1)**

.....

5. Which two prominent cabinet ministers resigned from Thatcher's Government in the final year of her premiership?

..... **(1)**

..... **(1)**

Total: ..... OUT OF 10

Discussion Points

1. What were the key reasons for the Conservative Party's 1979 general election victory?
2. To what extent did the problems of the Labour Party from the late 1970s assist the Conservatives?
3. What was the impact of privatisation on Britain's economy and wider society during the 1980s?
4. What were the positives and negatives that arose as a consequence of the 1984–1985 miners' strike?
5. What evidence is there that there was significant 'extra-parliamentary' opposition to the Thatcher Government from 1979 onwards?
6. To what extent did the Thatcher Government transform the British economy during the 1980s, and was this for better or worse?
7. How significant was Margaret Thatcher's role as the Cold War came to an end in the 1980s?
8. What were the key reasons for Margaret Thatcher's fall from power in 1990?

Major as leader (1990–1997)

On taking office and succeeding the dominant figure of Margaret Thatcher in November 1990, John Major announced that he wanted to preside over: **'A nation at ease with itself'** and a **'classless society'.**

Such a message appeared to be an implicit criticism of his predecessor, a suggestion that the country was somehow disunited following eleven and a half years of Thatcherism and that Major now sought another ideological direction, namely a post-Thatcher 'consensus' that acknowledged that some of her policies were too extreme, divisive and inflexible. This indicated some tension at the top echelons of the Conservative Party following the turbulent end to Thatcher's time in office, and Major subsequently had to live with unflattering comparisons and criticism in relation to his predecessor for the seven and a half years that he was prime minister.

Major was, nevertheless, initially seen as the Conservative Party's 'continuity candidate' who shared many of Mrs Thatcher's views, but this perception would gradually change over time. Thatcher herself would later proclaim that she would continue to be a 'backseat driver' under Major's premiership, suggesting that she would retain a degree of control over the party and the country's political direction. Major, however, initially sought to unify the cabinet by bringing together all wings of the party, and symbolically appointing Thatcher's challenger, Michael Heseltine, to a prominent cabinet position. This was part of a more 'consensual' overall approach to government, with Major adopting a less dominant and more emollient leadership style than his predecessor.

In reality, however, the Conservative Party was split, with Europe a defining issue, and it would remain so for many years to come. Such a situation would seriously hamper Major's Government from 1990 onwards, with many Thatcherites, extremely bitter at the nature of her ousting, worsening party divisions in the process. Such underlying factors played a key part in the electoral disaster that Major would lead the Conservative Party to in 1997:

> *It was thus a divided and uncertain party which Major inherited November 1990… unpopular at home above all over the Thatcherite poll tax, with a deteriorating economy, and split over Europe*[50]

Having symbolically ditched the much-maligned Poll Tax, Major found himself facing something of a *'baptism of fire'* in his first few months of office. As Britain's first post-Cold War prime minister, Major faced a less certain international scenario, and he was thrust into the coalition of support for the USA in the first **Gulf War** against Iraq *(January 1991).* The 'special relationship' and alliance with the USA would remain a priority of Britain *(see Major with President George Bush Senior, left).*

This was particularly so because the USA had now emerged as the world's only superpower in a **'unipolar'** international power structure (with one power dominant). In other external affairs, Major and the UK government became involved in seeking a diplomatic settlement to the Yugoslavian civil war (1992–1995), and the humanitarian crisis that then developed in Bosnia (within the Yugoslav state). This proved to be the bloodiest European conflict since World War II, despite such political engagement by various statesmen. Major also had to negotiate the controversial European Treaty at **Maastricht** (December 1991), and then steer its passage through Parliament from 1992 onwards.

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50 Anthony Seldon & Peter Snowdon, The Barren Years: 1997–2005, cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (Palgrave Macmillan, Basingstoke, 2005), Ch. 11, p. 26.

1992 General election

Major clung to power until the very end of the maximum five-year term of office, often seen as a sign of desperation in the governing party. However, against all the odds and in defiance of hostile opinion polls, Major was returned to power in April 1992 with a healthy 7.6% lead in the popular vote, although the parliamentary majority of just 21 was historically slim and would create difficulties as the years progressed. His victory was seen as *'the electorate showing a preference for security and the known rather than for experimentation and change'*,[51] with signs of economic growth despite the high levels of unemployment. In the aftermath of the fourth successive election victory for the Conservatives, the decision to remove Thatcher in November 1990 appeared to have been totally vindicated:

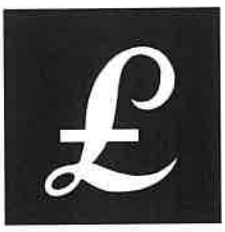
Party	*MPs*
	1992
Conservative	336
Labour	271
Lib Dem	20
Others	24

The 1992 election provided a remarkable victory for the Conservatives. To win by such a margin of votes over Labour (7.6%)...was totally unexpected. It was achieved in the rough of the longest depression since the 1930s and at the end of a campaign that had been much derided.[52]

At last Major could shake off the image of having merely inherited power from Thatcher. He spoke of his desire for a 'classless society', to soften the often harsh tone of Thatcherism and to address some of the negative social implications of his predecessor's policies. With many floating voters preferring his reassuring tones to Labour's uncertain message, Major subsequently received the largest number of votes for a winning party at any post-war election – **over 14 million**. He could, therefore, now be said to be able to govern in his own right, sentiments that he quickly made public once the election result was confirmed:

> *I'm delighted I can now accept that the country has elected me in my own right to be prime minister.*
> ***(John Major, 9th April 1992)***

Economic policy



John Major, who as Mrs Thatcher's Chancellor had strongly supported the decision to join the **Exchange Rate Mechanism (ERM)** in 1990, continued with this approach as a key plank of the government's strategy to keep inflation under control. Major described the ERM as *'the medicine to cure the ailment (of inflation)'*[53] but his enthusiasm for this European-based policy would create a huge rift within the Conservative Party and its growing scepticism towards Europe, as Heath's pro-European legacy came back to haunt the increasingly fractured Tories.

Exchange Rate Mechanism (ERM)

Established in 1979 as a key preparation for the single currency (Euro), this mechanism was formerly part of the European Monetary System in which participating governments committed themselves to maintain the values of their individual currencies in line with the ECU (European Currency Unit – provisional single currency).

51 Stephen J Lee, *Aspects of British Political History 1914–1995* (1996), Ch. 15, p. 243.
52 D Butler & D Kavanagh, *The British General Election of 1992* (1992), Ch. 13, p. 269.
53 John Major, *The Autobiography* (1999), Ch. 14, p. 341.

However, this determined desire to shadow the German mark ultimately led to disastrous consequences and the shattering of the Conservatives' economic credibility. The high levels of interest, reduced levels of economic activity within the UK and weakened the pound as part of a wider ***recession*** (1989–1993) that cost the country about 3% of GDP. This economic strategy also resulted in a disastrous sequence of events that culminated in **Black Wednesday** in September 1992.

Black Wednesday

Despite Britain being in the second significant **recession** since 1979, with unemployment rising and bankruptcies and house repossessions spiralling, the Conservatives under Major won the 1992 election largely because of their perceived economic competence in the eyes of key voters. However, the Tories' reputation in this sphere was shattered within months by the events of **'Black Wednesday'**.

This incident was a further legacy of the troubled Thatcher relationship with Europe, and was linked to attempts to maintain Britain's membership of the ERM in order to keep inflation under control. Consequently, on 16th September 1992 Chancellor **Norman Lamont** raised interest rates from 10% to 12%, then to 15%, and authorised the spending of billions of pounds to buy up the sterling being frantically sold on the currency markets due to the pound's falling value within the ERM. Four billion pounds of sterling was spent, the equivalent of £70 per person in the UK, and the impact of this day on the wider British politics cannot really be underestimated:

> *Black Wednesday…the day the pound toppled out of the ERM – was a political and economic calamity. It unleashed havoc in the Conservative Party and it changed the political landscape of Britain. On that day, a fifth consecutive Conservative election victory…became remote, if not impossible.*[54]

ERM – The Rules

- EU member states sought to keep the value of their currencies within set limits aligned to the German mark (the strongest currency) as an attempt to keep inflation under control.
- Consequently they were forced to adopt the anti-inflation policies of the German Bundesbank – which resulted in the need for high interest rates.
- ERM membership was a condition imposed by Brussels to join the Euro – Europe's single currency.

This currency framework was viewed by many as a precursor to a single currency and it hardened many attitudes towards such an eventual policy. Eurosceptic critics of the ERM claim that this episode was a result of the pound entering this European economic institution at an over-valued exchange rate in 1990. The pound, ultimately, could not maintain its value or alignment with other European currencies, and the financial cost was experienced by ordinary British voters in the long term, as public spending and taxation would ultimately meet the cost of trying to remain within the ERM, while in the short term people experienced unpredictable mortgage rates due to the volatile interest levels.

Many commentators agreed with John Major's brutally honest assessment that **'Black Wednesday'** was the day the Conservatives lost the next election, whenever it was likely to be called. It was referred to as a humiliation for a pivotal economic policy of Major's Government, *'and the credibility of the government's economic policy was destroyed'*.[55] The BBC's Peter Jay added that the event marked: *'The most dramatic U-turn in government economic policy in 25 years'*, affecting both its economic reputation and its relations with Europe. It has ultimately been described as:

> *The most humiliating moment for British politics since the IMF crisis of 1976… (Major) forever diminished by what had happened.*[56]

54 John Major, *The Autobiography* (1999), Ch. 14, p. 312.
55 Dennis Kavanagh & Anthony Seldon, *The Powers Behind the Prime Minister: The Hidden Influence of Number Ten* (1999), Ch. 8, p. 207.
56 Andrew Marr, *A History of Modern Britain* (2007), p. 492.

'Black Wednesday' was a watershed for many in the Conservative Party regarding economic policy, Europe and the European Union. There was a hardening of attitudes and deepening Euroscepticism among many Conservatives due to a widespread belief that Germany's *'selfish'* pursuit of high interest rates was the root cause of Britain's economic suffering. The pound had effectively been devalued, but Lamont failed to follow Callaghan's precedent in 1967 and resign, yet he had become something of a laughing stock and target for the press and six months later Major sacked him.

Many felt Major should also have been clearing his desk, such was the negative impact this crisis had inflicted on Conservative Party morale and wider public support. While the party's perceived economic competence had been the key factor in its somewhat unexpected 1992 general election victory, following the events of 'Black Wednesday', the party's economic fortunes were irrevocably damaged and this led to a long-term weakening in their political support over subsequent years, culminating in the party's overwhelming rejection from office in 1997.

Task and Talking Point

Write a few brief paragraphs explaining the significance of 'Black Wednesday' on the Conservative Party's economic reputation, its long-term electoral prospects and its impact on wider levels of public support.

Other key economic policies

In a bid to further kick-start a post-Thatcher economic recovery, in the early part of his rule Major's Government abolished the National Economic Development Council ('NEDDY' or the NEDC) which was established in the early 1960s and increasingly viewed as a corporatist relic of the past. However, in also removing the long-standing 'Wages Councils' for the low paid, he was criticised for taking away a layer of employment protection.

In following on from Margaret Thatcher's industrial policy of the 1980s, Major clumsily dealt with further coal-mine closures which provoked significant outrage in autumn 1992, and which saw *'the middle classes march with the miners'*.[57] He also broke election promises not to raise taxes by putting VAT on fuel at 8% in 1993, and he then suffered an embarrassing parliamentary defeat when he tried to increase it further in 1994. This was because of his small majority in Parliament, and enough of his own MPs voted with the opposition parties to prevent a further VAT rise on household fuel in 1994.

This gave the impression of a lack of both compassion and economic competence, and this coincided with ongoing Labour criticism that during the sustained Conservative years in power, key public services, such as the NHS and the education system, were not satisfactorily funded or invested in. Major's administration was also criticised for the privatisation of British Rail in 1993, a policy which did not appear to improve rail services, raised questions about economic value and efficiency, and which was branded by critics as a *'privatisation too far'*.

57 Michael Heseltine, *Life in the Jungle* (2000), Ch. 18, p. 439.

European divisions

As the first post-Cold War British prime minister, John Major did not face the high-stakes diplomacy that Margaret Thatcher experienced with the Soviet Union and the USA in the 1980s. However, in the wake of the destructive developments over the issue of Europe during the latter years of the Thatcher period in office, John Major's premiership was haunted and fatally undermined by European matters (from 'Black Wednesday' onwards). This *'fault-line'* at the heart of the Conservative Party had clearly played a key role in the downfall of Margaret Thatcher due to her increasing hostility to the European Community. It continued to cause problems for Major and:

> *For most of the 1990s the party was polarised between 'Eurofanatics' and 'Eurosceptics' of varying hues.*[58]

The Maastricht Treaty

Maastricht Treaty (1992)

This treaty was alternatively known as the 'Treaty on European Union' and it formally created the European Union (EU), further developing the establishment of the 'single market' and setting in motion plans for a single currency towards the end of the 1990s. Britain secured opt-outs of policies such as the Social Chapter, which regulated working conditions. Such opt-outs led to protracted parliamentary debates before it was formally approved in the UK.

Major was initially viewed as sharing Margaret Thatcher's growing scepticism about European affairs, but during the 1990s it gradually appeared that he was more positive about the issue than she was. As his period in office progressed, some of Major's Europe-related problems were certainly fuelled by provocative public comments on the subject by his predecessor, and Major would later condemn Thatcher's interventions as *'unforgivable'* behaviour.

The reality was that ever since Heath had signed Britain up to EEC membership in 1973, the Conservatives had been divided towards this developing European entity. Major provoked a further internal party storm on the European issue when he negotiated and signed the controversial **Maastricht Treaty** in 1991/1992, having proclaimed early on in his premiership that he wanted Britain to be *'at the heart of Europe'*.

This Treaty was aimed at making Europe more integrated, primarily by devising greater cross-European policies (notably preparing for a single currency), as well as changing the organisation's name to the European Union. Major claimed to have achieved some key opt-outs and concessions for Britain in signing up to the Treaty that was finally agreed in 1992.

It was signed by Major despite many Conservative MPs demanding a referendum on the issue, and for several backbench MPs, it was something they came to fiercely oppose. They were provoked by the fact that the Maastricht Treaty renamed the European community as the European Union (EU), which to Conservative **Eurosceptics** had sinister **'federalist'** implications involving an accumulation of power at central European level.

58 Mark Garnett, 'Centre', in Kevin Hickson (ed.), *The Political Thought of the Conservative Party since 1945* (2005), Ch. 3, p. 65.

'Black Wednesday' had ultimately reopened Conservative wounds on the European issue and the prolonged Maastricht negotiations and parliamentary votes between 1992 and 1993 displayed Conservative splits on the issue in the full glare of the public.

Eurosceptic

Someone who is opposed to closer links with the European Union. It is generally believed that this view is held by a majority of the British population.

Federalism

This is a model of government where power is divided between a central authority and different parts of the political structure (often based at a regional level).

Subsequently, during this prolonged legislative process, the Conservative civil war over Europe was on full display. There were consequently several key parliamentary rebellions on this issue that undermined the government's small majority, eroding its image and authority in the process. Conservative opponents of Maastricht, who felt it was a European treaty too far, were sufficient in numbers to remove Major's majority if they rebelled. Margaret (Lady) Thatcher was manipulating many of them from the House of Lords, proclaiming that she *'could never have signed that Treaty'* and that it was *'a recipe for national suicide'*. The end result was:

> *A constantly shifting group of around 40–60 Tory MPs regularly worked with the Labour opposition to defeat key parts of their government's main piece of legislation, and Major's day-to-day survival was always in doubt.*[59]

Although Major managed to just about keep the party's European divisions under control, he was forced to withdraw the party whip from eight **'Maastricht Rebels'** in late 1994, only to allow these MPs to return to the fold some months later with few concessions apparently made and viewed as *'a sign of irreparable weakness'*[60] to his growing number of critics. Despite some very tight parliamentary votes and a few embarrassing defeats relating to this treaty, Major did just about manage to keep a reasonable grip on the premiership, but the internal party pressure on him was building up, as was the external pressures from a resurgent Labour Party under Tony Blair who was 'modernising' the Labour Party in terms of its policies and image, and successfully attacking the Conservatives on a wide range of issues and particularly Major's perceived weak leadership.

In 1996/1997, further destabilising tensions with Europe emerged over the 'beef war', when the EU banned exports of British beef due to alleged British farming methods and links between the cattle disease BSE (found in British cows) and the deadly CJD, a brain disease that had affected and killed a number of people across Britain and Europe. Major's inconclusive **'wait and see'** policy on Europe sought to steer a middle ground in terms of ongoing European integration, but this did not heal the divisions on European policy within his party. Many within the Conservative Party, therefore, remained hostile to this issue and Europe played a key role in party divisions that were evident in the heavy general election defeats of 1997 and 2001. John Major's plight in relation to the European issue has been effectively summarised as follows:

> *John Major's majority slowly ebbed away, while the Eurosceptic forces remorselessly undermined his public credibility.*[61]

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59 Andrew Marr, *A History of Modern Britain* (2007), p. 493.

60 Peter Hennessy, *The Prime Minister: The Office and its Holders Since 1945* (2000), Ch. 17, p. 472.

61 Michael Heseltine, *Life in the Jungle* (2000), Ch. 18, p. 417.

Social policy initiatives

To divert increasing hostility from the formerly loyal sections of the Conservative media, Major sought to develop a distinctive policy agenda and he tried to place greater emphasis on social issues, such as health and education, in seeking to respond to critics who felt that the Thatcher period of the 1980s had marginalised such policy areas.

During the first part of the 1990s, both economic and social policy-making appeared to be increasingly disjointed and lacking in terms of a coherent connected vision, as Major remained distracted by issues such as Europe and internal party divisions. He also faced some major post-Thatcher problems, such as the alarming statistic produced in 1993 that the gap between the highest and lowest salaries in the UK had reached the widest levels since records began, and that levels of poverty had significantly increased since 1979 (despite average living standards rising). Prosperity was certainly not being shared equally in mid-1990s Britain.

Consequently, there were determined attempts to get people back into work and to streamline and reduce welfare, with policies such as the 'Jobseekers Allowance' (1996) punishing those who didn't seek work, and making some benefits 'conditional'. Yet despite economic improvements for some, such fundamental social problems and levels of poverty (arguably caused by post-1979 Conservative policies) were somewhat overlooked by Major's continued faith in free-market policies. Indeed, the Child Poverty Action Group claimed that 1996 marked a post-war peak in poverty levels, with approximately one in four British children living in poverty, compared to just one in ten in 1979. Labour's proposal for a minimum wage was opposed by the Conservatives who said it would cost jobs, and as a result many people had jobs but were poorly paid.

There was, therefore, notable debate both at the time and since as to whether his type of conservatism was a more 'moderate' and 'compassionate' version than that of his predecessor's. While it can be argued that he continued with much of the neo-liberal economic agenda of the Thatcher period, the Thatcherites certainly viewed him as having backtracked from her legacy on various issues such as Europe, taxation and public spending (which had started to creep up again in the mid-1990s after falling during the Thatcher years – see table below). This arguably indicated some degree of concern to invest in key public services (NHS, education, etc.) at a time of recession and as a means of kick-starting economic recovery and maintaining a key role for the state.

Public spending as a percentage of GDP (Gross Domestic Product), 1990–1997

1990–91	39.4
1991–92	41.9
1992–93	43.7
1993–94	43.0
1994–95	42.5
1995–96	41.8
1996–97	39.9

Source: *http://www.ukpublicspending.co.uk/*

As alternative social programmes, Major launched initiatives such as the **'Citizen's Charter'** (1991) and the ill-fated campaign of **'Back to Basics'** (1993). The former policy sought to improve and decentralise public services, but, as a charter of improving quality, it became vague and ill-defined. The media subsequently began to ridicule aspects of it, in particularly the 'traffic cones' hotline, see weblink below:
http://news.bbc.co.uk/1/hi/uk_politics/7772818.stm

Critics ultimately claimed that such policies were somewhat vague and uninspiring, reflecting the fact that the Conservatives appeared to have run out of genuine policy ideas. However, a longer-term success was the launch of the 'National Lottery' in 1994, which in subsequent years has raised millions of pounds for good causes and various sporting and community projects.

Citizen's Charter

A 1991 policy initiative by John Major's Government that was launched to improve the quality of public services. Major described it as 'the central theme for public life 'in the 1990s, and was his first attempt to redefine post-Thatcher conservatism. Critics attacked it as being too vague and unclear in meaning.

Back to Basics

An attempted policy relaunch by John Major's Government in 1993, this approach sought to instil a high moral tone into political life and policy-making. It backfired as it generated significant media interest in MPs' private lives and led to a series of high-profile government scandals that cost several ministers their jobs.

Political sleaze

'Back to Basics' was launched at the 1993 Conservative Party Conference and was intended to focus on traditional values such as law and order and educational standards across society, linked to Major's *'innermost personal beliefs'*.[62] However, the 'back to basics' message appeared to draw attention to various sexual and financial scandals taking place in the private lives of several Conservative politicians, who were subsequently accused of hypocrisy by some elements of the press for not practising the moral code that they appeared to be preaching.

An example of one notable scandal from this period was the 'cash for questions' allegations that appeared in the mid-1990s, which saw several Conservative MPs accused of taking money for asking questions in Parliament (notably Tim Smith and Neil Hamilton), and not properly declaring such donations. Such a practice was somewhat unethical to put it mildly, and it led to a significant tightening of the regulations in subsequent years.

As the 1997 general election loomed on the horizon, Smith would stand down as an MP, but Hamilton refused to do so and was subsequently challenged by 'anti-sleaze campaigner' and former BBC journalist Martin Bell (who won Hamilton's formerly safe seat from him). There was also the damaging 'Arms to Iraq' scandal of the mid-1990s, when it appeared that the government had broken an international arms embargo by selling weapons to Iraq.

The moralistic tone of Major's crusade for better standards, therefore, appeared to have backfired and his administration became tarred with the allegation of 'sleaze' (both sexual and financial), as evident in the high-profile episodes above. This certainly damaged the party as a negative factor in the 1997 general election defeat. However, Major always denied that this was a policy about personal morality:

> *'Back to basics'… became a tool in the hands of newspaper critics… (It was) hijacked as being a public statement about personal morality.*[63]

62 John Major, *The Autobiography* (1999), Ch. 16, p. 387.
63 John Major, *The Autobiography* (1999), Ch. 16, p. 387.

Major himself started to be remorselessly mocked and satirised, with *The Guardian* newspaper cartoons ridiculing him by constantly depicting him with his shirt tucked into underpants (worn over his trousers!), see example below:

http://www.belltoons.co.uk/bellworks/index.php/leaders/1994/0528–25–11–94_PANTFIRESQUAD

In a similar satirical vein, the *Spitting Image* TV show depicted Major as a 'grey man' with no personality or charisma. Close associates of Major claimed that his own mood was adversely affected by such ongoing media criticisms.

Major and Northern Ireland

Following on from the Thatcher years and the steady levels of violence that had erupted in Northern Ireland, terrorism and bloodshed continued into the 1990s. This was despite the 1985 Anglo-Irish Agreement that was supposed to deliver greater political stability, yet which failed to tackle the IRA and drain it of support and ability to function, as had been its intention. This was evident in IRA terrorist activity such as the 1993 Bishopsgate bombing in London's financial district, the 1993 Warrington bombing which killed two young boys, and the 1996 Manchester bomb which destroyed a huge part of the city centre.

A large amount of the attacks were against commercial interests and designed to cause economic damage, but Warrington proved that innocent bystanders were also often killed. There was also ongoing religious-fuelled killings between Protestant and Catholic terrorist groups on mainland Northern Ireland, with total casualties related to 'The Troubles' for this period outlined below.

Deaths relating to 'The Troubles' (1990–1997)

1990	81
1991	97
1992	88
1993	88
1994	64
1995	9
1996	18
1997	22

However, despite the British government's repeated mantra that *'we do not not talk to terrorists'*, Major's more conciliatory image and manner (in comparison to Thatcher) created the opportunity for secret talks to develop from the early 1990s, and which were kept confidential from the media and much of the government machine. During such talks, direct contact was made between the British government and reliable IRA sources who informed the Prime Minister that the *'war is over'*. Major ultimately believed that such talks were a risk worth taking if it meant an eventual peaceful outcome to 'The Troubles' was a possibility.

Despite much furore from Conservative and Unionist figures when the talks became publicly known, Major could justify them by the fact that such negotiations helped to initiate a 'complete' IRA ceasefire in 1994; the first of its kind in 25 years. This had followed on from the **Downing Street Declaration (1993)** with the Irish government, which had publicly announced a framework for ongoing talks and an end to violence. Major remarked on this development as follows:

> *The Declaration was a powerful symbol. After twenty-four years of conflict and over seventy years of partition, it showed that there was a set of principles which the British and Irish governments could jointly accept… Unionists were assured that a united Ireland would not be imposed on them. Nationalist right assured that their traditions and aspirations would be respected…. The Declaration was not designed as a blueprint for a settlement, but it paved the way.'*[64]

However, Major's policy on Northern Ireland didn't produce a sustained and concrete peace, and his negotiating hand was weakened by the fact that he had a small parliamentary majority which was reliant on Ulster Unionist MPs. Unionist anger at his talks, therefore, limited his options and prospects, while Republican paramilitary forces in the IRA seemed to be willing to negotiate while retaining violence as a back-up option. Yet it is still viewed by many political observers that by such ground-breaking diplomacy, Major arguably laid the foundations for the landmark **Good Friday Agreement** of 1998, and for this he deserves notable credit.

Major's leadership challenge (1995)

In the wake of fierce European divisions, growing political unpopularity, the flourishing of sleaze stories and Major's perceived weak leadership, many die-hard Thatcherite Conservative MPs had concluded by 1993/1994 that John Major was a pale imitation of his predecessor, whom many still held in great reverence. As a result of this, an increasing number of government backbench MPs began to lose respect for the increasingly beleaguered Prime Minister and many felt that he was leading them towards inevitable defeat at the next general election. As a consequence of this darkening and divisive mood within the parliamentary party:

> *Never in the last century had the leader been treated with so little respect by some ministers, MPs and by the Conservative press at large.*[65]

By the middle of 1995, the various pressures on Major appeared to reach boiling point and he was faced with repeated media stories of possible challenges to his leadership from within his own party. On 22nd June 1995 he subsequently took a drastic and somewhat unorthodox political gamble by resigning as party leader and triggering a re-election process which he would again stand for. This was a gamble on his part, but it was ultimately an attempt to get his internal political opponents to *'put up or shut up'*, and his actions triggered a Conservative leadership election which only sitting MPs could participate in. This gamble appeared to pay off in the short term at least, and Major was fortunate that political heavyweights and more threatening contenders such as **Michael Portillo** and **Michael Heseltine** remained loyal and did not challenge him.

64 John Major, *The Autobiography* (1999), Ch. 19, p. 455.

65 Anthony Seldon & Peter Snowdon, 'The Barren Years: 1997–2005', cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (Palgrave Macmillan, Basingstoke, 2005), Ch. 11, p. 246.

Major won the subsequent leadership contest against his former cabinet colleague, the Thatcherite minister **John Redwood**, who was his only challenger for the position. The result, announced on 4th July 1995 saw him gain 218 MPs' votes in comparison to Redwood's 89, alongside 20 spoiled ballots or abstentions. Yet it was a far from overwhelming victory, and over 100 Conservative MPs (approximately one third of the parliamentary party), failed to support him in this unusual election that saw a serving prime minister seek re-election as leader of his own party. Major later admitted that this margin of victory had only just been within the acceptable target that he had set for himself, and he realised that it indicated further political difficulties lay ahead within the lifetime of that Parliament:

> *I felt deflated. There was no elation. The leadership had been settled for the present Parliament, but the size of John's (Redwood's) vote meant there were many storms ahead.*[66]

Major's downfall

In short, following this somewhat turbulent re-election as party leader, most of Major's efforts appeared to be taken up with ensuring the short-term political survival of his administration with its slender parliamentary majority of just 21 (1992–1997), and by *'December 1996 the government lost its majority in Parliament altogether'*,[67] following a series of defections, deaths and by-election defeats. Major's battered and divided government stumbled on for a few months, clinging to power and appearing to rely on a more positive turn of events to save it from what seemed to be an inevitably harsh verdict of the electorate. Its fortunes appeared to reflect a bitterly split post-Thatcher Conservative Party, and by May 1997 its term of office had expired and it was defeated on an unprecedented scale by the revitalised 'New Labour' juggernaut under Tony Blair, that had modernised itself and refreshed its policies.

Overview: The Major years

John Major headed a divided party that had arguably been in power for too long and had run out of steam. Major himself later commented that perhaps his unexpected election victory in 1992 had *'stretched the elastic of democracy too far'*, implying that four consecutive terms for one party was perhaps not an ideal democratic development. Major faced a wide range of difficult problems, many of which were European and economic related, although he undoubtedly made some of the difficulties for himself due to his perceived failure to make decisive decisions and to prefer a 'consensual' approach to political leadership. His somewhat 'grey' and 'boring' image was attacked and ridiculed by elements of the press, perhaps a reflection of the stark contrast he provided following the colourful and controversial figure of Margaret Thatcher.

Major complained that he never had the luxury of the large parliamentary majorities enjoyed by Thatcher, and this certainly made life at Downing Street more difficult. Within a year his majority of 21 was in visible decline due to deaths, by-election losses and defections. With the exception of some constructive progress with the Northern Ireland peace process, most of Major's time in office for much of the period up to 1997 appeared to be crisis-ridden. Whether such problems were due to his small parliamentary majority or weak leadership (or a combination of both), has been the subject of much subsequent debate.

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66 John Major, *The Autobiography* (1999), Ch. 25, p. 645.

67 Anthony Seldon & Peter Snowdon, 'The Barren Years: 1997–2005', cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (Palgrave Macmillan, Basingstoke, 2005), Ch. 11, p. 247.

Many voters ultimately suffered due to Conservative economic policies during the early 1990s in particular (e.g. a recession and 'Black Wednesday') and were unwilling to forget this when it came to casting their vote in 1997. However, as a positive footnote to an otherwise turbulent and difficult period, John Major would later claim that it was his government that had dragged Britain out of recession and, despite an overall mixed economic record, had ultimately made the tough economic decisions that had presented Tony Blair's incoming Labour Government with a *'golden economic scenario'* on taking office. He could therefore proclaim:

> *During my premiership interest rates fell from 14 per cent to six per cent; unemployment was at 1.75 million when I took office, and at 1.6 million and falling upon my departure… The economy was growing by only around 0.5 per cent in 1990, shrinking by 1.5 per cent in 1991 before recovering to grow by 3.5 per cent in 1997.*[68]

John Major could ultimately claim to take some positive experiences from his seven and a half year term as prime minister, despite the period (1990–1997) being generally viewed as a troubled one for both him and his political party.

Questions and Talking Points

1. Why did the nature of Margaret Thatcher's departure from office create problems for John Major's premiership?
2. Explain how Europe was the source of many of John Major's problems.
3. What were the key factors that forced John Major to call a leadership election in 1995?
4. Explain the view that 'Black Wednesday'(1992) sealed the Conservatives' fate at the 1997 election.

[68] John Major, *The Autobiography* (1999), Ch. 27, p. 689

Revision Exercise 4: John Major's Government 1990–1997

Outline the key successes and failures of the Conservative government of 1990–1997.

Policy/Issue	Successes	Failures
Political		
Economic		
Social		
Cultural		

Exercise 5: Key Revision Questions 1990–1997

Revision Quiz

1. What key factors helped John Major win the 1992 general election?

.....(1)

.....(1)

2. What key factors weakened John Major throughout his five years in office from 1992–1997? **(2)**

.....

.....

3. What name is given to the day John Major's Government was forced to leave the Exchange Rate Mechanism (ERM) in 1992? **(1)**

.....

4. What impact did the issue of Europe have on the Major premiership? **(2)**

.....

.....

5. Outline three key policy areas that damaged John Major's Government and led to his electoral defeat in 1997.

.....(1)

.....(1)

.....(1)

Total: ..... OUT OF 10

The Era of New Labour (1997–2007)

By the mid-1990s the Conservative Party had been in power for over 15 years and it appeared to have confirmed its image as the *'natural party of government'*, a position it had retained for much of the twentieth century. It had won four successive general elections, the most recent in 1992 being against the odds and with a record number of votes, but events following this electoral success would seriously undermine the prospects of a fifth election victory in a row.

The five years between 1992 and 1997 were marked by contrasting fortunes for the two principal combatants of British politics. The governing Conservative Party was consumed with in-fighting, division and a seemingly irreconcilable split over the issue of Britain's relations with the European Union. The major economic setback of **'Black Wednesday'** in September 1992 seemed to seal the party's fate at the next election, whenever it was called. All of these factors seriously undermined the administration of John Major that had remained in power with a very small parliamentary majority in 1992.

From Kinnock to Blair (1983–1994)

The Labour Party had been undergoing a process of gradual 'modernisation' since its electoral annihilation in the 1983 general election, with leaders Neil Kinnock (from 1983–1992) and then John Smith (from 1992), bringing its policies back towards the crucial 'centre ground' of the political spectrum, the location where general elections were said to be won. Kinnock had been heavily involved in expelling various left-wing groups such as the Militant Tendency from the Labour Party during the late 1980s, and his leadership had gradually reduced the Conservative parliamentary majority at both the 1987 and 1992 general elections. In this context, it is perhaps unfair to give all the credit for Labour's recovery and change of image to Tony Blair. It was, therefore, the case that such 'modernising' tendencies were already underway when Blair became leader in 1994, although he certainly accelerated their pace.

Some progress under Kinnock was evident, but there was both disappointment and despair when the party failed to win power in 1992, despite many of the opinion polls suggesting that this was the likely outcome in the run-up to polling day. Having himself lost two general elections and the party four in a row, Kinnock knew his time had gone.

The Labour Party, therefore, suffered yet another trauma when it endured a surprising election defeat in 1992, and this sense of shock was further compounded when its relatively new leader, John Smith, died suddenly of a heart attack in May 1994. Yet from such a personal tragedy there emerged a startling opportunity for the party, and in deciding to skip a generation and select a much younger individual to succeed Smith as party leader, the Labour Party was seeking to embrace its final, most radical phase of modernisation.

Neil Kinnock

Labour Party leader (1983–1992). A Welsh MP originally from the party's radical left-wing, Kinnock took over the party leadership following the 1983 general election landslide defeat, the party's worst post-war election result. He then began the process of moving the party's policies away from left-wing positions in a bid to develop a more moderate appeal to floating voters. Lost two successive elections as leader in 1987 and 1992, but reduced the Conservative parliamentary majority and moved Labour closer to a position of power in the process.

John Smith

Labour Party leader (1992–1994), previously serving as Shadow Chancellor of the Exchequer from 1987. A Scottish MP from the more moderate wing of the party, Smith had served in the previous Labour government in the 1970s and was seen as a 'safe pair of hands' in succeeding Kinnock in 1992. He continued the process of 'modernisation' and initiated one last push for power after four general election defeats in a row. He died suddenly of a heart attack in May 1994 (aged only 55), an unforeseen development that prompted Labour to 'skip a generation' and elect a much younger leader in the form of Tony Blair (aged 41 at the time), who sought to accelerate the party's modernisation process.

Blair as leader: Character and ideology

In July 1994, therefore, Labour selected 41-year old **Tony Blair** *(right)* as its new leader, a non-ideological moderate who was not associated with the party's left-wing baggage that had damaged it at recent elections. Blair became leader despite the more established leadership claims of his long-time colleague and supposed senior, Gordon Brown, and an agreement was reached between both men whereby Brown agreed not to run against Blair in return for key powers within a future Labour government. This failure of Brown to become leader at this specific point in time would cause considerable difficulties in the Blair–Brown relationship in future years. The selection of Blair as leader appeared to pose a significant threat to the Conservative electoral hegemony of recent years.

Blair was quite clear in his overall analysis that Labour had not been progressive or 'modern' enough in recent elections. On this basis, he sought to 'radically modernise' and alter the party's image:

> *… the party had lost (in 1992) because we had failed to modernise sufficiently and we now had to do so, not by shades but by bursts of vivid colour.*[69]

Blair subsequently began a drastic review of existing Labour Party policy, discarding most of its 'socialist' proposals that had appeared to cost it votes in middle-class 'Middle England' at recent elections. The most notable example of this was the decision to abandon the totemic **'Clause Four'** of the party constitution in 1995 which had affirmed the party's commitment to nationalisation. Blair displayed strong and determined leadership in distancing his regime from the party's past ideological heritage, and in doing so began to deliberately use the term **'New Labour'** when talking about the party, apparently in a deliberate attempt to rebrand its overall image.

Blair was helped by skilled media operators and 'spin-doctors' such as Alastair Campbell, a former tabloid journalist who mastered the art of effectively communicating with the voters and getting the right political message across, helping New Labour win the support of key newspapers such as *The Sun* in the process. *The Sun* was the biggest selling national newspaper whose support for the Conservatives in 1992 had been seen as a crucial factor in their election victory, and its owner Rupert Murdoch was viewed as someone who needed to be won over by the New Labour leadership.

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69 Tony Blair, *A Journey* (2010), Ch. 2, p. 52.

The 1997 general election

By the time of the (May) 1997 general election, the 'New Labour' project had made significant progress in altering the wider public's perception of the Labour Party:

> *By the time of the general election in 1997, Labour's image had been transformed. In contrast with 1992, voters now saw it as much more united, trustworthy, economically competent and representative of Britain as a whole than the Conservative Party.*[70]

The 1997 election was therefore a **'watershed'** political event that saw the twentieth-century's 'natural party of government' that had generally experienced *'periods of opposition the exception, and office the norm'*[71] found itself in a state of utter political disarray, *'being reduced to a rump'* and experiencing its heaviest electoral defeat *'since the birth of mass democratic politics in 1918.'*[72] There was a massive 10% direct 'swing' in public opinion from Conservative to Labour, and the 165 Conservative MPs elected was the lowest figure for the party since 1906.

Watershed

An historical event that is often seen as a significant or a defining moment or a 'turning point'.

Party	MPs
	1997
Labour	418
Conservative	165
Liberal Democrat	46
Others	30

By contrast, Labour had achieved its greatest electoral triumph of the twentieth century, being elected with a **parliamentary majority of 179** seats and having 418 MPs elected. At the age of 43, Blair became the youngest prime minister for almost 200 years, not quite beating Lord Liverpool who was 42 when he became prime minister in 1812.

Blair had no previous ministerial experience, and neither did much of his cabinet with the exception of a few who had served as junior ministers in the last Labour government of the 1970s. Such a lack of experience was explicitly acknowledged by Blair:

> *On 2 May 1997, I walked into Downing Street as prime minister for the first time. I had never held office, not even as the most junior of junior ministers. It was my first and only job in government.*[73]

Whether such a lack of experience was a good or a bad thing would be the subject of much political debate in the ensuing years of New Labour rule. What was not in doubt was that with a parliamentary majority so huge, Blair and his government were in a very powerful position to instigate some major political, economic, social and cultural changes to the UK.

A long-term spell in opposition for the Conservative Party appeared somewhat inevitable given the scale of this defeat, and such an electoral annihilation at the hands of a revitalised and modernised 'New Labour' juggernaut represented the nadir of Conservative twentieth-century political fortunes in terms of both parliamentary seats and wider public support.

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70 Dennis Kavanagh & Anthony Seldon, *The Powers Behind the Prime Minister: The hidden influence of number ten* (1999), Ch. 9, p. 244.

71 Anthony Seldon & Peter Snowdon, 'The Barren Years: 1997–2005', cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (2005), Ch. 11, p. 243.

72 Anthony Seldon & Peter Snowdon, 'The Barren Years: 1997–2005', cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (2005), Ch. 11, p. 247.

73 Tony Blair, *A Journey* (2010), Ch. 1, p. 1.

The 1997 general election result was described as a 'Triumph' (*The Guardian*), a 'Landslide' (*Daily Telegraph*) and a 'Massacre' (*Daily Mail*), with the general consensus that *'it was all of these'*.[74] Fundamental reasons for such plummeting levels of popular appeal were rooted in the party's ideology, unpopular policies and the wider public perception (with the party's image and identity seeming to be both damaged and diminished in terms of policy direction) of a lack of long-term political vision, and being out of touch with the contemporary public mood.

Summary – key reasons why Labour won and the Conservatives lost the 1997 general election:

- The Conservative Party appeared to be tired and exhausted after 18 successive years in power.
- By contrast, Labour had been re-energised and more focused on regaining power since Tony Blair launched his 'New Labour' agenda in 1994.
- Confidence in Conservative economic competence had been badly damaged by events of 'Black Wednesday' (1992) and the recession of the early 1990s.
- The Conservatives and their policies appeared to be increasingly out of touch with a rapidly changing British society in terms of attitude to gender, race, modern lifestyles, etc.
- John Major had been damaged as prime minister by party divisions and a weak image, and the party had struggled to develop a clear message in the years following the end of Margaret Thatcher's leadership (1990 onwards).
- Significant sections of the tabloid press switched their support to the Labour Party, e.g. *The Sun* newspaper.
- The Conservative Party had been damaged by a succession of stories about sexual and financial sleaze.
- Labour's former reputation of left-wing extremism had been replaced by a more moderate image that appealed to 'Middle England'.

Changing British society

Ultimately, the 1997 Conservative Party appeared to be out of touch with and broadly unrepresentative of a rapidly changing and gradually more diverse British society. In many ways there were parallels to be made with how Labour had been similarly out of touch in 1983, and in subsequent years of exile from national political office the Conservatives would also have to 'modernise' accordingly.

A greater degree of social tolerance towards minority groups such as gays and towards a growing variety of ethnic groups had generally developed among the wider population during the party's long duration in office. Yet the general Conservative attitude towards such groups was perceived to be hostile and indifferent. Such changes in key **'social attitudes'** had meant that Britain had gradually become a more diverse, tolerant and multicultural society, yet this dynamic social change had unerringly evolved while the Conservatives were preoccupied with the political strains of governance, with a primary focus on the fundamental economic restructuring of the country:

> *After nearly two decades of Conservative rule, the needs, anxieties, priorities and aspirations of the electorate had become harder for the party to decipher and comprehend. Many simply failed to acknowledge how British society had changed in the 1990s.*[75]

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74 David Butler & Dennis Kavanagh, *The British General Election of 1997* (1997), Ch. 13, p. 244.

75 Anthony Seldon & Peter Snowdon, 'The Barren Years: 1997–2005', cited in Stuart Ball and Anthony Seldon (eds.), *Recovering Power: The Conservatives in Opposition Since 1867* (2005), Ch. 11, p. 248.

Therefore, despite the constant hum of such unerring background social developments, the Conservative Party of the mid-90s appeared to be detached from such trends and social attitudes within wider society, and this issue would go to the heart of the party's definitive identity problems as the decade progressed, as outlined in the quote below from a Conservative MP:

> *My children... are all bright... and in their mid or late twenties, and probably natural Tories. But none of them would ever vote Tory. They think the party is totally out of touch... We have not selected a woman or an ethnic minority candidate for a single winnable seat. That's the sort of party we have become.*[76]

Tony Blair ultimately exploited such trends in Labour's favour by advocating enhanced social liberalism and would develop policies that improved rights for various minority groups. This included homosexuals (see social policy later), and ethnic minorities.

Race relations and multiculturalism

In terms of race relations, there were clearly ongoing tensions in some parts of the country, notably within some unofficially segregated towns and inner cities, where the ethnic populations congregated together and lived apart from the white population. The UK's Black Minority Ethnic (BME) population was estimated to have doubled in size from 3 to 7 million between 1991–2011, and by 2001 it was an approximate 8% of the UK overall population, although much higher in some areas, namely London.

In 2001, there were race riots in Oldham in Lancashire, with cultural differences and tensions spilling over between white and Asian youths. Further smaller riots followed in other northern locations of Burnley, Bradford and Leeds, where there were also significant Asian communities. Such episodes highlighted the ongoing practical difficulties of racial integration and multiculturalism in twenty-first-century Britain.

The most extreme tensions emanating from poor race relations were addressed by the Labour government's decision to establish the MacPherson Inquiry in 1997 following the racist murder of black teenager Stephen Lawrence in 1993. The Conservatives would not hold such an inquiry, but Labour felt that such episodes were a stain on Britain's position as a multicultural society and needed addressing. This official judicial inquiry reported back in 1999, and the subsequent **MacPherson Report** summarised that there was 'institutional racism' within the Metropolitan Police, and several key recommendations were made to address this situation going forward.

Further immigration from 1997 onwards, notably from the European Union after further EU expansion in 2004, would mean that Britain would become an even more diverse and multicultural society as the twenty-first-century commenced. Politicians of all parties would, therefore, have to react in both policy terms and attitudes accordingly, and this remained an ongoing difficulty and would fuel the rise of political parties such as UKIP.

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76 David Curry, Conservative MP, Interview with Hugo Young, 3 September 2000, cited in *The Hugo Young Papers: A Journalist's Notes from the Heart of Politics*, Ion Trewin (ed.) (2009), p. 667.

So-called 'third wave feminism' also spread its influence across Blair's 'New Britain' to redefine feminism and promote a further generation of women's equality (despite progress that had already been made). An example of such a new form of feminism could be seen in the *Riot Grrrl* 'underground' punk band from the USA, which encouraged women to express their identities more forcefully than they had done in the past. This indicated an ongoing impatience from feminists that sufficient equality had still not been achieved, despite progress since the 1970s, in particular, as well as the advent of the UK's first female prime minister.

New Labour's egalitarian approach to such race and gender issues also endorsed methods of 'positive discrimination'. This was further reflected in its ongoing advocacy of all-women shortlists to push the percentage of female MPs up from just 60 in 1992 to 128 (98 of whom from the Labour Party), as well as the 2010 Equality Act in its final year in power. In addition to this, in 2006 Margaret Beckett became the first ever female Foreign Secretary, and only the second after Margaret Thatcher to hold one of the four great offices of state.

Blair's Government also sought to embrace more modern attitudes to the royal family and encourage them to modernise for the twenty-first-century, particularly after the death of Princess Diana in 1997 (who Blair referred to as *'The People's Princess'*). There was also more general tolerance of divorce and less conventional family units, with divorce being something the royal family itself had experienced plenty of.

The new prime minister also associated himself with various younger pop stars and entertainers, embracing the youth culture for political popularity, and inviting 'Britpop' bands such as Oasis and Blur to high-profile Downing Street receptions as part of his so-called *'Cool Britannia'* agenda. He was photographed playing a guitar and spoke publicly about his interests in acting and music, as well as being pictured with various sporting stars. This focus on an enhanced cultural knowledge and experience was further reflected when Blair's Government made admission to UK museums free for everyone in 2001. By such policies, attitudes and events, even though critics attacked what they believed were gimmicks, Blair seemed to be in tune with public opinion and 'progressive' social attitudes. Overall, by embracing such examples of social liberalism, and in the process challenging often outdated traditions, his Government could be viewed as being anti-establishment.

Questions and Talking Points

1. Why was Tony Blair's image seen as being appealing in the mid-1990s?
2. Was it the influence of Tony Blair or the weaknesses of the Conservative Party that led to New Labour winning power in 1997?
3. In what ways had British society and social attitudes changed by the mid-1990s, and what were the political repercussions of this?

Tony Blair sought to govern differently from previous Labour governments, and he explicitly rejected the old ideological divisions between 'left' and 'right' as part of his 'New Labour' project. On being elected he pledged to govern as 'New Labour' and subsequently devised an approach known as *'The Third Way'*, often involving the fusion of private and public funding in delivering public services, a far cry from the more 'socialist' approach of Labour governments of the past.

At the heart of Blair's system of government was the delicate relationship he had with his Chancellor of the Exchequer **Gordon Brown** *(right)*, a potential rival for party leader who had been given a huge amount of power and influence over domestic economic policy-making in a bid to appease his own ambitions to become prime minister:

> *New Labour looked destined to govern Britain for many years, and its two architects now assumed the authority permanently to change the country… Their agreement to divide the government of Britain was reconfirmed. Through the Treasury, Brown would control the domestic agenda…*[77]

The nature of the intense relations between these two men was both the administration's major strength and weakness. On a positive level, when working constructively together in harmony, Blair and Brown made a formidably effective political team which the Conservative Party had no match for. Together they planned to significantly invest in and 'modernise' the UK's public services, bringing the country's creaking infrastructure into the twenty-first century in the process, while also seeking greater levels of social justice alongside economic competence. Blair, in particular, wanted to instil greater 'choice' for all citizens in the key public services such as health and education as well as increasing investment in such policy areas. However, from a negative perspective, the mutual suspicions that both men held towards each other and the rival teams of advisors and supporters in government was a cause of instability and lack of focus during this longest ever period of Labour in government.

Brown's unfulfilled desire to be prime minister seemed to erode their relationship, and the longer Blair stayed in office, the more impatient to succeed him Brown seemed to become. The nature of their relationship was linked to Blair assuming the leadership of the Labour Party in 1994 instead of Brown, and this legacy was the source of Brown's significant power as Chancellor, but also of their ultimate tensions at the centre of government:

> *Brown had demanded guarantees that he would have suzerainty over not just economic policy, but the overlordship of social policy as well. From a mixture of obligation, guilt, dependency, fear and sincere admiration… Blair had ceded much to Brown, though it would never be quite enough to satisfy the other.*[78]

In the early years of New Labour in power, Blair was the figurehead and public image of the government with appropriate charisma for this role, while Brown was intensely focused on complex taxation issues and reforms of social policy. While the economy was booming for the first term in power, the partnership appeared to work fairly well, although tensions undoubtedly existed. Apart from social and economic issues, this first term witnessed, in particular, some of the most radical constitutional terms for almost a century, with devolution introduced to Scotland, Wales, Northern Ireland and Greater London and the majority of hereditary peers losing their ability to sit and vote in the House of Lords.

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77 Tom Bower, *Gordon Brown* (2004), Ch. 6, p. 200.

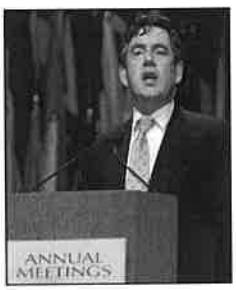
78 Andrew Rawnsley, *Servants of the People: The Inside Story of New Labour* (2000), Ch. 2, p. 20.

Regardless of such titanic personalities at the centre of government, New Labour was intensely focused on restoring the party's economic record while in power following the failures of past administrations. Tony Blair, in close partnership with Brown throughout, wanted to run the economy in a 'business-friendly' approach broadly along the 'free-market' principles established by the Conservatives in the 1980s, but with a greater focus on tackling the often harsh social consequences that ensued and the need for some state intervention to challenge this. As previously mentioned, this became known as the **'Third Way'**, an ideology that critics described as 'vague' due to its apparent endorsement of both left and right-wing values, emphasising economic liberalism with a degree of state intervention.

> *The Third Way is not laissez-faire, nor is it state control: it implies an active government role, linked to improving the employability of the workforce.*
> ***Tony Blair (1998)***

The level of interest rates and their impact on mortgage payments and inflation levels became a crucial aspect of government economic policy-making from the 1980s onwards. This trend in turn heavily influenced the economic outlook of Tony Blair's Labour Government that took office in 1997 after 18 years in political opposition, and which wanted to enhance Labour's economic credentials, particularly after the failings in this crucial policy area of previous Labour governments in the 1960s and 1970s. Blair in particular was focused on ensuring that this Labour government achieved a record of economic competence that previous Labour administrations had lacked.

One of the first acts of the incoming Labour government was to give control of interest rates to the **Monetary Policy Committee (MPC)** of the Bank of England, a distinctive and original policy that caught the Conservative opposition by surprise. This effective privatisation of the Bank of England took direct control of interest rates away from the elected government and passed it over to unelected bankers and economists, although the government set targets for the Bank's Monetary Policy Committee to achieve.



Prime Minister Tony Blair and his Chancellor **Gordon Brown** *(left)*, justified this policy as a means of providing greater economic **stability** and ending the government's power to manipulate the economy for electoral purposes and ending **'boom and bust'** style economics. Given that past Labour governments had presided over rising inflation and high taxation, this mechanism would prove to be a useful device in improving Labour's economic reputation in office, and in this context the establishment of the MPC:

> *turned out to be particularly helpful to Labour ministers since it removed at a stroke the old suspicion that they would favour high employment over low inflation.*[79]

79 Andrew Marr, *A History of Modern Britain* (2007), p. 532.

For the majority of their years in office from 1997, New Labour presided over conditions of economic boom, and they were rewarded for this with further election victories in 2001 and 2005, being viewed as economically trustworthy and Brown viewed as the *'Granite-and-iron Chancellor'*.[80] Opposition politicians claimed that Tony Blair and Gordon Brown had inherited a 'golden economic scenario' from the Conservatives, buoyed by a booming housing market that created an environment of enhanced prosperity. While who should be credited for the economic boom is debateable, there is little doubt that New Labour maintained the general economic approach and priorities of the previous Conservative years, accepting *'the neo-liberal economic settlement'*. This 'liberal' economic settlement focused on low inflation, low taxation, along with the acceptance of economic deregulation and privatisation. This 'Thatcherite' style of economics was actually aligned with **'classical liberal economics'**, focusing on limited government intervention in the economy.

Neo-liberal

A political movement that seeks to maximise and promote economic liberalism and freedom as a means of generating both economic development and securing political liberty

New Labour presided over low levels of unemployment also, and only after a decade of being in power did economic difficulties began to appear in earnest from 2007 onwards. Critics claimed that Labour's progressively high levels of unsustainable public spending during the 'boom' years had lacked long-term economic planning, damaged the UK economy in the long term, and created high levels of both public (government) and private (consumer) debt.

Task 1

To what extent did New Labour (1997–2007) pursue the same economic policies of the Conservative Party from 1979–1997?

Evidence of economic policies similar to Conservatives	Evidence of distinct 'New Labour' economic policies

80 Andrew Marr, *A History of Modern Britain* (2007), p. 532.

Taxation and public spending

On taking office in 1997, New Labour had pledged not to increase direct taxation, i.e. in areas such as income tax. This was a concerted attempt to eradicate Labour's previous image of a high **'tax and spend'** party that had been used against it effectively at previous elections, in 1992 in particular. Indeed, Labour maintained Conservative spending plans for its first two years in office, an approach that:

> *proved central in overturning views that Labour was still a 'tax and spend' party.*[81]

On winning office they, therefore, maintained this high-profile taxation pledge and in initially adhering to the public spending levels of the previous Conservative government (for two years), they embraced a new economic agenda that disheartened many left-wing 'Old Labour' supporters. Past Labour governments had spent heavily in their early phases and run into economic problems at a later stage, and Chancellor Gordon Brown was determined not to repeat this:

> *doing the opposite of what earlier Labour chancellors had done. They had arrived in office, immediately started spending, and then had to..... raise taxes later on.*[82]

Such emphasis on maintaining levels of direct taxation helped to reassure **'Middle England'** (key group of middle-class voters), and enabled the party to secure re-election in 2001 and 2005 on the basis of their apparently responsible and 'prudent' economic record. While Chancellor in Tony Blair's administration (1997–2007), Gordon Brown reduced the basic rate of taxation from 23% to 22% in 2000, and then by a further 2% to 20% in 2007.

Public spending: The political debate

Following the Thatcherite agenda of the 1980s when tax cuts appeared to be given priority over increased public spending, the narrative of this debate was increasingly reversed under New Labour from 1997 onwards. The Conservative administration (1979–1997) had brought the high levels of government spending of the 1970s under control, and public spending as a percentage of GDP was in the early 3% range by the late 1980s. However, in pursuing such an economic agenda, the Conservatives were accused of neglecting vital services in the process.

For four years after 1997 there was initial caution and **'prudence'** *(in the words of Gordon Brown)*, where Labour adhered to Brown's **'Golden Rules'** of only borrowing money to support long-term investment. Labour appeared to pursue Tony Blair's philosophy of the **'Third Way'** which argued for public investment within a model of economic efficiency *and* social justice. However, following Labour's re-election for a second term in 2001, the curve of public spending steadily increased. From falling to approximately 36% of GDP in 1999–2000, the lowest figures since 1960, public spending and investment continued to rise, reaching 44% of GDP by 2009.[83]

However, not all spending and investment came directly from the state, and Labour continued to utilise key policies inherited from the previous Conservative government, e.g. **Private Finance Initiatives (PFIs),** that controversially involved private companies investing in key public buildings such as schools and hospitals. While they could deliver key improvements to the infrastructure at limited cost in the short term, critics claimed such projects were bad value for money as they involved greater expense in the long-term debt that the government had to pay (in inflated profits) to the private companies involved.

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81 Dennis Kavanagh & Anthony Seldon, *The Powers Behind the Prime Minister: the hidden influence of number ten* (1999), Ch. 9, p. 244.

82 Andrew Marr, *A History of Modern Britain* (2007), p. 534.

83 **Source:** *http://www.ukpublicspending.co.uk/uk_20th_century_chart.html* and Andrew Marr, *A History of Modern Britain* (2007), p. 534.

Public Spending in UK as a Percentage of GDP

Year	% of GDP
1975-76	49.7
1989-90	39.2
1997-98	38.2
2000-1	34.5
2007-8	41

Source: *http://www.ukpublicspending.co.uk/*

Gordon Brown clearly became bolder in his explicit increase of taxation after the 2001 election, and a key moment appeared to be the decision to increase National Insurance contributions in 2002. According to one commentator:

> *He began as Scrooge and quietly fattened up for Santa. There was an abrupt and dramatic shift and public spending soared.*[84]

Such increased direct taxation has been attacked by political opponents as punitive (punishing) for high earners and a disincentive to earn money, although the Conservatives had refused to commit to cutting such taxes. Brown used much of this money to invest in public service such as the NHS or education, or alternatively to fund his complex 'tax credits' system that was again aimed at targeting additional resources at those on low incomes and to make work worthwhile as opposed to claiming benefits.

For much of their period in political opposition after 1997, the Conservatives accepted much of Brown's public investment and generally pledged to match Labour's tax and spending levels for most of this time, supporting his investment in key areas of social policy in the process also. This had been despite traditional Conservative instincts for tax cuts and criticism that New Labour inherited a *'golden economic scenario'* from the previous Conservative government. New Labour's overall economic and social policy-making approach was, however, criticised by various left-wing commentators and some of its own MPs for presiding over a growing inequality between the rich and poor since coming to office in 1997. A 2010 survey by the **National Equality Panel** indicated that the gap between the rich and the poor had reached its greatest level for 49 years in the wake of over a decade of Labour in government:
http://www.equalities.gov.uk/pdf/NEP%20Report%20bookmarked.pdf

Traditional Labour Party (and social democrat) economic policy had always been to use the taxation system to **redistribute** wealth and reduce inequality of income, principally by imposing higher taxes on the better-off members of society. While there was clear economic growth from 1997 onwards, it does not appear to have been shared evenly across all parts of society, and key social policies such as health and education could arguably have been more generously funded as a result. All sections of society broadly improved their income between 1997-2007, but the wealthier groups did so at a relatively higher rate.

Redistribution

Transferring income, wealth or property from some groups or individuals within society to others.

84 Andrew Marr, *A History of Modern Britain* (2007), p. 534.

Summary – positives and negatives of New Labour economic policy since 1997

Positives	Negatives
• Inflation kept historically low for most of the period. • Direct taxation remained relatively low. • Bank of England independence created economic stability and interest rate influenced by long-term economic decisions, not short-term political ones. • Growth in property prices and home-ownership linked to interest rate stability. • Progressive increase in public spending on key public services and economic intervention during recession.	• Indirect taxation steadily crept up via 'stealth taxes'. • Large scale PFI projects were bad value for money for the taxpayer. • Excessive and unaffordable levels of spending on key public services, with the country's national debt growing to record levels during New Labour's time in office. • The gap between rich and poor continued to grow after 1997. • Unemployment grew progressively during New Labour's time in office.

Social policy

Conservative and Liberal Democrat critics claimed that Labour had redirected taxation to so-called **stealth taxes,** on local council taxes, consumer goods, fuel and items associated with people's everyday purchases. This allegation appeared to be reflected in increased levels of direct public spending the longer Labour was in power, investing in public services and creating a significant number of additional public sector jobs in the process. Labour acknowledged that there had been a steady increase in public spending over the course of its time in office from 1997 onwards (despite a slow start), and claimed to be investing in the national infrastructure to create jobs and provide greater employment opportunities for the long-term unemployed, improving social conditions and quality of life in the process.

Labour also introduced a **windfall tax** on the excessive profits of privatised utilities within months of its election victory in 1997 to fund its costly socio-economic policies such as the **'New Deal'** that sought to tackle long-term unemployment (and addressing youth job prospects). This focus on tackling unemployment and helping those at the bottom end of the social scale was bolstered by the introduction of the minimum wage in 1999, although its initial rate of £3.60 for adults was criticised by some left-wing politicians and trade unions (who were also critical of its lower rate for under-21s).

In the crucial education and health policy areas, Labour had been elected to office pledging to invest significantly in many services, and NHS spending approximately doubled during Blair's decade in office, with numerous new and modern hospitals invested in and more doctors and nurses recruited. In the education sector, there was further infrastructure investment in new schools, although, as in health, some were critical in how PFI was used for this purpose. The construction of new grammar schools was prohibited in 1998, while more autonomous academies were opened to replace failing schools the longer Labour was in power. Somewhat controversially, annual tuition fees of approximately £1,000 were introduced for university students in 1998 and then trebled in 2004, despite much internal party and public opposition.

Despite promising to reform and review the cost and bureaucracy of the country's growing welfare bill, Blair's administration ultimately failed to tackle and address the ongoing cost of this policy area. There were cutbacks in some welfare benefits, but other new policies, such as 'tax credits', were said to have generated extra cost and expense, targeting those most in need but being expensive to run and complex to administer. The country's ageing population put further strains on the overall welfare system, and key issues such as pensions, unemployment benefits and disability benefits still required long-term solutions by the time Blair left office.

Labour also sought to reflect the more liberal and tolerant values of twenty-first-century Britain with a wide range of equality legislation and some significant legislation that promoted equal rights for homosexuals, notably the lowering of the age of consent to 16 (2000). This Act equalised the age for all sexual orientations, and in a similar vein there followed the introduction of 'civil partnerships' (2004) for those of the same sex who wished to formalise their relationship in the eyes of the law. In 2002, the government also granted adoption rights for same-sex couples.

Blair and trade unions

During the Blair years, trade unions were treated with *'fairness not favours'* according to the Prime Minister. This referred to the fact that as a key pressure group they would be listened to by government, and their viewpoint considered (unlike for much of the Conservative government, 1979–1997). However, they would be given no special or favourable treatment (unlike Labour in power during the 1970s, and the so-called cosy 'beer and sandwiches' relationship). This was another example that Blair argued made 'New Labour' different from previous governments of both main parties. New Labour subsequently sought to distance its links with the trade unions and sought to develop a more 'pro-business' image.

Trade unions did, however, receive improved recognition and employment protection/rights in the workplace, and alongside the minimum wage and improved investment in public services, most mainstream trade unions were broadly positive towards the Blair administration in comparison to the previous Conservative regime. Trade unions, of course, continued to significantly fund the Labour Party during this period, as they had always historically done. However, given the negative image of trade unions during the 1970s, Blair sought to reduce the party's financial reliance on union funds, often indicating that he found them something of an embarrassment to his rebranded version of Labour.

Blair instead sought greater donations from other more diverse sources (namely business figures) which would create subsequent allegations of 'cash for favours'. This came to a head during the Ecclestone affair of 2000, which saw Labour accused of changing health (tobacco advertising) policy in order to appease a prominent donor, Formula One owner Bernie Ecclestone, see more detail in weblink below:
http://news.bbc.co.uk/1/hi/uk_politics/937232.stm

Ecclestone was said to be concerned about the financial impact of the tobacco advertising ban on his motor sport industry, so the government agreed to exempt Formula One from the ban. While Blair claimed this was not an example of favours for donors, the public perception was that this is what it appeared to be. The Labour Party subsequently returned a £1 million donation to Ecclestone, and this angered some trade unions who had consistently claimed that their financial support for Labour represented 'the cleanest money in politics'.

It was a particularly embarrassing 'sleaze' story for the image-conscious Blair who had claimed he was a 'pretty straight sort of guy' in an earlier media interview, and who had, of course, attacked the

Conservatives for their sleazy reputation prior to 1997. Reputational damage was, therefore, significant, primarily because while Blair *'had not proved himself worse than any other occupants of his office. The point was that he claimed to be so much better.'*[85]

Various left-wing trade union figures also criticised Labour under Blair for being too timid and cautious in that it was unwilling to forcefully challenge the Thatcherite political narrative that was established during the 1980s. For example, Blair did very little to overturn many of the trade union restrictions imposed during the 1980s, which restricted their right to strike and take other industrial action. However, Blair believed this specific debate had been settled and it was time to move on.

Constitutional policy

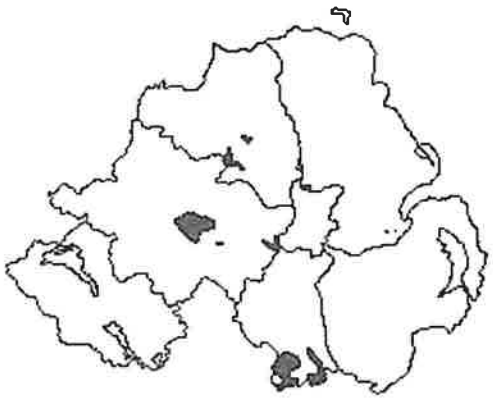
One of New Labour's most radical and enduring legacies was the significant programme of constitutional reform it initiated, particularly during its first term between 1997 and 2001. During this period Tony Blair's Government introduced key policies such as the decentralising policy of devolution for Scotland, Wales and London (using systems of proportional representation) and removed the vast majority of hereditary peers from the House of Lords, a body which many on the political left viewed as being outdated and undemocratic. Such achievements meant that in this specific policy area *'New Labour delivered where all previous progressive governments failed.'*[86] These were long-established and radical policies of the British left-of-centre political tradition and were praised by left-leaning commentators as representing *'The transformation of the British Constitution'*. (A Kaletsky, *The Times*, 23rd March, 2001)

Other key constitutional policies introduced during this period included the **Human Rights Act** (1998) and various modernisations to the House of Commons in terms of working hours and procedures. Such reforms would go on to have a major impact on how the UK's political system functioned. However, some Conservative critics felt that such reforms set in motion dangerous forces that could potentially de-stabilise the United Kingdom in the long term, and more radical voices were unhappy that House of Lords reform was never completed.

Northern Ireland and the Good Friday Agreement

Context and background

Tony Blair's Government inherited a burgeoning peace process from the previous Conservative administration, and the new Prime Minister maintained much of John Major's behind-the-scenes diplomacy with the various groups as part of a bipartisan approach to the troubled province. Yet Blair was in a much stronger political position than Major due to his majority in Parliament, and he eventually initiated more advanced talks and took an active part in the negotiations, spending a huge amount of his premiership on an issue that had occupied and frustrated British politicians for most of the twentieth century.



85 Andrew Rawnsley, *Servants of the People: The Inside Story of New Labour* (2000), Ch. 6, p. 105.

86 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 1, p. 7.

Key events and consequences

Blair energetically cultivated previous links with the Irish government and various paramilitary (terrorist) bodies, and such diplomatic progress came to a head with the landmark **'Good Friday Agreement'** of 1998, an event that heralded a long-term ceasefire and an acceptance of a 'political' rather than a violent solution to the Northern Ireland problem by all key players. This included the IRA and most Unionist paramilitary groups. Many mainstream 'constitutional' Northern Irish politicians from both communities were apprehensive about involving those with links to terrorism in the peace process, but Blair and the Irish government felt that this inclusive approach was the only way for it to work (depending on terrorists on both sides eventually disarming).

Blair was supported in his process by charismatic Northern Ireland Secretary, Mo Mowlam, who was a popular public figure. The Agreement, which established a formalised peace process, has subsequently been viewed as one of Tony Blair's greatest political achievements and its legacy has been summarised as follows:

> *(The Agreement) brought gains in investment and jobs, and great strides towards normal, civic life in Northern Ireland. Put at its very simplest, its most human, there are fathers and mothers, brothers and sisters, sons and daughters alive today because of the agreement.*[87]

The final Agreement was widely distributed across Northern Ireland and put to the people in a referendum on 22nd May 1998 and it was also held in the Irish Republic. The result was significantly in favour of the Agreement:

> *71.2% of people in Northern Ireland and 94.39% in the Republic voted 'Yes' to accepting it.*

A devolved assembly was elected in September 1998, and overall the Ulster Unionists won the largest share of the vote and 30 seats. Also, from the Protestant community, the more hardline Democratic Unionists (DUP) won 24, while, of the Catholic/Nationalist parties, the SDLP took 21 seats and Sinn Fein won 17 – meaning that any future devolved government would have to involve **cross-community power-sharing.** This deal brought together some previous bitter enemies such as Sinn Fein's Gerry Adams and Martin McGuiness (with links to republican terrorists in the IRA), the SDLP's John Hume, as well as prominent pro-British Unionists such as the DUP's Reverend Ian Paisley, and the Ulster Unionist leader (and incoming First Minister) David Trimble.

87 Andrew Rawnsley, *Servants of the People: The Inside Story of New Labour* (2000), Ch. 8, p. 142.

Summary of Northern Ireland and British Prime Ministers (1997–2007)

Margaret Thatcher (1979–1990)

- A premiership of two contrasting halves in her Northern Ireland policy.
- Traumatised into hardline position by assassination of her Northern Ireland spokesman Airey Neave (1979) and the Brighton bombing (killed five, injured 30 in 1984). Would not back down in face of hunger strikers in 1981. Appeared as champion of the Ulster Unionist cause.
- However, escalating violence forced her to reassess and adopt a more conciliatory approach (leading to the 1985 Anglo-Irish Agreement).
- Protestant loyalists viewed this action as a great betrayal that undermined her Unionist credentials.
- Retained her basic Unionist convictions, although secret talks were initiated during her time in office.

John Major (1990–1997)

- A more conciliatory personality – sought consensus and compromise and seen as a welcome change to Mrs Thatcher's abrasive and often hostile approach.
- Initiated further secret talks and made direct contact with the IRA who informed him that the 'war is over'.
- Helped initiate the first major IRA ceasefire in 1994 as part of the Downing Street Declaration (1993) with the Irish government.
- Weakened by his small government majority and his reliance on the Ulster Unionist MPs for votes in the Commons.
- A rather unsung role in the peace process who did lots of the groundwork in preparation for the 1998 Good Friday Agreement.

Tony Blair (1997–2007)

- Maintained much of Major's behind-the-scenes diplomacy in a bipartisan approach.
- Initiated more advanced talks and took an active part in the negotiations and implementation of the Good Friday Agreement (1998).
- Was weakened slightly by Secretaries of State with a 'green' pro-Catholic background, e.g. Mowlam, which earned him the distrust of many Unionists who saw Labour as a more Nationalist-inclined party.
- Maintained the devolved Northern Ireland Parliament despite a number of suspensions due to ongoing threats of terrorist violence.

Key difficulties in implementing the 1998 Good Friday Agreement

- Nearly a third of all Northern Ireland voters rejected the Good Friday Agreement in the 1998 Referendum.
- The Agreement was vague and unclear in some areas, e.g. how quickly decommissioning (of weapons) should take place. This allowed each side to blame the other for the deadlock.
- Continued threat and use of violence and non-constitutional tactics by both communities.
- The controversial Patten Report and the proposals for the reform of the Royal Ulster Constabulary 'RUC' (police force).
- Each side had quite fragile support for the peace process which could easily collapse.
- Continued sectarian hatred and mistrust evident between the Catholic and Protestant communities.

Mistrust between the two rival communities did continue, and this was worsened by events such as the Omagh bombing of August 1998, when a splinter group of hardline republicans planted a bomb that killed 29 people. However, with American diplomatic support, the Northern Irish peace process somehow prevailed and some degree of trust between the key figures within the province was established. After much negotiation, devolution came into effect in Northern Ireland in 1999, although it was suspended several times after this (most notably between 2002–2007).

The 2001 general election

Given the huge size of the swing to Labour at the 1997 general election (10.5%) and the size of the parliamentary majority (179), it would have been extremely difficult for the Conservatives to win back power when the next general election was called at Tony Blair's choice within the five year parliamentary cycle.

In this context, the Conservative Party leader, William Hague, faced a huge mountain to climb in order to take power, requiring a swing of unprecedented proportions to remove Labour's parliamentary supremacy. What he could best hope for was to reduce the size of Labour's majority, but the public mood still appeared somewhat hostile to the Conservatives, and still seemed willing to 'punish' the Conservatives for their perceived failures in national office up to 1997. This was evident in the ongoing trend of anti-Conservative tactical voting among Labour and Liberal Democrat supporters (particularly evident in all three general elections from 1997–2005). Hague himself regularly received far less favourable polling ratings than Blair, and he appeared to be seeking to appeal to the core Conservative vote rather than the centre-ground of British politics.

Party	2001
	MPs
Labour	412
Conservative	166
Liberal Democrat	52
Others	29

As incumbent prime minister, the date of the general election was at the choice of Tony Blair, and most premiers in a strong position tend to go before the full five-year term in office is up. Blair subsequently went to the country in June 2001, despite a slight delay due to the 'foot and mouth crisis' that severely affected British agriculture and the countryside.

Once victory was secured in such a comfortable manner, with a record second successive landslide (in an election result extremely similar to 1997), speculation grew as to whether New Labour's second term in office would be more radical and progressive than the first, in a similar way that Margaret Thatcher's second term was in the 1980s. Blair had achieved many significant policy accomplishments in his first term of office and many supporters hoped that the second term would be equally dynamic, with entry to the single European currency a rumoured key objective. However, in many ways this first term has been viewed as the most constructive of his Government's three terms in power, and a major event relating to foreign policy would occur during this second term that would destabilise the New Labour project and alter the public perception of Tony Blair irrevocably.

Background: Anglo-American cooperation in the 1990s

During Blair's first term in office in particular (1997–2001), Britain enjoyed generally constructive relations with the USA. Building on the historic **'special relationship'** that existed between the countries, Blair enjoyed a particularly close political and personal relationship with US President **Bill Clinton** *(right)*, a fellow moderate who, like Blair, had sought to adopt a modernised and progressive image for his political party (the Democrats).

Apart from the similar moderate outlook regarding domestic policies that focused on pursuing a *'radical centre'* as opposed to traditional left and right political arguments, Blair and Clinton worked closely together in foreign policy also. Much of this cooperation in foreign affairs was linked to the growing demands for *'nationalism'* from many states and aspiring nations following the ending of the Cold War. As head of the only remaining superpower in the 1990s, Clinton provided a valuable external impetus in the successful Northern Ireland peace process which culminated in the **1998 Good Friday Agreement,** a historic settlement that Blair was also heavily involved in. However, both leaders had faced a more difficult scenario in dealing with the emerging nationalism within various parts of Europe, in particular the aftermath of the Yugoslav Civil War that had raged within the Balkans region from 1992 to 1995.

The Balkans campaign: 1995–1999

Although the destructive conflict in the Balkans region (former Yugoslavia) had officially ended in 1995, world leaders were faced with a huge challenge of imposing long-term peace on a region that had been the spark that ignited World War I in 1914. While this problem was located in south-east Europe and was primarily a problem for EU nations, the USA also took an active role in stabilising the region, in conjunction with the United Nations.

By the mid-1990s the worst of the fighting of this bitter ethnic dispute appeared to be over, with various parts of former Yugoslavia dissolving into a number of smaller nation states. Towards the end of 1995 the two major combatants, Serbia and Croatia, had agreed an uneasy peace, and this was followed by a diplomatic resolution of the conflict in the ethnically balanced state of Bosnia in December 1995, with the new nation effectively carved up into three separate parts as a result of the 1995 US-led *'Dayton Accords'*. UN peace-keeping forces were required to provide stability on the ground in the short term at least.

However, further trouble erupted from early 1998 onwards when the predominantly Muslim province of Kosovo sought to break away from the larger state of Serbia. Civil war raged throughout most of 1998 between separatist Kosovan forces with loyalties to neighbouring Albania and those loyal to the Serbian regime. The West eventually chose to intervene by military means in a bid to resolve the conflict, with Tony Blair and Bill Clinton working in partnership through the mechanisms of **NATO (North Atlantic Treaty Organisation),** a body set up during the Cold War that many saw as having limited relevance to the modern world, but which now sought to tackle an ethnic dispute that was a direct consequence of the Cold War ending.

From March to June 1999, and despite some reluctance from a number of European countries, NATO planes controversially bombed parts of Serbia and Kosovo in a bid to defeat the efforts of Serb leader Slobodan Milosevic (later indicted as a war criminal) to suppress legitimate Kosovan independence by brutal means. This Serbian policy was often referred to as 'ethnic cleansing', involving the indiscriminate killing of Kosovan Albanians within territories the Serbs wished to maintain control over.

Such actions by NATO ultimately secured the withdrawal of Serbian forces and eventual Kosovan independence (2008), but only after fairly intensive bombing raids over several months that inflicted significant damage and casualties. It also resulted in the creation of a Kosovan humanitarian refugee crisis that took some years to resolve as well as the emergence of tensions between the otherwise solid alliance of Blair and Clinton. Blair was most keen to intervene in this conflict, more so than the Americans and much of the EU, and in doing so took *'a bold and risky position that ultimately saved the Muslim Kosovars from ethnic cleansing.'*[88]

Blair's greater enthusiasm for military intervention in this episode led to notable praise from the Kosovans but it often irritated Clinton and the Americans who at times felt like he was seeking to take charge of the situation within NATO from a more powerful ally. Blair's motivation throughout this Kosovan campaign has been summarised by a close observer of such events as follows:

> *as far as he (Blair) was concerned, this (Kosovo) was a moral challenge and a moral issue.*[89]

Blair's 'moralistic' actions appeared to push Britain into a central role of this campaign, broadly aligned with the USA but alienating some European partners in the process. This may have been a sign of things to come in the context of the Iraq conflict some years later, but Blair was certainly promoting a more prominent role for Britain in world affairs, although possibly at the cost of alienating other prominent members of the EU such as Germany and France. Blair's willingness to push for a forceful international response on behalf of the Kosovans was praised in some quarters, but others were more critical of this 'liberal interventionist' approach to foreign policy.

New Labour's second term (2001–2005)

On being re-elected with a second successive landslide election victory in 2001, Blair and Brown had succeeded in achieving their much-desired aim of a full second term in office, a feat that no previous Labour government had achieved:

> *No previous Labour Prime Minister had secured a second full term in a century of the party's existence... it was won with a second landslide, a rare result in British politics.*[90]

Many on the centre-left of British politics had great optimism about the future political direction of the country. The once-dominant Conservative Party appeared to be in political disarray, having made hardly any progress at the 2001 general election. In addition to this, Tony Blair's charisma, his overall political style and his moderate policies combining both investment in public services and the retention of many Conservative economic policies of the 1980s, ensured that he remained broadly in tune with the opinions and demands of many key groups of voters.

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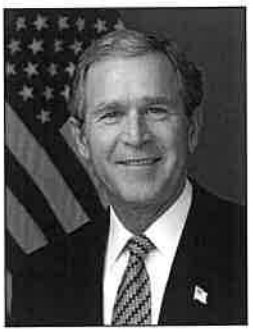
88 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 1, p. 8.

89 Alastair Campbell, *The Blair Years: Extracts from the Alastair Campbell Diaries* (2007), Diary entry, 22nd April 1999, p. 382.

90 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 1, p. 3.

However, it would ultimately be foreign affairs and developments abroad that would erode Blair's seemingly impregnable position. In November 2000 the right-wing Republican **George W Bush** *(right)*, was elected to the American presidency, a development that signalled the end of three and a half years of close relations with a Democrat president with a similar political outlook, Bill Clinton, who had served his maximum eight-year term at the White House. It would be events stemming from the USA just months after Blair's second landslide election victory that would cause both him and the governing Labour Party some of the biggest problems of its time in office.



9/11 and the 'War on Terror'

On 11th September 2001 (later known as 9/11) approximately 3,000 innocent people died in a series of terrorist attacks in the USA. The attacks were coordinated by the Al-Qaeda terrorist network and resulted in four aeroplanes destroying prominent targets and public buildings, the most iconic being New York's twin towers *(left)*, which completely collapsed as a result.

The implications of this attack were massive for a shell-shocked USA and most other western nations, Britain in particular, were also reeling from this episode. The 9/11 attacks had major repercussions for both the foreign and domestic policies of most countries, with the UK government forced to respond at home with a wave of draconian anti-terror laws, while also preparing from an international perspective for the inevitable American military response to this attack. Tony Blair's Government was aware from an early stage that President Bush's regime planned to take a tough military line against those nations and organisations that it felt were responsible for this unprecedented attack:

> *We were at war. We could not ignore it. But how should we deal with it? And who was this enemy? A person? A group? A movement? A state?*[91]

As the US military moved into gear and planned its reprisals, Blair made it quite clear that he planned to stand *'shoulder to shoulder'* with the Americans as part of the long-standing **'special relationship'** between the two nations, but there were many fearful that Blair was willing to support Bush in any circumstances, and this fear would grow in the months and years that followed.

Afghanistan was swiftly identified as the source of much of the active training for Al-Qaeda operatives and military attacks on the country's perceived locations of terrorist activity were launched within months of 9/11. However, **Saddam Hussein's** *(right)* regime in Iraq was also identified by American 'hawks' as another source of terrorist activity, although this allegation was far from clear cut. The Americans had some unfinished business with Saddam and Iraq following the 1991 Gulf War, and Blair appeared to have quickly picked up the vibes after 9/11 that the Iraqi regime would be the next American target after Afghanistan:

> *The issue of Saddam and his ten-year obstruction of weapons inspection was… there in the background… that he had to be confronted, brought into line or removed was, on any deeper analysis, fairly obvious.*[92]

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91 Tony Blair, *A Journey* (2010), Ch. 12, p. 343.

92 Tony Blair, *A Journey* (2010), Ch. 12, p. 357.

As the American bombardment of Afghanistan raged in late 2001 in a bid to eradicate Al-Qaeda hotspots, preparations for a military campaign against Iraq were also underway. President Bush was keen to use the aftermath of the terrorist attacks on the USA to remove Saddam and he seemed to be seeking a convincing reason to do so, but his major problem was that there was no obvious connection between the Iraqi dictator and the events of 9/11.

In meetings between Blair and Bush from early 2002 onwards, it became evident that the two leaders were discussing the possibility of attacking Iraq, and both at the time and in later years Blair's willingness to support the American President with few apparent conditions caused major concern and was the cause of some considerable divisions within the governing Labour Party. As 2002 progressed, the tensions between Iraq and the West grew, and the prospect of war increased due to Iraq's reluctance to cooperate with United Nations' (UN) weapons inspectors who were investigating reports that the country was developing Weapons of Mass Destruction (WMDs).

By early 2003 US troop movements in the Gulf region indicated war was likely, but the Americans were keen to secure the support of other countries in this controversial policy, notably key European nations such as Britain. There was opposition to the use of military force against Iraq from other EU states such as France and Germany, as well as from the wider British population, with over a million people marching through London in February 2003 as part of a *'Stop the War Coalition'* (along with similar protests around the world). Despite this, on the eve of proposed military conflict on 19th March 2003 Blair sought parliamentary approval for British military activity against Iraq, having to deliver what he described as *'the most important speech I had ever made'*.[93]

However, in doing so he sowed the seeds of his eventual demise as 139 Labour MPs voted against the motion proposing to use military force to disarm Iraq. This was by far the biggest parliamentary rebellion of the Blair era, with several minsters resigning from office, the most prominent being **Robin Cook** *(left)*, ex-Foreign Secretary and the Leader of the Commons. Significant concerns were raised over the questionable lack of United Nations authority to pursue such a military option. Despite last-minute efforts for a UN diplomatic solution to the crisis, Blair appeared willing to support the American use of armed forces despite the lack of broader international support.

Although, with Conservative support, Blair won the vote comfortably by 412 to 149, the scale of the biggest ever rebellion within his own party meant that he had been severely damaged in political terms. The damage would get worse in the months following the eruption of war on 20th March 2003, as the prolonged conflict and lack of post-war planning were primarily blamed on the Blair-Bush alliance. The Iraq conflict would go on to dominate the rest of Blair's second term in office and many proposed domestic reforms of public services were sidelined as a consequence.

While Blair placed much emphasis on the need to loyally support long-term allies such as the USA in the much heralded *'War on Terror'* following 9/11, the consequences of this were that Britain was perceived as being unable to pursue a foreign policy independent of the USA and was attacked by other nations for appearing to be subservient and weak in the face of American demands. Blair himself was much weakened in political terms on a domestic level, particularly following the suspicious death of government weapons inspector Dr David Kelly in the summer of 2003.

Although his Government's actions in relation to the build-up to the war would later be formally exonerated by the Hutton Report (2003) and the Butler Report (2004), internal British critics of this policy claimed that it left Britain vulnerable to terrorist attacks of its own, and this ultimately proved to be the case following the 7th July attacks of 2005, when four Al-Qaeda suicide bombers attacked the London underground and killed 52 innocent people in the process.

93 Tony Blair, *A Journey* (2010), Ch. 14, p. 436.

The Labour government's approach

Like the Conservatives, the Labour Party has traditionally struggled with internal divisions in relation to the concept of European policy-making. However, due to the fact that Labour has been in office for fewer years in the post-war period, its European troubles have often been less well publicised. In the early days of European debate after World War II, many within the Labour Party were opposed to greater European integration, viewing it as a capitalist, big business, international organisation that promoted policies that were detrimental to ordinary working people and in conflict with socialist ideals. This was despite a strong pacifist tendency within the party that supported greater international cooperation and which desired to prevent the outbreak of further military conflict in Europe and which saw the benefits of enhanced European cooperation in terms of peaceful stability, trade and employment opportunities.

As the 1980s progressed, the Labour Party had sought to modernise itself and began the slow process of political recovery and preparing itself for national office once again, and this involved reviewing its European policy and embracing the increasingly globalised economy. One of the major policy areas where 'Old Labour' was replaced by 'New Labour' was evident in the party's transformed attitude on the issue of Europe, and by the early 1990s, the party had a broadly pro-European position, despite some ongoing left-wing dissent and Euroscepticism. Many within the Labour Party had come to the conclusion that some of the progressive social policies emanating from Europe were preferable to the free-market deregulation of Margaret Thatcher's Conservative regime during the 1980s.

By the time Labour was back in power in 1997 under **Tony Blair** *(right)*, the party promoted itself as having a far more positive and constructive attitude towards what was now the European Union than the desperately split Conservative Party. This was clearly evident in signing up to the Social Chapter (1997), as well as the comparatively harmonious participation in the Amsterdam Treaty (1997) and the Nice Treaty (2000), which focused on preserving Britain's interests within an enlarged EU.

Indeed, Blair's European ambitions were such that he sought to *'place Britain at the heart of Europe by joining the single currency'*.[94] In declaring that Britain would be ***'at the heart of Europe'***, Blair was expressing sentiments expressed by his predecessor John Major, but appeared to be in a much stronger position to deliver such a pro-European position given the size of his parliamentary majority and generally more Europhile party mood. However, during this period in office from 1997 onwards, Labour faced further European problems, particularly in relation to failing to deliver referendums to join the single currency (as promised in 1997) and also to ratify the 2007 **Lisbon Treaty.**

Critics have claimed that Blair's administration did not pursue these options due to its fear of sceptical public opinion as well as splits on the single currency issue between Tony Blair (who was keen to join) and Chancellor of the Exchequer Gordon Brown (who was apparently reluctant to) between 1997–2007. Blair, therefore, did not ultimately succeed in his original ambition of presiding over Britain's membership of the single European currency, despite the fact that twelve other European nations did so from 2002 onwards.

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94 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 1, p. 7.

Blair's determination to support the US-led invasion of Iraq in 2003 also caused friction with other EU member states such as France and Germany, while there were concerns about the impact on wider public opinion caused by the increased immigration from Eastern Europe following enlargement of the EU in 2004. A minority left-wing element within the Labour Party has remained Eurosceptic and has provided some internal dissent on further European integration, viewing the perceived 'pro-capitalist' aims of the EU as a restraint on the evolution of any potential socialist-orientated policies within the United Kingdom.

Key European Union Events and Issues (1992–2007)

The Social Chapter (1992): The Social Chapter was a key part of the 1991 negotiations for the Maastricht Treaty. It focused on common employment rights for workers across the EU, but it angered some British Conservative politicians who believed it represented excessive regulation in the workplace. The Conservatives, therefore, opted out of this policy in 1992, while Labour signed up to it in 1997.

The Amsterdam Treaty (1997): Further updated the aims of the European Union, 'tidying up' outstanding issues from the Maastricht Treaty (1992) and giving greater democratic powers to the European Parliament. It gave countries the opportunity to integrate at different paces ('two speed Europe'), and it made early plans for further enlargement and setting in motion plans for common foreign and security policies. It also incorporated the 1985 Schengen Agreement into EU law, which opened up the borders of continental Europe (although the UK opted out of this aspect).

The Nice Treaty (2000): This treaty prepared for the enlargement of the EU in 2004 when ten new member states joined from Eastern Europe. New allocations of voting powers under Qualified Majority Voting (QMV) mechanisms were the subject of much debate.

The Lisbon Treaty (2007): The Treaty of Lisbon (initially known as the Reform Treaty) represented a further update of the evolving European Union, with the establishment of political institutions and systems in accordance with the draft European Constitution. New positions such as an enhanced President and Foreign Affairs Minister were established, and the use of QMV was revised and extended. Such changes indicated that this treaty was focused on ongoing EU reform as opposed to radical further integration. It came into force in late 2009 and was certainly not as radical as the Single European Act or Maastricht in terms of changes it introduced.

The Conservative opposition's approach

Although the Conservative Party appeared to make electoral progress under **David Cameron** *(right)* since he became leader in late 2005, it continued to experience difficulties in dealing with European matters. The decision as to whether a future Conservative government would hold a referendum on the 2007 **Lisbon Treaty** caused much internal party debate, with some Conservatives fearing the loss of votes to more Eurosceptic political parties such as **UKIP (United Kingdom Independence Party)** over this issue. Given this difficult history on the subject of Europe, some commentators prophetically observed that *'the issue of Europe may... have the potential to destabilise a future Conservative government'*.[95]

In relation to European issues, from the outset of his leadership Cameron affirmed the Conservative Party's commitment to **never** joining the single currency (Euro), endorsing the decision of one of his predecessors as party leader Iain Duncan Smith in 2001. Duncan Smith's clear affirmation against the Single European Currency (Euro) was a further 'toughening' of the party's position in relation to his immediate predecessor as party leader, William Hague (1997–2001). Hague had pledged to *'save the pound'* but only in the *'lifetime of the next parliament'*, a somewhat vague and ambiguous commitment.

Michel Howard, who succeeded Duncan Smith as leader from 2003–2005, further supported this more definite position to Britain ever joining the Euro. This progressively more Eurosceptic stance in the years since 1997, particularly among younger Conservative politicians, represented a significant hardening of John Major's position in the 1990s, a reflection of the situation that:

> *His (Cameron's) generation of Conservatives have been imbued... with Thatcher's euroscepticism.*[96]

For their part, the third party in British politics during this period, the Liberal Democrats, were broadly in favour of the European Union and appeared to be the most 'Europhile' of all the mainstream political parties.

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95 Simon Lee, 'David Cameron's Political Challenges', cited in Simon Lee & Matt Beech (eds.), *The Conservatives under David Cameron: Built to Last?* (2009), Ch. 1, p. 15.

96 Matt Beech, 'Cameron and Conservative Ideology', cited in Simon Lee & Matt Beech (eds.), *The Conservatives under David Cameron: Built to Last?* (2009), Ch. 2, p. 24.

Summary – similarities and differences between Labour and Conservatives on European policy in the 1990s

Having alternated in power for much of modern British history, Labour and the Conservatives have had many policy disagreements on Europe at different periods. They ultimately shared both differences and similarities regarding their European policies from the early 1990s onwards.

Similarities:

- Both signed significant EU treaties in office that have represented further integration, e.g. the Maastricht Treaty under John Major in the early 1990s, Lisbon under Gordon Brown in 2007.
- Neither party in power took significant steps to joining the Euro (single currency), a position in tune with wider public opinion.
- The leadership of both parties appeared to view Britain's *'special relationship'* with the USA as more significant than its relations with Europe, evident in cross-party support for the 2003 US invasion of Iraq, despite major EU objections.

Differences:

- From 1990 onwards, Labour tended to adopt a more constructive and positive approach in its dealings with Europe, while Conservative governments, notably in the latter years of Margaret Thatcher's rule, were more hostile in terms of rhetoric in particular.
- Official party policy in relation to the Euro was different, with Labour broadly in favour, and the Conservatives appearing to rule the policy out indefinitely.
- Labour signed the 2007 Lisbon Treaty while in government, while the Conservatives formally opposed it from opposition.

UK's global status by 2007

Britain was viewed as an 'awkward partner' by much of the European Union from the 1990s onwards, under both Conservative and Labour administrations, although which party maintained the most constructive links while also defending Britain's key national interests is a matter of political debate. From the 1990s onwards, Tony Blair was arguably more openly pro-European and constructive in his relations with the EU, while Major's wishes for improved EU relations were hampered by his small parliamentary majority and Eurosceptic MPs. Given the subsequent problems associated with the Euro, it could be said that both parties deserve credit for keeping Britain outside this mechanism.

As a consequence of the various events and consequences connected to the 2003 Iraq War, by the time Blair left office in 2007 Britain found itself more vulnerable to security risks and isolated from many other key nations, notably within the EU, although the *'special relationship'* with the USA appeared as strong as ever. Tony Blair ultimately paid a heavy political price for supporting the invasion of Iraq and pursuing the 'War on Terror' in the way that he did.

Questions and Talking Points

1. What were the key differences in attitudes towards the European Union between John Major's Government and that of Tony Blair's? Were there more similarities than differences?
2. By the end of Tony Blair's period in office in 2007, was Britain more or less isolated within the international community than it had been in 1997?

Task and Talking Point

Write a few paragraphs on how Britain's position in the European Union and the wider international community altered between 1990 and 2007. Did it change for the better or the worse? Try to support your answer with some supporting evidence.

Conservative leaders and reasons for division

Despite the fall-out from Iraq and the slow pace of public service reform, it was ultimately the ongoing disarray within the Conservative Party and the relatively healthy state of the economy that were the decisive factors in Blair achieving his third successive election victory in 2005. A majority of voters ultimately still preferred Blair to the Conservative alternative for prime minister, which in 2005 was the Thatcherite former cabinet minister Michael Howard, whose image and links to past governments did not appeal to key groups of voters. Howard had followed other unpopular party leaders such as William Hague (1997–2001) and Iain Duncan Smith (2001–2003). The Conservative Party still appeared to be distrusted by key sections of the electorate, with its popular vote only increasing by 1.7% between 1997 and 2005, despite New Labour's various difficulties in office.

The Conservatives ultimately seemed to have struggled to carve out an effective image or ideological identity since the demise of Margaret Thatcher in 1990 and to overcome the unpopular aspects of her political legacy. However, after three general election defeats in a row, the advent of David Cameron's leadership from the end of 2005 appeared to indicate that they themselves had to 'modernise' in a similar way that Labour had in the 1990s if they were ever to regain power. This young leader from a new generation of twenty-first-century Conservative 'modernisers' endorsed much of Blair's social liberalism and even referred to himself as the 'heir to Blair', despite coming from a different political party. Cameron would go on to fulfil some of this early promise by leading the Conservatives back to power and becoming prime minister in 2010.

Third term and Blair's exit (2005–2007)

Party	2005
	MPs
Labour	355
Conservative	198
Liberal Democrat	62
Others	31

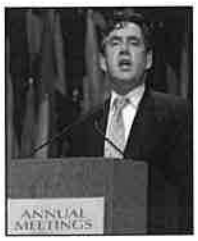
Severely damaged by the ongoing Iraq conflict and faced with growing internal party criticism, Tony Blair somewhat limped to victory at the 2005 general election, returning to power with a record third successive victory but with a much reduced parliamentary majority of 66. This represented a poor election result for Labour in relation to the previous two elections, with a 5.5% fall in popular support and as a result:

> *Rarely had Britain returned a government with such a palpable lack of enthusiasm. It was a victory that tasted like defeat.*[97]

Blair's 1997 coalition of voters had now been badly fractured, with students and Muslim voters in particular deserting the party at this election primarily due to opposition to the ongoing war, and this resulted in the loss of a significant number of parliamentary seats (47), and four million fewer votes than 1997. Indeed, Labour's winning percentage of 35.2% was the lowest recorded for any general election victory since the First Reform Act of 1832!

97 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 19, p. 319.

However, despite the extent of his political authority being damaged in the 2005 general election, Blair's enthusiasm for power did not appear to be diminished, and he *'began his third term with an ambitious agenda of public service reform'*.[98] Although there had been a significant investment in public services over the previous eight years, using increased public investment and innovative public-private projects, the necessary improvements in public services had been slow and disappointing in some respects. Blair sought to improve such areas of policy-making further, but what he ultimately underestimated was the level of growing opposition to him within his own MPs, many of whom felt he had personally cost the party seats and votes at the 2005 general election largely due to his association with the Iraq War.



Such growing levels of internal party opposition led to Blair suffering his first parliamentary defeat in late 2005 over his proposal to detain terrorist suspects for up to 90 days without charge, perhaps a sign of increased disloyalty from Labour backbench MPs as well as his own declining authority. Internal party opposition was arguably fuelled by his increasingly frustrated Chancellor Gordon Brown *(left)*, who felt it was his time the replace the increasingly tarnished Prime Minister, although Brown was politically astute enough not to appear obviously disloyal.

In the autumn of 2006, 15 MPs from the 2001 intake wrote a letter demanding a timescale for Blair's departure, with the aim of him leaving office sooner rather than later. Blair resisted this attempted coup and managed to survive in the short term at least, but such opposition was growing, and it was again felt my many of his inner circle that Gordon Brown and his supporters were organising such activities and destabilising the government in the process, as supported by the comments below:

> *One person at the heart of Brown's inner circle believes: 'He (Brown) would have given the plotters the green light to cause trouble'*.[99]

Under increasing internal opposition and pressure, however, Blair subsequently announced in September 2006 that the forthcoming Labour Party Conference would be his final one as leader, although he stubbornly *'stopped short of setting a date for his departure'*.[100] However, as the internal party pressures grew, Blair announced that he would stand down at some point over the summer following the various elections of May 2007 but before the annual party conference in the autumn. This compromise with internal party critics who wanted him to depart sooner rather than later at least allowed him a symbolic ten years in the premiership, although it was certainly the case that *'he had been forced to depart sooner than he had intended'*.[101]

As part of the 'orderly transition of power', on 17th May 2007 Gordon Brown was elected unopposed as Blair's successor by Labour MPs, and was formally endorsed as the next party leader (and prime minister given that Labour was in power) at a special party conference on 24th June 2007. Three days later Tony Blair formally resigned as prime minister and the eventful and often controversial 'Blair era' was over.

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98 Dennis Kavanagh & Philip Cowley, *The British General Election of 2010* (2010), Ch. 3, p. 46.

99 See Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 24, p. 393.

100 Dennis Kavanagh & Philip Cowley, *The British General Election of 2010* (2010), Ch. 3, p. 48.

101 Andrew Rawnsley, *The End of the Party: The Rise and Fall of New Labour* (2010), Ch. 24, p. 407.

Overview – Tony Blair's legacy

The Blair years (1997–2007) represented a distinct new approach to politics. After 18 years in opposition, the Labour Party stormed back to power in 1997 with a landslide victory and rebranded as 'New Labour', promising to govern in a different style to both previous Labour and Conservative administrations.

Blair had a very limited ideological background, and he sought to reject the traditional party labels of *'left and right'*. Instead he spoke of the *'Third Way'*, a somewhat vague political theory that promoted a 'vision' of a modernised Britain where key public services such as schools and hospitals could be revitalised by a combination of public and private investment, providing improved overall services and greater individual choice for citizens in the process. This approach was combined with the positive ingredient of economic growth, and for the majority of his ten-year spell in office, Blair also presided over a booming economy, with historically low levels of unemployment, inflation and interest rates (three of the key economic indicators).

The period, therefore, featured significant investment in key public services, for example a record number of police officers and unprecedented levels of spending in the health and education systems. Such a situation meant that more public sector jobs were created and overall spending power grew among the wider population, and, therefore, throughout *'the New Labour years, with low inflation and steady growth, most of the country grew richer'*,[102] a factor that ultimately led to ongoing electoral success between 1997 and 2005. Indeed, the period 1997–2007 saw one of the longest sustained periods of economic growth since World War II. Conservative critics, however, claimed that he had inherited a *'golden economic legacy'* from them in 1997, and that Blair and Brown's policies had merely built on the solid foundations that they had laid during the early 1990s.

Summary – key reasons why Labour won the 2001 and 2005 general elections:

- The Conservative Party had a succession of unpopular leaders and still did not appeal to a wide enough section of the population, focusing on unpopular and divisive issues such as the European Union and public spending cuts.
- There was ongoing anti-Conservative 'tactical voting' and the Conservatives had a long way back to recover from the landslide of 1997.
- Labour continued to receive significant media support, e.g. from the Murdoch press such as *The Sun*.
- Tony Blair still appeared to be the most popular party leader, despite being damaged by the Iraq War.
- Labour maintained a moderate stance on most key domestic political issues in the 'political centre'.
- The economy continued to grow and living standards rose, with the incumbent government being politically rewarded for this.
- Opposition to Labour was divided, and the growth in Liberal Democrat support from 2001 onwards helped Blair retain power.

The record of Blair's administrations in delivering public service reforms was ultimately mixed, with undoubted investment in the national infrastructure and significantly increased levels of public expenditure, but there were mixed results in terms of public satisfaction and service delivery. There were also some major constitutional and political reforms, most notably devolution and the minimum wage, two policies that had been much desired by left-of-centre governments for decades. Blair didn't reverse the majority of the Thatcher policies of the 1980s, and he, indeed, embraced the economic liberalism that she established, but he did seek to restore an increased influence for the role of the state while still maintaining the emphasis on choice and individual economic freedom.

102 Andrew Marr, *A History of Modern Britain* (2007), p. 572.

Blair's dominant style of leadership was viewed as strength by allies but resented by critics, and he generated increased internal party opposition the longer he was in power, and this proved to be a factor in his departure from office. He was viewed as a very effective communicator with great charisma, however, his political legacy was ultimately tainted by a hugely controversial foreign war which divided public opinion and would severely undermine the initial goodwill that much of the public had displayed towards his political message in 1997.

When Tony Blair somewhat reluctantly stepped down from the premiership in mid-2007, he had achieved tremendous electoral success and won three general election victories, but by this time both the British public and his own political party had ultimately tired of him due to his autocratic and dominant style of leadership and his perceived policy failures both at home and abroad. In this sense, some more critical commentators have argued that despite two huge parliamentary majorities, Blair's Governments failed to deliver what could have been achieved on a domestic level, in particular, and in this sense his ten years in office represented a wasted opportunity for further reforms and more significant policy achievements.

Questions and Talking Points

1. How did Tony Blair's approach to governing differ from that of previous prime ministers, particularly Labour ones?
2. Outline the key reasons why Tony Blair's position as prime minister weakened between 1997 and 2007.
3. Compare and contrast Blair's domestic policy achievements with his foreign policy agenda. Which could be considered to be the most successful policy-making area? Provide reasons for your answer.

Historical Interpretations

There are both right and left-wing historians and commentators who view the New Labour era under Tony Blair as little more than a continuation of the Thatcher and Major Governments. Media magnates such as Rupert Murdoch happily switched the support of key newspapers such as *The Sun* accordingly. This was due to the fact that Blair's Government abandoned Labour's left-wing ideological baggage and broadly accepted the vast majority of the 'neo-liberal' economic agenda pursued by both the Thatcher and Major Governments between 1979 and 1997. The gap between rich and poor grew wider than ever and Blair sought wider private involvement in public services as the Conservatives had done.

The more radical historical interpretation of the Blair years is that it achieved a great deal of significant political change that would not have occurred under a Conservative administration. Key constitutional, economic and social policy initiatives marked it out as a radical, reforming and 'modernising' government according to more sympathetic commentators and historians such as Andrew Marr. Its record levels of investment in key public services under the effective economic management of Gordon Brown saw some significant improvements in public services, providing greater choice for ordinary citizens and making genuine efforts to target financial resources to the poorer members of society. However, even such positive assessments acknowledge that New Labour could perhaps have delivered more of its desired reforms and been more radical given the size of his parliamentary majorities.

Revision Exercise 5: Tony Blair's Government 1997–2007

Outline the key success and failures of the Labour government of 1997–2007.

Policy/Issue	Successes	Failures
Political		
Economic		
Foreign		
Social		
Cultural		

Exercise 6: Key Revision Questions 1997–2007

Revision Quiz

1. Outline two key reasons why Tony Blair and New Labour won the 1997 general election.

.....**(1)**

.....**(1)**

2. What key area of policy-making was Blair keen to improve in relation to past Labour governments, and why was this so? **(2)**

.....

.....

3. What enhanced powers did Tony Blair give to Gordon Brown as Chancellor of the Exchequer, and why did he do this? **(3)**

.....

.....

.....

4. Outline three key issues that undermined Tony Blair's position from 2003 onwards.

.....**(1)**

.....**(1)**

.....**(1)**

Total: ..... OUT OF 10

Discussion Points

1. What were the key sources of division and tension within John Major's Government from 1990 onwards?
2. In what key ways did the Labour Party transform itself from the early 1990s onwards?
3. Why did 'New Labour' win the 1997 general election by a 'landslide'?
4. Compare the economic record of the Major Government (1990–1997) and the Blair Government (1997–2007). Which one had the strongest record in this policy area?
5. Did the foreign policy of the Blair Government from 1997 affect Britain's position in the world for better or worse?
6. How did both the Major and Blair Governments deal with the European Union (EU) between 1990 and 2007? Were there more similarities than differences in their approaches?
7. What factors explain the further Labour general election victories in 2001 and 2005?
8. What evidence was there to suggest that Britain was a more diverse and multicultural society by 2007?

Writing Frame 3: Essay Structure Plan

Question Title:

To what extent was the electoral success of Tony Blair (1997–2007) due to New Labour's strengths or Conservative weaknesses? (25 marks)

<table>
<tr><td colspan="2">Introduction (focus on and address the question title)
• Address the focus on Tony Blair's electoral success (1997–2007) as identified in the question.
• Acknowledge that there are arguments that it was New Labour's strengths that explained its electoral success, as well as alternative viewpoints that it was Conservative weaknesses.</td></tr>
<tr><td rowspan="2">Analysis of alternative viewpoints and interpretations</td><td>Evidence that electoral success was due to New Labour's strengths:
•
•
•
•
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•</td></tr>
<tr><td>Evidence that electoral success was due to Conservative weaknesses:
•
•
•
•
•
•</td></tr>
<tr><td colspan="2">Conclusion (focus on the question title and address the issues raised in the main body of the answer, attempting to reach a measured judgment if possible).</td></tr>
</table>

Full analysis and explanation of all above points are required.

Answers and Feedback

Exercise 1: What were the key problems facing Britain in the 1980s?

Broad answers/feedback

The final sequence of what issues are deemed to be most significant will ultimately depend on each student, but here are some suitable reasons for each point listed:

Wealth creation

Britain became a much wealthier nation during the 1980s, with economic growth leading to its international reputation improving. In the 1970s it had been referred to as the *'sick man of Europe'*. Critics highlighted that the wealth was not evenly distributed and great poverty remained in certain sections of society.

Unemployment

Unemployment remained historically high throughout the 1980s. It twice exceeded three million, both at the start and at the end of the decade, with the country plunging into the two worst recessions since the 1930s. The Conservative government argued that such unemployment was due to a necessary economic shake-up affecting declining and unproductive industries such as steel and coal.

Inflation

During the 1970s the rate of inflation *(cost of goods)* had been out of control, and its excessive level damaged British business and the overall economy. Thatcher's Government cut public spending and pursued monetarism in the early 1980s in order to bring inflation under control. Later in the decade, European Union links and policies such as the ERM were pursued to bring inflation down. Inflation was reduced compared to the 1970s, but was arguably never completely under control in the 1980s.

Entrepreneurial culture

Creating a more individualistic, entrepreneurial culture was arguably a key aim of Thatcher's Government in the 1980s. Thatcher believed that the power of the state was excessive and that people needed to become more self-reliant. She placed great emphasis on individuals starting their own businesses and contributing to wealth creation in an entrepreneurial manner, and this culture was a key element of the 1980s.

Taxation

Thatcher's Government drastically reduced the direct levels of taxation, again due to the belief that such levels were too high and had damaged the British economy and made it uncompetitive in the 1970s. The cuts in income tax towards the end of the 1980s were seen as key factors in maintaining the Conservatives' electoral popularity. Critics said that taxes were cut too much and this had a detrimental effect on the funding of public services.

Privatisation

This was a key part of the Conservatives' policy agenda from the second term onwards *(after 1983).* It was, again, very popular with significant sections of society, and it seemed to represent a particular image of the 1980s when everyone could have a stake in capitalism. Key industries formerly owned and managed by the state were sold to millions of individual shareholders, helping to create the property-owning democracy that Thatcher desired.

Social conflict

The 1980s was seen as a decade of division given that there was significant social conflict during this period. This included the inner-city race riots of 1981, the prolonged miners' strike of 1984–1985, a variety of other industrial disputes and the Poll Tax riots of 1989–1990. Government critics claimed that such social unrest was due to the damaging and divisive social policies of the Thatcher Government, which had provoked unrest from trade unions and other social groups. The Conservative government would claim that such unrest was an unfortunate consequence of the difficult but necessary decisions that needed to be taken to tackle Britain's socio-economic problems.

Revision Exercise: Conservative government 1979–1990

Key Successes:

- Brought excessive trade union power under control (social, economic and political)
- Got the excessive levels of inflation under control (economic)
- Large-scale privatisation programme created many shareholders and significant wealth (economic and political)
- Created a more efficient free-market economic system with significant cuts in personal taxation (economic and political)
- Achieved a higher international profile for Britain due to the Falklands War and role in the Cold War (political)
- The state did less and Britain became a more consumerist, free-market society (cultural and social)

Key Failures:

- Presided over two recessions where unemployment reached three million, the highest levels since the 1930s (social, economic and political)
- Presided over a massive widening of the gap between the rich and poor (economic and social)
- Policies led to deindustrialisation and urban decay in many towns and cities (social, cultural and political)
- Cuts in taxation led to underinvestment in key public services (economic and social)
- Increasingly alienated European partners with growing hostility to the European Community (political)
- Racial and social divisions became more apparent (cultural)

Not exhaustive

Exercise 3: Key Revision Questions 1979–1990

1. The control of which economic indicator did Margaret Thatcher prioritise in order for Britain's economy to recover?
   Inflation
2. Describe two conflicts which Margaret Thatcher found herself involved in during the 1980s (e.g. military, social, industrial, political).
   Falklands War (1982), miners' strike (1984–1985)
3. What happened to the Labour Party in 1981 that helped the Conservative Party's electoral fortunes?
   Breakaway of the SDP to form a new political party
4. Which flagship policy played a key role in Margaret Thatcher's fall from power?
   The Poll Tax
5. Which two prominent cabinet ministers resigned from Thatcher's Government in the final year of her premiership?
   Nigel Lawson and Geoffrey Howe

Revision Exercise 4: John Major's Government 1990–1997

Key Successes:

- Re-elected for a fourth term in 1992 against the odds (political)
- Continued with popular policies that changed UK culture and society, e.g. privatisation of British Rail (economic, cultural and political)
- John Major managed to overcome the latter unpopularity of Margaret Thatcher and initially restored his party's fortunes (political)
- Got inflation under control and the economy was growing again by the mid-1990s (economic)
- Public spending increased to key public services (economic and social)
- Sought to protect British interests in Europe and played an important role in 1991 Gulf War (political)
- Achieved some success in bringing further stability to Northern Ireland (political)

Key Failures:

- Humiliated on *'Black Wednesday'* (1992) when Britain left the ERM (economic and political)
- Conservative Party divided and split on the issue of Europe (political and cultural)
- Failed to maintain a parliamentary majority and became a minority government by early 1997 (political)
- Taxes were raised despite promises not to do so (economic and political)
- Critics claimed that key public services such as the NHS and education were underfunded (political and social)
- Had a weak personal image (political)
- The country became more divided in social and economic terms (social and cultural)

Not exhaustive

Exercise 5: Key Revision Questions 1990–1997

1. What key factors helped John Major win the 1992 general election?
   New leadership after Thatcher, fear of Labour policies, slight economic recovery
2. What key factors weakened John Major throughout his five years in office from 1992–1997?
   Small parliamentary majority
3. What name is given to the day John Major's Government was forced to leave the Exchange Rate Mechanism *(ERM)* in 1992?
   Black Wednesday
4. What impact did the issue of Europe have on the Major premiership?
   Divided Conservative Party after Maastricht Treaty
5. Outline three key policy areas that damaged John Major's Government and led to his electoral defeat in 1997.
   Select from Europe, political sleaze, economic problems (recession), increased taxation, underinvestment in key public services.

Task 1

Evidence of economic policies similar to Conservatives	Evidence of distinct 'New Labour' economic policies
Focus on keeping direct taxation low, in line with 1980s Thatcherite agenda.	Introduced more indirect 'stealth taxes', in line with Old Labour 'tax and spend' instincts.
Focused on keeping inflation under control as a key economic priority, even at the expense of rising unemployment.	Higher levels of investment in public services the longer they were in power (Keynesian approach).
Broadly accepted the neo-liberal economic settlement with limited trade union powers, deregulation, privatisation and reduced role for government.	Gave independence to the Bank of England to set interest rates to avoid political manipulation and possible economic instability.

Revision Exercise 5: Tony Blair's Government 1997–2007

Key Successes:

- Won three successive general elections (political)
- Presided over economic growth for the majority of the government's time in power, along with increased living standards (economic and social)
- Increased investment in key public services such as schools and hospitals (political, economic and social)
- Successful diplomatic successes in Kosovo and Northern Ireland, along with a high-profile international role, e.g. after 9/11 and during the Iraq War (foreign)
- Key constitutional and political reforms introduced within UK (political)
- Sought to address some major racial, sexual and cultural divisions by embracing social liberalism, specifically with improved rights for the gay community and ethnic minorities (social and cultural)

Key Failures:

- Increased investment in public services did not always lead to visible improvements (social and political)
- Involvement in the Iraq War divided public opinion and resulted in loss of popularity (foreign and political)
- Had difficult relations with Chancellor Gordon Brown and this weakened the government (political)
- Failed to close the gap between rich and poor that this government had sought to address (social and economic)
- Indirect taxation (stealth taxes) steadily grew during Blair's premiership (economic)
- There were continued racial and cultural tensions and violence (social and cultural)

Not exhaustive

Exercise 6: Key Revision Questions 1997–2007

1. Outline two key reasons why Tony Blair and New Labour won the 1997 general election.
   1. **Fresh new moderate Labour policies.**
   2. **Conservatives were discredited and divided and voters wanted change.**

2. What key area of policy-making was Blair keen to improve in relation to past Labour governments, and why was this so?
   Blair was particularly keen that Labour could prove its economic competence in office to remove the negative image of past Labour governments and the way they had run the economy.

3. What enhanced powers did Tony Blair give to Gordon Brown as Chancellor of the Exchequer, and why did he do this?
   Brown was given unprecedented powers as Chancellor of the Exchequer, with significant responsibility for the direction and detail of economic and social policies in particular. Many saw this as compensation for Brown standing aside to let Blair become Labour leader in 1994, and such powers kept him relatively supportive of Blair.

4. Outline three key issues that undermined Tony Blair's position from 2003 onwards.
   1. **The Iraq War.**
   2. **Ongoing tensions with Gordon Brown.**
   3. **Declining loyalty among his own MPs in Parliament due to various policy issues and his dominant style of leadership.**

Writing Frame 3: Essay Structure Plan

To what extent was the electoral success of Tony Blair (1997–2007) due to New Labour's strengths or Conservative weaknesses?

<table>
<tr><td colspan="2">Introduction (focus on and address the question title)
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<tr><td rowspan="2">Analysis of alternative viewpoints and interpretations</td><td>Evidence that electoral success was due to New Labour's strengths:
• Tony Blair had a fresh and 'modernising' political image that appealed to many voters and he was also viewed as having great charisma and being a good communicator.
• Blair had abandoned the Labour Party's left-wing policies (Clause 4, 1995) and had embraced many of the Conservative economic ('free-market') reforms of the 1980s.
• Tony Blair and Gordon Brown formed a formidable political partnership from the mid-1990s onwards, both in opposition and in power.
• New Labour was very disciplined and appeared to be better organised as an electoral machine than the Conservatives for much of this period.
• Blair managed the media extremely well, utilising the role of 'spin doctors' such as Alastair Campbell to get the government's political message effectively across.
• While Blair is viewed as the key figure in New Labour's appeal, some credit must also go to Neil Kinnock, who began the process of modernising the party during the 1980s.</td></tr>
<tr><td>Evidence that electoral success was due to Conservative weaknesses:
• The Conservative government of 1990–1997 had seen its record for economic competence destroyed by events such as 'Black Wednesday' (1992).
• John Major was viewed as a weak and indecisive leader who struggled to keep his party in order.
• The Conservative Party had been damaged by a series of sexual and financial scandals ('sleaze') during the 1990s.
• The Conservatives went through a succession of unpopular and ineffective leaders who could not compete with Tony Blair and Gordon Brown from the mid-1990s onwards.
• The Conservatives were badly split on some key political issues, most notably in their attitude to Europe.
• The Conservatives appeared to lack a clear political identity in the post-Thatcher era and were still damaged by some aspects of her unpopular policies.</td></tr>
<tr><td colspan="2">Conclusion (focus on the question title and address the issues raised in the main body of the answer, attempting to reach a measured judgment if possible). Perhaps introduce the notion that while Blair was successful in electoral terms, his popularity was exaggerated by Conservative disarray and his political achievements were not as great as they could have been (as argued by Andrew Rawnsley).</td></tr>
</table>

Full analysis and explanation of all above points are required.

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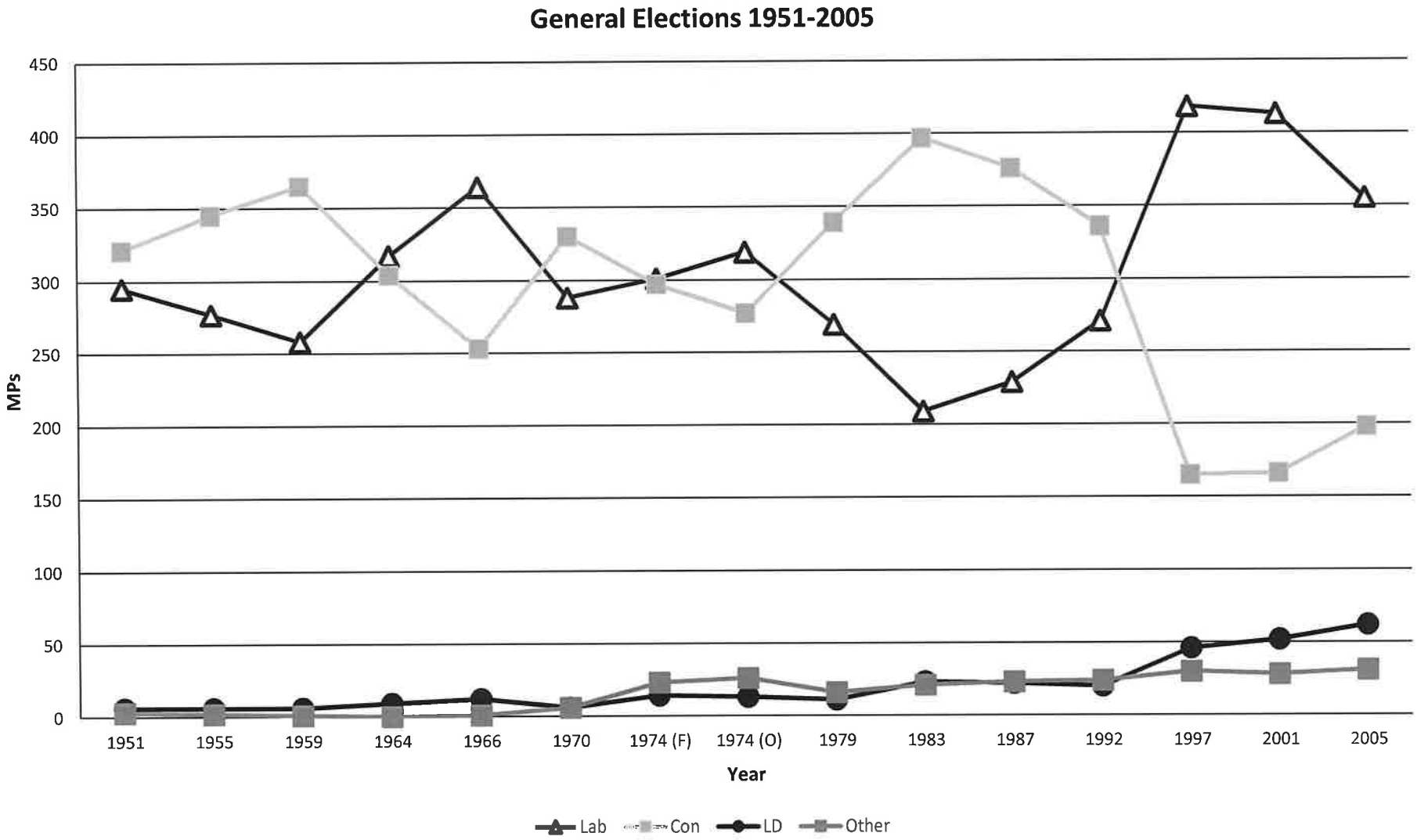
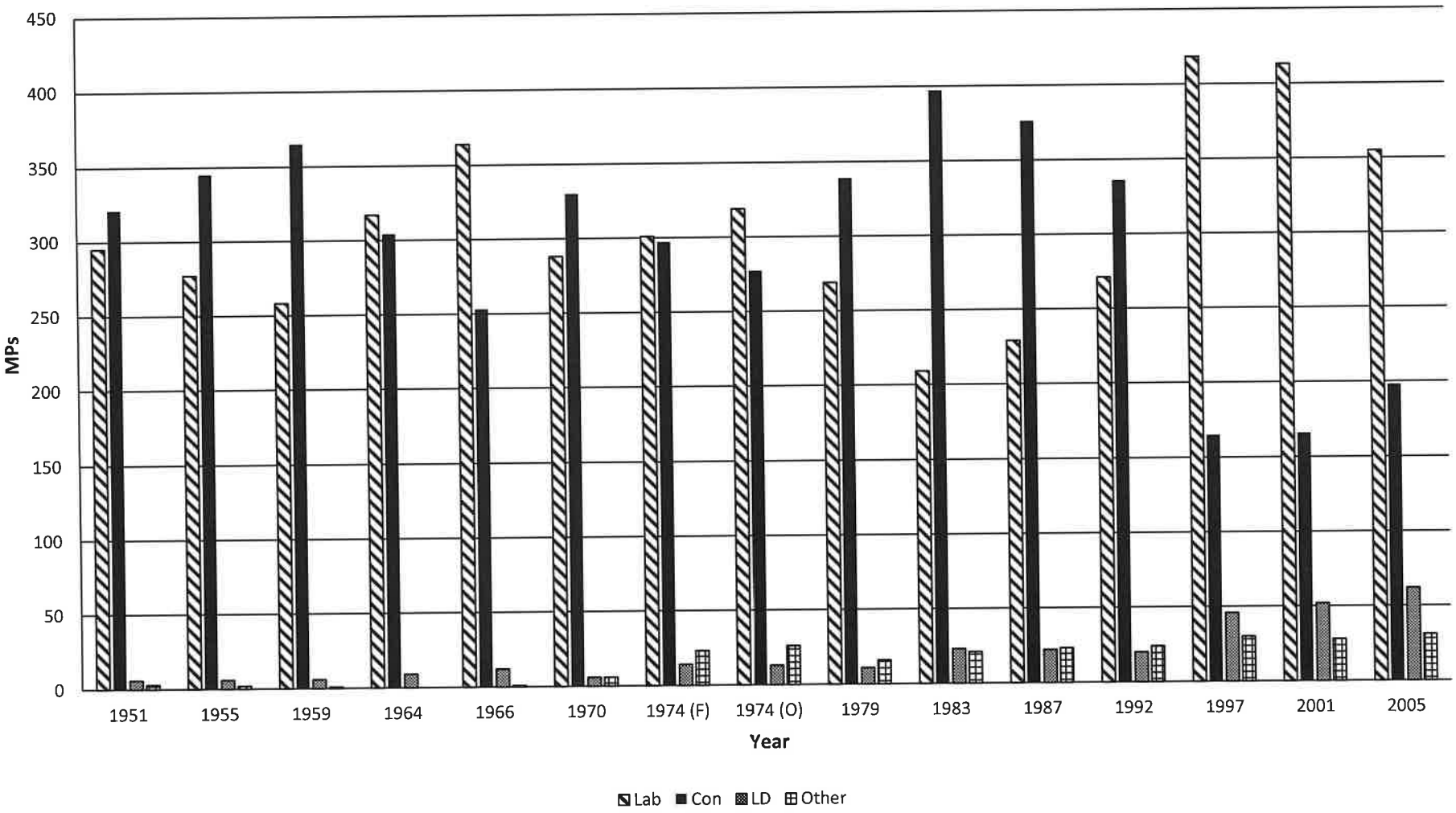
Appendix – Charts and Data



Period in Office 1951–2007:

- Conservative – 35 years
- Labour – 21 years

Party Fortunes 1951–2005



Summary of UK General Election Results 1951–2007

	Party			
Year	Conservative	Labour	Liberal	Others
1951	321	295	6	3
1955	345	277	6	2
1959	365	258	6	1
1964	304	317	9	0
1966	253	363	12	1
1970	330	288	6	6
1974 (F)	297	301	14	23
1974 (O)	277	319	13	26
1979	339	269	11	16
1983	397	209	23	21
1987	376	229	22	23
1992	336	271	20	24
1997	165	418	46	30
2001	166	412	52	29
2005	198	356	62	30

(Source: Dennis Kavanagh & Philip Cowley, *The British General Election of 2010* (2010)**)**