



**After Thatcher**

# **Following The Leader**

An extraordinary era is finally over.  
**Andrew Gamble** looks back on the Thatcher  
years and assesses prospects for life  
under Major

**O**n the end Thatcher's fall was as spectacular as her rise. She destroyed herself, and in so doing she almost destroyed her party too. Four more votes on the first ballot would have been enough for her. She would have claimed the result as both victory and vindication. There would have been no need to compromise with her enemies. Despite winning the support of more than a third of the parliamentary party Michael Heseltine would not have been invited back into the government. Thatcher would have insisted on her right to lead the party into the next election despite the depths of its divisions over her leadership.

Once she was gone, the sense of relief in the parliamentary party was overwhelming. The old Conservative instinct for unity reasserted itself. So effortlessly has this been accomplished that it makes the death throes of Thatcher's leadership all the more remarkable. Only by the narrowest of margins was the Conservative Party saved from a deep split that might have become permanent and would almost certainly have destroyed Conservative chances of electoral recovery before the next general election.

Thatcher's fall is the end of an era in British politics as turbulent and eventful as any in the 20th century. Quieter times lie ahead. As Thatcher's preferred successor, John Major represents continuity. But he also represents the routinisation of charisma, and the dissipation of the energy, the radicalism, and the conviction that suffused the Thatcher decade. Thatcher's resignation is more than just the end of one political leader. It signals the end of a regime. Thatcher was not only a dominating political personality like Churchill, but also the focus of a distinctive political project. It is the future of this project that is now in doubt.

Thatcher liked to compare herself with Churchill, but a better comparison is De Gaulle. Churchill bequeathed no distinctive vision or policy agenda to his successors. His prestige stemmed from his role as a war leader. Britain's postwar political agenda, and the response of the Conservative Party, were shaped by others. De Gaulle, however, was not only France's war leader, but also the founder of the Fifth Republic and the focus of Gaullism, the political movement which dominated French politics through the 1960s. After his departure, Gaullism both as a political movement and as a political project gradually disintegrated.

Will Thatcherism also now disintegrate? The radicalism associated with the Thatcher era stemmed from three main sources; Thatcher's style of leadership; the ideology of the new Right; and the policy decisions of the Thatcher government in response to changing economic and political circumstances. With Thatcher gone, many Thatcherites suspect that the influence of new Right ideology will wane, and that the Con-

servatives will revert to political pragmatism and electoral opportunism in dealing with the new issues that are coming to dominate the 1990s. They fear that Thatcherism will not long outlast Thatcher.

**As a political project, Thatcherism was** fashioned by many individuals, groups and interests. It was always much more than simply an extension of her beliefs and political style. Her departure does not mean that Thatcherism comes to an abrupt halt, any more than De Gaulle's departure in 1969 brought the immediate eclipse of Gaullism. The Right held on to power in France until 1981.

Thatcherism, however, has always been less dominant in Britain than Gaullism was in France. Thatcher was a dynamic and dominant force in British politics. Yet her dominance masked weakness. She was always a minority leader - in the parliamentary party, in her cabinet, and in the country. Only perhaps in the grass roots of the Conservative Party did she gain unquestioning allegiance. A mixture of strength, cunning, and luck enabled her to survive as long as she did. Her leadership was often under threat and she might have been overthrown several times before 1990 - in 1981 following the slump and the inner city riots, in 1982 after the Falklands war if the military action had failed, and in 1986 following the Westland affair.

She seized the leadership of the Conservative Party in a coup, and held it so long as she delivered the party parliamentary majorities. But the electoral base remained slender. The Conservative Party under her leadership never won more than 43% of the vote. The Thatcherite wing of the parliamentary party never became a majority. The electorate remained stubbornly hostile to key elements of the radical programme of the Thatcher government, particularly in its later stages. Substantial majorities opposed the government's reforms on health, education, poll tax, and even privatisation.

**T**hatcher saw herself as a lonely conviction politician fighting against an array of enemies entrenched throughout British society. Postwar Conservatism had appeased collectivism and acquiesced in the steady expansion of both the scope and the size of the state. To fight this trend Thatcher and her supporters were from the beginning openly ideological. She polarised her party and the country, challenging everyone to define where they stood. She inspired devotion as well as intense dislike and hostility. The fall of Britain's 'greatest peacetime prime minister' was experienced by two-thirds of the electorate like the fall of Ceaucescu, and by one third like the assassination of Kennedy. Whatever John Major is like, he is not going to be like this.

Under Major, ideology can be expected to play a much smaller part in the Conservative Party. The Conserva-

tives never used to be an ideological party. They had major divisions, but always over specific issues like Tariff Reform, Indian independence, or Rhodesian sanctions. They remained remarkably free from organised factions, so that the conventional labels of Left and Right found little application. The party was distinguished by its appetite for power and its loyalty to its leaders. It was always a party of government and was renowned for its readiness to accommodate new interests and to modify its principles in pursuit of power.

Thatcher changed all that. She captured the leadership as an outsider and unlike any previous Conservative leader this century, she set out to found Conservative policy on a firm set of principles. She herself was never an ideologue, in the manner of Enoch Powell or Keith Joseph. But what her leadership provided was the opportunity for the ideas of the new Right to influence Conservative policies and strategy. They provided a flow of ideas which enabled Thatcher and Joseph to assert and defend a distinctive ideological and policy position against the scepticism of the bulk of the shadow cabinet. Thatcher became convinced that her political mission was to reverse the political trends towards collectivism and corporatism which Conservative governments had accepted and even assisted throughout the 20th century. She wanted to roll back the frontiers of the state and restore free markets, personal responsibility, and political authority. Her political skill was to combine the traditional Conservative emphasis on the need to uphold the authority of the state, with the new Right emphasis on the need to free the economy from obstacles to competitive markets.

The activities of the new Right in the party after 1975 sharpened ideological divisions, and gave rise to Thatcher's famous question: 'Is he one of us?' To be one of us in the Thatcher era, it was not enough to be a Conservative. It was necessary to believe in the Thatcher project and the broad political principles which underpinned it. In this way, Thatcher gathered to herself a devoted army spread through the party, the media, the universities, and the business community.

This army of supporters, however, although large, was never large enough. It may not now be large enough to continue the Thatcherite revolution. The think-tanks will remain, and will continue to supply detailed policy advice. But the market for ideas in government will not be tilted so much in their favour. Although the Thatcherite agenda is far from exhausted, the tides of political fashion are swinging against it. The Thatcherites fought desperately to keep Margaret Thatcher. Many could not reconcile themselves to the prospect of a different leader, no longer committed to the pursuit of Thatcher's vision. They were Thatcherites first and Conservatives second.

John Major offers a sharp contrast to

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Thatcher, because he lacks her fierce ideological conviction and certainty. Commentators have been hard-pressed to discover what he believes in at all. He has enjoyed an effortless rise in only 11 years from backbencher to prime minister, and has only limited departmental experience. He has never sat on the opposition benches, and during his time in parliament has never known any prime minister other than Margaret Thatcher. His main attributes are that he is competent, efficient, and has no enemies.

**H**is acceptability to the Thatcherite wing of the party, the bulk of which voted for him once Thatcher withdrew, is puzzling. He was chief secretary in the Treasury when Lawson was pursuing the policies the Thatcherites now blame for the resurgence of inflation. He had three uncomfortable months in 1989 as foreign secretary when he appeared out of his depth. He returned to the Treasury in October 1989 as chancellor where his chief contribution was to ally with Douglas Hurd and persuade the prime minister to put sterling into the Exchange Rate Mechanism. He also devised a proposal for a common currency - the hard ecu - which to sceptics in his party looked like a dangerous step towards acceptance of the principle of a single European currency.

If Major's reputation as a Thatcherite on economic and European issues is a little shaky, on social issues he hardly seems a Thatcherite at all. He is opposed to capital punishment and describes himself as a social liberal. As a councillor in Brixton he was noted for helping to drive out racists from the local Conservative Party and for public sector house building programmes. After 1979 he became a member of the Blue Chip group, an anti-Thatcherite dining group which included Chris Patten and William Waldegrave. During his brief campaign for the leadership he signalled his desire for a major review of education to raise its priority and the status of teachers. If Major has an agenda of his own it is primarily a public interest agenda.

These clues, and they are little more than clues at the moment, hardly suggest that radical Thatcherism will be safe in John Major's hands. The Thatcherites seem to have voted for him more out of desperation than of hope. Of the three candidates, he represented the least obvious repudiation of the Thatcher legacy. Douglas Hurd was suspect for having been at Eton, university and the Foreign Office, as well as Edward Heath's personal assistant in 1970-74. Thatcher had kept him out of her governments for as long as she could.

Michael Heseltine represented a different problem for the Thatcherites. Although he had been one of Thatcher's more successful ministers and had helped implement Thatcherite policies through council house sales and through the deployment of cruise and

Pershing missiles, Heseltine was already unacceptable as a successor to most of the Thatcherite wing because he alone of her many critics had developed an alternative political project to hers, and was identified with support for public welfare and government intervention to improve competitive performance, and more rapid European integration. He became completely unacceptable when he became the instrument of Thatcher's fall.

His 'treachery', although much less damaging to Thatcher than the 'treachery' of Geoffrey Howe, Nigel Lawson or even Norman Lamont - her own people - made him the candidate the Thatcherites most wanted to stop. If Heseltine had won, it would have seemed as though the party was repudiating the Thatcher years. Thatcher accused him of wanting to pull down all she had achieved. By allowing himself to appear as the candidate approved by Thatcher, Major gained the support of those Conservative who wished to atone for their regicide. By electing Major, the party chose the candidate Thatcher herself could endorse.

There are many ironies here. The candidate most likely to preserve and extend the Thatcherite revolution was Heseltine. The break from the Thatcher years would have been sharpest at the beginning, both in terms of policies and personnel. But Heseltine was the candidate most prepared to search out radical solutions to public problems, and most determined to implement them. He was always the best hope for the new Right think-tanks. He might have been persuaded of the merits of vouchers in education, or road pricing, or incentives for private health insurance. He would have kept up the attack on vested interests in the civil service and the professions. No kinder, gentler Britain for him. During the leadership election he offered the No Turning Back Group an alternative slogan - No Holding Back.

**M**ajor is not a radical in the Heseltine mould. He may not turn back but he is almost certain to hold back, particularly from radical experiments. His first cabinet appointments reveal the likely character of his government. The watchwords now are consensus, consolidation and co-operation. Following the resignation of leading Thatcherites in the last three years - Tebbit, Young, Lawson, Ridley, Howe and now Parkinson - there is no longer a clearly identifiable Thatcherite wing in this all-male cabinet. There have been no significant preferences for the younger group of Thatcherites from the No Turning Back Group. The direction of the government will be set by the Treasury team, Lamont and Mellor, Major's campaign managers, and by a powerful group of ministers in the big spending departments - Heseltine, Waldegrave, Clarke and Rifkind, supported by three other influential ministers - Hurd, Baker and Patten. None of these ministers are ideologically committed to

Thatcherite principles. All of them will become advocates of the new public interest agenda which Major has signalled.

The new government faces both immediate short-term tasks and longer-term strategic choices. It must first act quickly to repair the collapse of Conservative support under Thatcher in the last two years. This collapse had three main causes - the intense unpopularity of the poll tax, the repeated evidence of cabinet and party division over Europe, and the faltering performance of the economy. Major's cabinet will need to do something about all three if it is to maintain its initial popularity and win the next election. But at the same time it must look beyond the immediate issues to the pattern of politics in the 1990s.

**The poll tax, as even Margaret Thatcher** involuntarily called it in her last appearance at prime minister's question time, has turned into one of the biggest mistakes any government has ever committed. Thatcher's record-breaking unpopularity in the last phase of her premiership owed much to her close identification with this tax. Once they were free to speak, both Hurd and Major followed Heseltine's leads in promising a major review of it. Nigel Lawson revealed that he had argued against the tax in cabinet and that the Treasury had drawn up an alternative, very similar to earlier proposals made by Labour.

A top priority for the Major government is to promise a substantial change to the tax even if it cannot implement it before the next general election. Putting a leading critic of the tax like Heseltine in charge of the review is designed to defuse the poll tax as a major election issue. If the cabinet fails to endorse a radical reshaping of the tax, perhaps even its abolition, the government will be in trouble. But Major seems to understand this. And his cabinet is unlikely to obstruct reform.

Europe is a more difficult issue. Few in the Conservative Party will weep for the poll tax, since even under Thatcher the basic principle of the tax has been fatally compromised by the need to make it less of a vote loser. Divisions on Britain's relationship with Europe, however, remain deep. The agenda here is being set by the European Commission and by the other heads of government. In responding to the plans for speedy progress towards economic and monetary union, Major must tread carefully. He will seek to avoid the isolation which Britain experienced as a result of Thatcher's tactics of confrontation. But he risks a strong backlash within his own party if he appears to be committing Britain to a process of monetary integration through the creation of a single currency and an independent central bank.

He is likely to attempt to develop a policy whose priority is to maintain party unity. He will therefore loudly proclaim his support for the goal of greater integration of the Community while seek-

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ing to block rapid progress towards economic and monetary union by forming alliances with other European countries. Major will attempt to rally the cabinet and the party round this step-by-step approach. He will try to narrow the scope for disagreement with the government's policy as much as possible by postponing for as long as he can firm commitments to European union. Major is no Euro-enthusiast, but he will not obstruct the pressures that are pushing Britain towards closer ties with Europe. These pressures come both from the business community and from the United States. Major's firm dismissal of Thatcher's idea of a referendum on a single currency indicates that the process of integration by stealth has been resumed.

**T**he economy is the third issue that brought Thatcher's downfall. The boom of the 1980s and the exaggerated claims which accompanied it has ended in a trade deficit, higher inflation, and plunging output and investment. Major's problem is that he has been one of the main architects of the policy. He can hardly dodge responsibility if the confident prediction he has made about improvement in the economy next year fail to materialise. The electoral fortunes of all governments appear to be increasingly linked to the performance of the economy and the way in which that performance is perceived by voters. But national governments have less and less control over the forces that shape that performance. The most they can do is attempt to align the electoral cycle with the economic cycle. In Britain, the two are currently far apart and only a small chance exists for bringing them back into line before the next election.

**In dealing with these immediate issues** the Major government is likely to have much more success with Europe and the poll tax than with the economy. But it is likely to be the economy that decides whether Major's government resembles Alec Home's - a determined but brief effort to stave off electoral defeat - or whether Major can obtain his own popular mandate and win the right to shape politics and policy through the 1990s.

The strategy on which the Major government appears to have embarked is aimed at defusing those issues on which the Thatcher government became so unpopular and appeared so divided, while signalling its conversion to a new public interest agenda for the 1990s. During the 1980s British politics was dominated by the private interest agenda of Thatcherism. A public interest agenda for the 1990s would give a much higher priority to the improvement of public services in health, education, transport and the environment. The Major government will not abandon the private interest agenda - it will still cut taxes and promote wider share and property ownership when it can - but it will no longer seek to promote the

private interest agenda at the expense of the public.

Such a shift of direction, which will be ably expounded by the new party chairman, Chris Patten, will pose problems for Labour and the Liberal Democrats. A new public interest agenda for the 1990s to counter the ravages of Thatcherism has been the opposition's strongest ground. The Major government threatens to cut that ground away. The competition between the parties will come to focus to an even greater extent than previously on whether the government is perceived as competent in its handling of the economy. The opposition has no distinct alternative policy to put to the electorate. It offers a different team of managers, whose main attraction is that they are not the present team.

In this sense the Major government is likely to mean a return to consensus politics, but a consensus to fit the circumstances of the 1990s, not a return to the different policies and circumstances of the 1960s. Under Kinnock, Labour has accepted key aspects of the changes introduced during the 1980s. National protectionism is dead. Both parties accept the need to manage the British economy within the constraints imposed by economic interdependence and an open world economy.

Thatcher won several key battles over the economy. But she lost battles over the welfare state and European integration. Major will bid to sustain Conservative rule through the 1990s by preserving parts of the Thatcher inheritance, but abandoning others. He will quietly shelve the Thatcherite crusades against the public sector, against Europe, and against communism. He already speaks of the welfare state as part of the instinct of the British people. Thatcher thought of it as the Road to Serfdom. New spending commitments seem likely to be made in education, health, transport, and the environment.

**T**his strategy may be the best hope for the perpetuation of Thatcherism after Thatcher. The policy changes of the Thatcher years, particularly privatisation and trade-union reform, will be consolidated. But further radical experiments will be discouraged. Major's programme implies extra resources for the public sector. The government has the opportunity to make deep cuts in defence spending following the end of the cold war. Other resources, however, can only come from economic growth or from higher taxes.

The Conservatives, objective is to persuade enough voters, particularly Conservative waverers, that the departure of Thatcher does signal a genuine new start, which removes most of the reasons for voting against the government. Two key problems remain however.

The first is the regional divide which has been so exacerbated during the Thatcher years. One sign of it is the precipitate decline of Unionism both in Scotland and in Northern Ireland, and

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the estrangement of large parts even of England from central rule from Westminster. Under Thatcher the Conservative came to rely more and more on their appeal to voters in the prosperous sectors of the South and East of the country and a divided opposition. Major will not change the peripheral status of other parts of the country simply by rhetoric about a classless society and rebuilding one nation. Things have gone too far for that. He may arrest for a time further decline of Conservative support in Scotland, but in order to reverse the trend away from the Tories he would have to concede effective devolution. Similarly, in Northern Ireland the policy lines seem set. Northern Ireland is already semi-detached and is drifting further away. The Westminster government will continue to seek the creation of the political conditions that would permit withdrawal.

A divided economy, a divided polity, and a divided society will be the context of Major's government in the 1990s. So too will be another of Thatcher's legacies - the structural weakness of the British economy. The burst of growth in the 1980s temporarily disguised further deterioration in the competitive strength of the British economy. The new government will attempt to run the economy so as to maximise its chances of winning the next election. But if it succeeds it will have to grapple with the consequences created by the contraction of the British manufacturing sector, and by the low priority given to investment in training, research, and infrastructure in the Thatcher years.

These problems of regional division and economic weakness are so deep-seated that a government seeking to consolidate and make itself electable is unlikely to propose any radical remedies to deal with them. Even if it succeeds in winning the next election - either a Gulf crisis or a world slump may yet throw out all calculations - the Conservatives may find themselves enmeshed in problems from the Thatcher era that they do not have the will or the capacity to tackle.

The response of the opposition parties will be closely watched. If the Conservative revival is sustained the case for electoral alliance will re-emerge. The opposition to Thatcherism is presently divided into Labour, Liberal Democrats, Greens, and Nationalists. They will all have to rethink their challenge, perhaps Labour most of all. Thatcher's demise may just be the trigger that Labour needs to escape from her mesmerising influence. What the opposition must find is a common programme that can address the problems of regional division and economic weakness and link them to policies for extending democracy and reforming the constitution. In so doing they might even rediscover their own radical traditions and break the Thatcherite spell.

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