

CHANGES AT THE TOP

In the first week of the new year, Mrs Thatcher engaged in a widely publicised reshuffle of her cabinet. The main changes were necessary shifts arising from Defence Secretary John Nott's convenient decision to leave politics, and were of little wider importance. Potentially more significant and much less public were the announcements, a fortnight earlier, revealing an extensive reshuffle of the more 'permanent politicians', notably the Governor of the Bank of England and the permanent secretaries at Whitehall, who will remain in post if Mrs

Thatcher is defeated at the polls.

The most controversial appointment was that of Robin Leigh-Pemberton, a lawyer, landowner and one-time Tory leader of Kent council, as the next Governor of the Bank of England. The audacity of the appointment in the face of more competent alternatives led the *Financial Times* to see 'the failure to choose a successor with greater experience and standing. . . as a cause for concern'.

No less surprising, though, was the appointment of Peter Middleton as Permanent Secretary to the Treasury. Middleton, known as an enthusiastic monetarist, was given the post over the preferred candidate in a series of appointments which upset the establishment pecking order.

These appointments, along with the earlier appointment of Sir John Donaldson as Master of the Rolls, again in the face of establishment criticism, were seen by many as symptomatic of the Thatcherite style of government. Having eliminated most heavy-weight opposition from the cabinet, having made moves to set up a high powered PM's office, she was now seen to 'politicise' the exercise of prime ministerial patronage in a clear and typical break from the consensus tradition. Certainly Labour MP Robin Cook saw it as such and called upon Labour to follow her example and make a similarly

'political' use of the power of appointment when in power.

Now there is little doubt that political considerations weighed paramount in the choice of Leigh-Pemberton. He is an open Tory and declared on appointment that 'if you had a sort of scale between the left and right extreme, monetarism on the Right and keynesian on the Left, I am undeniably right of centre'. . .

He regards sound money as fundamental to civilisation and sees his prime duty in defending the value of the pound and resisting governments that threaten it. It is clear that he would present a real obstacle to a Labour government committed to a policy of devaluation. It also seems clear that his appointment, made without the usual cross-bench consultation, was unconstitutional.

The permanent secretary appointments are, however, of a different order. Unlike the amateurish Leigh-Pemberton they are clearly professionals. Indeed in appointing senior Treasury officials to head Whitehall departments, Mrs Thatcher is simply reflecting their traditional ascendancy within the Whitehall elite. What sets Middleton apart is his youth (he is only 48), his grammar school background and his early promotion. As a Treasury official he has in fact been

engaged in work at some distance from the Government's monetary policy and had won the support of both Barber and Healey. Of the other appointments, Hancock at Education and Hayes at Industry, are both said to be strongly opposed to any move towards a political civil service. All are said to have impressed not through their partisan commitment but in their independence.

If such appointments taken as a whole are not symptomatic of a Thatcherite revolution in government, the spectre of such a transformation is nevertheless real. Thatcher and her advisers, like the Bennite Left, have been quick to identify the civil service as an obstacle to radical reform. It is but an easy step for both to propose the full politicisation of the civil service. The threat implicit in a Thatcherite revolution should put us on our guard. Prime ministerial patronage should be curtailed not utilised for the Right or the Left. Government should be opened up as a matter of urgency, public appointments should be subject to parliamentary supervision, and policy advisers appointed to assist ministers. But the real obstacle to radical reform lies not so much in the obstruction of civil servants but in the inadequate preparation for power. In this, sadly, Labour has learnt little from its earlier periods in office.

Phil Jones

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