The Conservatives, 1997–2001: a party in crisis?

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Coming out of the worst election defeat since the Liberal landslide of 1906, there was a remarkable sense of optimism amongst Conservatives in the summer of 1997. People felt that the party could not go any lower; that the nadir of our misfortunes had been reached. The difficulties of the Blair government in its first few months created a feeling that it might not be long before we would return to government. John Major made this point in his conference speech that October: ‘The tide will turn, perhaps more speedily than anyone imagines.’²

The election of William Hague as the new leader gave focus to this growing sense that the party was beginning its renewal. Bright, articulate, at thirty-six our youngest leader since the eighteenth century, Hague embodied the hopes of a party that desperately wanted to embrace a new generation of British voters. Yet, looking back, it is clear that the events of the 1997–2001 Parliament were a disaster for the Conservative Party.

Far from undergoing a great revival, the party slipped back further. Struggling to break the thirty percentage points barrier all through the Parliament, the result of the 2001 general election was technically an improvement on 1997 – it gained one seat overall and increased its share of the vote by one per cent – but in reality it was a catastrophic defeat far worse than 1997. The party may have gained nine seats but it had lost eight others. To fail to capitalise on Labour’s poor performance in government was bad enough; to lose seats was an indication that the party, far from being renewed, had lost ground since 1997.

The aftermath of the attacks on the USA on 11 September 2001 distorted the first few months of Iain Duncan Smith’s leadership.³ The first leader elected by the whole Party and not just MPs, Duncan Smith had more time to attune himself to the demands of being Leader of the Opposition without the barrage of attacks he would have faced from other parties. When normal politics resumed in the spring of 2002, Duncan Smith was perceived to have made a solid start. His emphasis on ‘helping the vulnerable’ caught the Labour Party off guard and pleased the moderate wing of his own Party.

This renewed mission to regenerate the party begs the question: why did it all go wrong last time? What went wrong for Hague? After all, there was no doubting his intellectual and political ability; Hague had been singled out as one of the party's rising stars before he went to university.⁴ The youngest Cabinet Minister since Harold Wilson, as a fresh face, and one not closely associated with the defeat of 1997, Hague seemed ideally placed to lead the party. As a non-ideological figure, not linked to the factional battles of the 1990s, he was in a good position to unite the party and lead its revival. Yet it did not happen.

A party without direction

Of all the problems facing the party in 1997, one was startlingly apparent. It was regarded by a large section of the electorate as harsh and uncaring. This was attributed to various factors including the public's perception that not only were Conservatives not committed to the improvement of public services but they were obsessed with further tax cuts. Labour was said to have the best policies on the top three issues of concern by an overwhelming margin in early 1997.⁵ The vociferous denunciations of gays by some; perceptions of racism in the party; and a feeling that anti-Europeanism was a reflection of xenophobia rather than an intellectual disagreement with the European Union, all made things worse. The right-wing image stemmed partly from the survey of 3,000 party members conducted in 1992. It found that 70 per cent of members believed that a future Conservative government should encourage the repatriation of immigrants; 69 per cent wanted to bring back the death penalty for murder and only 1 per cent described themselves as non-white.⁶

The alarming nature of this information and the result of the 1997 general election, galvanised Hague to address this lack of appeal. During the election campaign Tory candidates had been shocked at the level of hostility shown to the party. The fact that younger women felt particularly alienated from Conservatives was alarming to a party that depended on a veritable army of women workers to get out the vote, and had come to take for granted its lead over Labour amongst women voters.⁷ Indeed, that lead over Labour amongst female voters was the reason why the party had won the 1992 general election.⁸ This alienation from the electorate and the unrepresentative party membership was swiftly recognised by Hague. He said that the voters, 'decided that our party across the country had become unrepresentative of society at large and irrelevant'.⁹

This distance from the cares and concerns of ordinary voters was well reported by Rupert Morris. At the Benton Conservative Club on Tyneside, Morris found that women were not admitted as full members and jackets had to be worn at all times unless a green light came on above the bar to indicate

that they could be removed.¹⁰ The Tory Party had come to inhabit a world utterly remote from that where most voters resided.

Given that the 1992 survey had found that the average age of members was sixty-two and only 5 per cent were under thirty-five, Hague was brave to take on the more reactionary sections of the party.¹¹ He had always been liberally minded himself; as a junior minister Hague had been one of only forty-two Tory MPs to vote in 1994 for the equalisation of sexual consent at sixteen.

This reform agenda began with internal party matters – the crucial merger of the three separate parts of the party: MPs, volunteers (the National Union) and Central Office – was endorsed in principle by a ballot of members in September 1997. But it was also meant to encompass wider changes. Lord Freeman was brought in to advise on the reform of the candidates' selection procedure. Peta Buscombe, an Oxfordshire councillor with ambitions to get into Parliament, was appointed a party Vice Chairman with responsibility for developing more women candidates. A Cultural Unit was established inside Central Office to build bridges with ethnic communities. Hague himself admitted that what he was seeking was 'nothing short of a cultural revolution in the way this party conducts itself'.¹² It was ambitious but it was right.

Dr Jekyll and Mr Hague

It is now painfully obvious that this 'cultural revolution' may not have been as destructive as Chairman Mao's but it was no more successful in advancing reform. Of course, the structural changes needed to create a modern, integrated party were carried through. But despite promising to bring the three separate parts of the party together, the new constitution of June 1998 did not mention Conservative Central Office. Buscombe achieved her ambition to get into Parliament but as a life peer rather than an MP. Her career path seemed all too typical of that offered to prominent women in the party.

At the 2001 general election the party had no women candidates at all in Conservative-held seats where the sitting MP was retiring. Far from broadening our range of candidates, the modest reforms in the selection process did not prevent deeply damaging rows over selections in a number of constituencies. Simon Walters' book *Tory Wars*, exposes the way some activists were able to manipulate the selection procedure to exclude those they did not want. It must make painful reading for those who claimed that Hague was going to make the Tory Party more inclusive, show a greater professionalism and be more representative of society than we had been in the past.¹³ In our candidate selection process, we achieved none of those things.

The desire to make the party more inclusive fared little better. Despite having previously voted for equalising the age of consent, Hague absented

himself from the debates when the issue returned to the Commons after the 1997 election. He might well have changed his view – and why not? But by appearing to hide from the issue, he only raised the salience of it. Attitudes to homosexuality are not the sole measure of a person's liberalism but by appearing to change the party's position on the issue and then failing to deliver, Hague raised and then dashed the expectations of supporters of a more liberal approach. This apparent vacillation undermined his credibility as leader.

More extraordinary was the handling of Section 28. This clause in local government legislation banned the 'promotion' of homosexuality in schools but was largely redundant because new provisions relating to sex education in schools had superseded it. Astonishingly, the Shadow Cabinet decided to continue support for Section 28 in a discussion lasting under two minutes for which no policy papers had been tabled for consideration.¹⁴ If it was felt necessary to produce a consultation paper on future roads' policy, why did we not take a similar approach on an issue that divided Conservatives and gave us a bad press? Apart from anything else, such an open approach might have prevented the loss of Shaun Woodward MP to Labour over the issue. Woodward sought to get the leadership to change its approach but was sacked from his post despite not having gone public with his objections to the policy. Even if the party had continued with the same policy, an open consultation process would have given supporters and critics alike the sense that we were prepared to consider the issue seriously.

It appeared to many that Hague, faced with implacable hostility to his 'modernisation' of the party from some on the right and in the press, retreated wholesale. The young liberal had become an old fogey. This was not wholly fair; Hague had always been vocal in his support for the institution of the family and he appears to have undergone a change of heart on equalising the age of consent.¹⁵ But an opportunity to take the party in a new and more inclusive direction had been lost.

There was another aspect to inclusiveness that was important but was evaded; the task of making the Conservative Party a welcoming place for all who share the Tory tradition. The Woodward affair demonstrated a personal intolerance on the part of Hague that shocked many people in the party. Sacking someone from the frontbench by means of a message to his pager is extraordinarily insensitive. Many of us began to sense that Hague's party would prefer to shrink further rather than continue to house those with different views. There was a process of purification going on in which those who came from the One Nation tradition were the enemy – a sort of Tory Bennism. Hague encouraged this atmosphere with his aggressive responses to criticism. When twelve senior figures, including Chris Patten, signed a letter calling for Britain to prepare for a single currency, Hague called them 'yesterday's men'.¹⁶ When later there was talk of de-selecting pro-European

MPs, some people at the grass roots level clearly felt that they were doing the leader's bidding.

The absence of ideas

The difficulty was that the libertarian agenda Hague pursued and his attempts to reform the party were conceived in isolation from mainstream policy-making. This agenda was not followed through in a logical manner. Without a philosophical substructure on which fresh policies could be built, the party drifted intellectually. Hague's correct vision of a party that judged people by what they could do, not by what they are, could not stand on its own as the party's policy platform. It needed to be linked into a One Nation agenda that emphasised the restoration of public services and a greater sense of community.¹⁷

In October 2000 my parliamentary colleague Damian Green and I sought to establish the meaning of a One Nation agenda in the twenty-first century.¹⁸ The argument that we deployed was that the party needed to stop sounding as if it believed that 'there is no such thing as society' and demonstrate that individual liberty was the building block of society and not an end in itself. The party had to focus on improving public services but before it could advance radical ideas for change, it had to convince the public that it genuinely believed in those services. This meant an end to disparaging remarks about public sector workers and to the centralising approach to public services. There needed to be a better balance between the responsibilities of individuals, family and the community. The social implications of taxation and economic policy needed to be articulated.

The publication of our paper was greeted with horror by some of Hague's advisers. Green, a junior frontbench spokesman at the time, was threatened with the sack for writing such treasonous material.¹⁹ It is ironic indeed that the agenda that we set out has now largely been adopted, judging by Shadow Cabinet speeches, under Duncan Smith, and Green is now Shadow Education Secretary.

To his critics outside the party, Hague's focus on individual liberty suggested that the Conservatives were still orientated towards a 'me-first' culture that they associated with greed and selfishness. The party appeared (however unjustifiably) wedded to private affluence surrounded by public squalor. In short, the approach to ideas convinced few, with inevitable consequences for morale within the party and electoral support outside it.

The decision to replace the party's internal policy-making arm, the Conservative Political Centre (CPC), with something sounding almost the same but in reality with a lower profile, was accompanied by a virtual abandonment of the tradition of publishing policy papers. The CPC had produced a stream of policy papers on a variety of topics. Their authors were

sometimes groups of MPs – such as the One Nation or the ‘No Turning Back’ groups – leading party figures or policy experts. The CPC may not have been the engine of a great Tory intellectual revival but involved the wider party in the ideas process and demonstrated that there was intellectual life in the party.

Europe: the Achilles Heel

‘Divided parties don’t win elections’. So wrote experienced pollster Bob Worcester in his account of the 1997 Labour landslide. Worcester noted that the number of electors thinking the Conservative Party divided had risen from 17 per cent in July 1992 to half of all voters a year later.²⁰ The cause of this dramatic reversal – only 14 per cent of electors had thought us divided at the 1992 election, compared to 24 per cent for Labour – was the issue of Europe.²¹ Curiously, in one respect the public was not divided. They largely thought it a second-order issue. (I recognise that the public see it that way but, although I disagree with them, it is certainly not the only issue.) In February 1997, just 26 per cent of voters thought Europe the most important issue. In other words, three-quarters of voters didn’t think it very important.²²

It was obvious to Conservative MPs after 1997 that we could not go on with the divisions over Europe; they had almost destroyed the party. Two different factions emerged in the argument around how best to deal with the dispute; the leadership election ended with one of those factions triumphant. The decision by Kenneth Clarke and John Redwood to combine together for the final ballot of the leadership election was portrayed by many as an act of cynicism; a version of the Ribbentrop-Molotov Pact.²³ This was far from the truth. Both Clarke and Redwood knew all too well how profound their differences were over Europe but they also knew that what united them as Conservatives was greater than that which divided them. They had concluded that for the party to govern again, the two sides had to reach an accommodation with one another. Their ‘deal’ was an attempt to demonstrate that apparently warring factions could come together in the wider interests of the party. It was what ordinary party members had asked for. But it was not to be. Redwood was unable to deliver the votes of his former supporters as, led by Duncan Smith, they switched to Hague.

Hague won the leadership election on a clear platform on the European issue. He had stated that he would not take Britain into a single European currency for two parliaments and that all members of the Shadow Cabinet would have to support this policy.²⁴ Hague went further and actually declared that members of his frontbench team would have to sign a piece of paper stating their support for this policy. When this was raised at a meeting between Hague and members of the Positive European Group of MPs during the leadership election, his position was strongly attacked. When the leadership

election was over, he had to retreat from his hardline position in order to put his Shadow Cabinet together. When I saw Hague and he offered me a post on the frontbench, I only agreed to serve on the condition that I was not expected to sign up to his single currency policy. He readily accepted that I could not be asked to do so.

Interestingly, in Chapter 8 Philip Lynch does not think that Hague's position was clear at the time of the leadership election and that this was one of the reasons why Michael Howard and Redwood stayed in the ballot. What was clear was that Hague was not going to allow a free vote for the whole party on the single currency issue, as Clarke had offered. His 'take it or leave it' approach might have been less damaging had the European question not come to dominate the party's policy agenda. I became sharply aware of the drift in thinking when I found it necessary to resign from the frontbench in October 1997. Hague had adopted the line after the leadership election that the party would not support joining the single currency 'for the foreseeable future'. This had the merit that it was vague and open to a variety of interpretations. For that reason, the policy came under attack from Euro-sceptics in the Shadow Cabinet who saw it as weak. At a heated meeting of the Shadow Cabinet on 23 October 1997, Hague sought to change the policy.²⁵ He succeeded in going back to the one he had called for in the leadership election: outright opposition in that Parliament and the next.

Hague attempted to deal with the European issue by saying, 'this is my policy: back it or else'. This was not an approach that could unite the party. Like it or not, the supporters of the single currency within the party were led by Clarke and Heseltine, two senior Conservatives highly respected by the public. They could not be ignored and attempts to marginalise them backfired. Hague's dismissive reference to them as 'retired Cabinet ministers' appeared childish and petulant. Hague clearly believed that strong leadership meant giving orders; the European issue was one that defined his authority as leader: 'this is a challenge my authority will survive'.²⁶

I could not support this approach. Apart from anything else, I had been appointed to the frontbench on a different basis. I resigned on 29 October and so for the same reason did David Curry, the Shadow Minister for Agriculture four days later. The decision to abandon a compromise policy on the single currency and switch to an ideological one, was a harbinger of what was to come. It meant two things: firstly, no real attempt was to be made to unite the party on the key issue that divided it; and, secondly, that Europe was to play a more central role in the party's platform than was either politically necessary or electorally desirable. As I said in my resignation letter, I did not 'believe that hard line Euro-scepticism will be a basis for us to regain the trust of the electorate'.²⁷

The next act in the seemingly never-ending European drama was the ballot of party members, called nearly a year after the Shadow Cabinet's

U-turn on the single currency. Although this was an opportunity for party members freely to express their views, it was self-evidently a motion of confidence in the leader; if William had lost it, he would undoubtedly have had to resign. It is hardly surprising that the leadership ran a ruthless campaign but this approach only raised tensions in the party.

When one party activist opposed to the ballot was summoned by his local Conservative association officers to justify his stance, he was astonished to find a senior Central Office official at the meeting who made various (false) allegations about his behaviour. The Party Chairman also dismissed Heseltine's reservations about holding such a ballot at short notice and without a real debate. Those who were unhappy at the outcome of the ballot, the Chairman said, clearly presuming that Hague would win, were the 'most arrogant of the old autocratic hierarchy'.²⁸ This hardly encouraged party members to unite behind the outcome of the ballot.

The margin of victory for the leadership was clear enough: 84.4 per cent of those who voted supported the new line. But in total, more members had either voted against or not voted at all. It was a hollow victory and the holding of the ballot, far from healing divisions, only made them wider. A pamphlet written by Geoffrey Howe, Heseltine, Clarke, Curry and myself and published the day of the result was dismissed as the 'last roar of the dinosaurs' by anonymous party sources.²⁹ Pro-Europeans noted the rough tactics used by some of William's supporters while those opposed to Britain ever joining the euro thought the policy a fudge.

The failure of our European policy was not that it reflected the majority view in the party – which was clearly intensely Euro-sceptic – but that it did so without proper debate or discussion. Hague had emphasised at the beginning of his leadership the need to be open to new ideas: 'we have to genuinely welcome new ideas'.³⁰ Except on Europe of course. The Shadow Cabinet took refuge behind opinion polls showing a majority against joining the single currency. Yet that reflected the fact that the government had not argued the case for the new currency and, anyway, some of the most important issues facing the European Union were not to do with the single currency. There was no recognition by the leadership that our policies isolated us from the bulk of the business community. Hague had promised to 'lead and to heal'; his European policy did not live up to that promise.

Hague's people

The stance on European policy pre-determined who would serve the new leadership. The effective exclusion of pro-Europeans confirmed divisions within the party, denied us the service of some of our most talented MPs and gave the outside world a one-sided impression of the party. The essential failure was to construct a team of all the talents from across the party. Such

an approach would have forced parliamentarians to work together in a constructive way. It would not have been without difficulties but it would have avoided some of the conflicts that resulted from the conscious parking on the backbench of colleagues whose talents were sorely missed from the front bench.

By basing himself at Central Office, Hague chose to isolate himself from his parliamentary colleagues. The practical reasons for the decision are obvious in an age when the House of Commons no longer feels as if it is the centre of national political debate. But switching to a media-focused strategy for communication always suffered from the weakness that Labour's slicker and larger machine could always outgun us and that Hague's own best performances were not on television. Our 'war room' never quite seemed to match Labour's. They had, after all, years of practice at operating through the media because they were not in control of the Commons. We were so used to working in isolated government departments, each operating with its own agenda, that we found it difficult to work as a team.

Hague made a valiant effort to get his colleagues to work together. He sought to bring together MPs on a regular basis and his own managerial style was mostly consensual. But his age and lack of experience undermined his authority from the beginning. After all, William had had no prior experience of leadership on a significant scale before or after he became an MP. A section of the party (and more dangerously, the media) could never quite take him seriously. He was to some of his critics, a boy doing a man's job. While that view was rarely articulated at first, it was an undercurrent that ran through the entire Parliament. Each slip-up was seen in the context of Hague's perceived inexperience and not necessarily judged fairly.

Over time, a bunker mentality developed. Often, when criticism began to raise questions as to whether he would survive as leader, he put in a bravura performance in Prime Minister's Question Time to uphold his position. But there was tension amongst backbenchers who feared for their seats. Hague's team took a very harsh view of those who were critical of what he was trying to do. But those criticisms were inevitable because some of those advising Hague were second-rate. Bad advisers do not like criticism because they feel threatened by it. There were times when Hague's leadership was under threat, with serious rumblings of discontent (mostly on the right of the party) but the aggressive 'you are with us or you are against us' attitude of a number of Hague supporters only made the situation worse. It appeared divisive for its own sake.

I had first-hand experience of the divisive attitude of some the Hague entourage when I faced an attempt to de-select me in my Surrey constituency. Although I had been already re-adopted as the candidate in 1998, a year later a group of party members sought to remove me. Their grounds for doing so were revealing. My views on Europe were 'tantamount to heresy' one of them

told the local paper.³¹ Although Hague's stated policy was to allow backbenchers the freedom to express their views on Europe, this was not the externally perceived line to take. As a result, some association members demonstrated a shocking intolerance of differing views within the Conservative Party. Fortunately, I found that many MPs, including Euro-sceptics such as Iain Duncan Smith and David Davis, rallied openly to my support because they saw the dangers to the party if an MP could face de-selection because of his views on a policy issue.³²

Flatlining

For ten years the Conservative Party has struggled to break the 30 percentage points barrier in the opinion polls. Since the battles over Maastricht and the hurried departure from the ERM, the party has stagnated in the polls. Occasionally we have drifted down and much more rarely up, but never more than few points either way. We have been 'flatlining' in the jargon of US pollsters. The aim of the leadership was to break out of that polling ghetto and start to rebuild our electoral base.

Oppositions, it is invariably said, don't win elections; governments lose them. John Smith's strategy as Labour leader in the early 1990s was based upon that theory – and we gave him plenty of evidence to back it up. The situation was very different for the Conservatives in 1997 because we had suffered our worst defeat since 1906 and morale within the party collapsed. Large numbers of activists walked away.

Hague's initial strategy had been not to oppose for the sake of doing so. This was surely right; we had been humiliated at the polls and were in no position to start lecturing Labour. But somehow, when we did seek to expose Labour's failings, our criticisms did not resonate with the public. The 'stealth taxes' tag stuck for a time but the decision of the Chancellor to put a tax on personal pensions, for example, was never fully exploited. This was due in part to factors beyond the control of the party. The BBC's decision to abandon the practice of giving the opposition the right of reply to ministers on current affairs programmes, a change of practice brought in after the 1997 general election, meant that representatives of pressure groups were often chosen to appear instead of our spokesmen. There was also a general media waning of interest in politics. The run-up to the 1997 general election had seemed interminable and the slanging match between the parties over 'sleaze' unedifying. Newspapers felt that their readers were not that interested in political stories. We were just not being reported.

While the media was losing interest in politics, the Conservative Party was becoming more obsessed with the media. The 'war-room' at the centre of party headquarters, where media monitoring, press officers and research staff come together, was an idea that had become out of date by the time the

new facility was constructed. It was no good responding rapidly to every announcement the government made if the BBC would not broadcast your comments anyway.

The decision to borrow Labour's opposition technique of attacking almost everything the government does and to do so through instant, pithy phrases ('soundbites'), was not only copying an idea just as it was going out of fashion but it made the party look cynical and opportunistic. After all, we had attacked Labour for behaving in the way we were now behaving.

Our whole agenda became media driven. There was no strategy for the party, no sense of purpose. The lack of a Tory narrative that would explain to the public what we stood for and where we were going was compounded by the sense that we did not know ourselves. The confusion over our policy towards reform of the House of Lords, highlighted by the dismissal of Lord Cranborne in December 1998, was one example of what could happen if the party did not get down to the hard business of thinking policy through. This 'seat of the pants approach' may have been exhilarating for those in the war room but it did not impress the public.

When the government was genuinely in trouble, as over the National Health Service in January 2000, the mistake was to allow ministers to regain the initiative. In that instance, it was the extraordinary decision that Hague should make a speech in support of expanding private healthcare that enabled the government to recover its position. Had there been a long-term strategy to argue that the NHS had to be supplemented by some kind of private involvement in healthcare provision, such a speech would have been timely. It could have effectively exploited the situation to develop the argument further. In reality, it was a blatantly opportunistic one-off and it backfired.

The one attempt to break out of the media-driven agenda was the 'Listening to Britain' exercise. This was a series of meetings around the country to which the public were invited. All too often, the audience was dominated by party members who turned up in order to be supportive, but who in fact outnumbered ordinary members of the public. 'Listening to Britain' became an exercise in listening to ourselves and, as such, served only to confirm existing prejudices. It did not move the party leadership on from an agenda focused on anti-Europeanism rather than public service reform. It did not educate party members in the need for us to change. And it did not convince the media or the public that we really were trying to listen to what they had to say.

The party needed a more long-term approach to fighting the government. It can take time for the failings of an administration to sink in. It usually takes several instances of failure to be highlighted before it becomes obvious that the underlying policy does not work. This requires patience and tenacity on the part of the opposition; in the last Parliament that did not always appear to be there.

A bandwagon to nowhere

In the autumn of 1998, Hague underwent a change of heart that was not immediately obvious but the drift of policy gradually became clear. The decision to hold a referendum of party members on the euro that September marked a shift in emphasis back to European issues. The failure of the party to make significant headway on other policies probably contributed to this switch in emphasis.

What appears to have happened is that Hague and his advisers felt that their strategy of inclusiveness had failed to win back support for the party and that they needed an approach that focused on issues where they could beat Labour. Crime, asylum and Europe all became central issues in this campaign. The tactic recognised that Labour had huge leads over us as the party perceived to have the best policies on the top two issues of public concern – health and education. Its leads were enormous: thirty-eight points for health and twenty-three points for education.³³ By switching the attack to topics where we had a lead over Labour or were close behind, there was an opportunity to establish an electoral bridgehead. The problem with this strategy was that however popular our policies were, the issues on which we could ‘win’ were not the most important issues to the public. In other words, we were fighting on the wrong ground.

Hague’s approach contrasted markedly with the way Tony Blair as Shadow Home Secretary in the mid-nineties had decided to take on the Conservative Party, despite its traditional lead over Labour as having the best policies on law and order. This approach was widely perceived to have undermined the Conservatives’ strong position in this area and enhanced Blair’s own reputation.³⁴

Some thought that this switch of emphasis from party inclusiveness to a batch of issues clustered around the idea of national identity, constituted a new narrative for the Conservatives. They felt that Hague was carving out a new position for the party, exploiting the traditional Conservative identity with the nation state. Labour were being portrayed as the cosmopolitan liberal elite, obsessed with political correctness, slavishly pro-European and destroying the United Kingdom. The weakness of this approach was said to be that its logical conclusion was to express support for withdrawal from the EU and for English autonomy.³⁵ It also had the defect that many Tories supported much of what the right-wing press labelled ‘political correctness’, while Michael Portillo apparently considered himself to be part of the ‘liberal elite’ that Hague criticised.³⁶

Hague’s new strategy was entirely a short-term one; it was not a new narrative for the party. He seized opportunities as they came along. Policy became opportunistic – the politics of the cheap thrill. The problem with this approach was that Hague was inevitably accused of jumping on every

bandwagon. The party was always on the move but without necessarily having a clear idea of the destination. The support given to Tony Martin, a Norfolk man who had shot a burglar and then been charged, was an example of this opportunistic approach. 'Hard cases make bad law', as the old adage puts it, and yet Hague pursued such matters without any sense of where they might lead us. Not only did this approach trigger a great deal of critical media comment – much of which Hague clearly revelled in – but, more fundamentally, it split the party.³⁷

One of Hague's closest supporters, Archie Norman MP, has described what he saw as a change in personality on the leader's part. Hague had seemed 'genuinely progressive' to him but, then, 'he went back to his roots and became a Yorkshire Poujadiste, a tub-thumping little Englishman'.³⁸

The distaste many in the party felt for Hague's new approach inevitably provoked a row. Many moderate and pro-European MPs like myself had taken, if not a vow of silence, certainly a restrained approach to expressing our concerns about the direction in which the party was going. Resentment against what William had been doing had built up over time and when he switched to the issues of race and asylum, it was no longer possible for many of us to keep our counsel. Both Stephen Dorrell and I spoke out over Easter 2000, hitting the front page of *The Times*. I agreed with Dorrell's observation that Hague appeared to be exploiting the asylum issue for electoral reasons and that in doing so, 'he may unleash dangerous forces in society and that is not in keeping with the traditions of generous Conservatism'.³⁹ A short while afterwards, David Davis echoed these comments.

The 1999 European elections and the myth of Tory success

The right-wing turn that Hague had taken in the run-up to the June 1999 European Parliament elections became accentuated afterwards. So successful had the anti-European agenda supposedly been, that it became the dominant theme for the next two years. All talk of 'inclusiveness' or the centre ground disappeared completely. A new policy position was constructed around the three pillars of Europe, asylum and crime.

This was a house built on foundations of sand. The party had not scored much more than a propaganda triumph in the European elections. Of course, it was excellent that we had finished up with thirty-six seats, seven more than Labour, and that their vote had fallen to 28 per cent, but our vote was in fact the lowest we had obtained at any national election since 1918.⁴⁰ The results were distorted by the breathtakingly low turnout – just 23 per cent. This should have been a warning; only one in eight of the electorate had voted for us. It was foolish to base our electoral strategy for the general election on the outcome of elections that were not only warped by the low turnout but by the fact that they were mid-term elections

and Labour had not delivered the improved public services that they had promised. The party drew completely the wrong conclusions from the results; they were a warning of impending disaster, not a prediction of future glories.

The hostility to Hague's right-wing shift led to some rowing back. At the 2000 party conference an attempt was made to promote some sensible policies on inner cities. But it was little more than a fig leaf to conceal the nakedness of our xenophobic agenda. In any case, what benefits we might have obtained by the promotion of One Nation policies were lost because of the row about drugs that dominated the conference. The dispute between Ann Widdecombe and the supporters of Portillo was most significant for its effects on the 2001 leadership election where Widdecombe's opposition to Portillo becoming leader made his ambition more difficult to achieve.

Any suggestion that we were serious about broadening our appeal was fatally undermined by Hague's 'foreign land' speech at the March 2001 meeting of the party's Spring Forum, a few weeks before the general election. It remains a source of complete bewilderment to many Conservatives that so intelligent, gentle and sophisticated a man as Hague could have delivered a speech of that kind. Hague is no racist. He is not intolerant. Yet he made a speech that deeply ashamed many Tories and produced howls of outrage. Our opponents were given an opportunity that they could not turn down, to accuse us of 'playing the race card'. By making this speech, Hague crossed a line. He raised questions as he had never done before about his decency. But the most worrying aspect of this speech was that his internal alarm bells had not rung. Hague gave the clear impression that he did not understand the enormity of what he had done. It was a truly extraordinary misjudgement and it made a leadership election contest inevitable if he did not win the general election.

The Harrogate speech opened the floodgates; it gave racists within the Conservative Party the signal that they could openly express views that they had kept largely hidden for years. John Townend's offensive remarks were no surprise to many of his parliamentary colleagues but Hague's decision not to withdraw the whip from him left critics and friends of Hague alike completely astounded.⁴¹

A missed opportunity

A period in opposition has many downsides but it provides one significant opportunity for a political party: the time to focus on questions of party organisation. By 1997 our membership, which had peaked at 2.5 million in the 1950s, was down to less than half a million. We had never been truly solvent in the 1992–97 Parliament and our whole campaigning machine was rusty, slow and ineffective.

Hague set about reform with gusto. He carried out the largest reorganisation of the party since 1867. But did it improve our performance in the election? Richard Kelly in his chapter believes it did not. Jennifer Lees-Marshment and Stuart Quayle, writing before the results of the 2001 general election were known, concluded that it could.⁴² There were positive improvements. The start of our campaign was faster than before, the new Area Campaign Directors covered the ground well and many marginals were better organised than in 1997. We did have the upper hand at times during the election campaign; Blair's bizarre decision to launch the campaign at a girls' school in South London was widely condemned. Yet our electoral performance was unquestionably dismal. The fact that we failed to come second in any seat in Liverpool or Manchester – we held seats in both cities until 1983 and 1987 respectively – was particularly depressing.⁴³ That failure was symbolic of the collapse of our vote in the inner cities over the last decade and the failure to rebuild our electoral position there. The party did gain one MP in Scotland, but Wales again did not return a single Tory to Westminster.

The plain truth is that the reforms of 1998 were not sufficient to turn the party round. Of course, the continuing financial problems of the party made the situation difficult to tackle (unlike Labour during its 1980s nadir we do not have the trade unions to guarantee us income). The decision to close our regional offices and run everything from the centre was a mistake and needs to be reversed. Similarly, the Area Campaign Directors, each with responsibility for thirty to forty seats, lacked direction as the result of the abolition of the regional director posts. The media were very critical of our media operation. At one point we were so slow in finding Conservative speakers for the media that programmes sometimes started without the party's spokesman having turned up.⁴⁴ Such failings on their own are relatively minor; taken together they are very serious. It must not be ignored by party managers in their assessment of our performance in 2001 that the Conservative vote rose by no more in the seats we were targeting to win from Labour or the Liberal Democrats than those that were not targets.⁴⁵

Over questions of 'sleaze' and the selection of candidates, the party got into further difficulty. This is inexcusable. Hague admitted that the failure to stop Lord Archer becoming the party's London mayoral candidate was his worst mistake.⁴⁶ The inability to prevent the 'sleaze' issue damaging the party by swift referral of disputes and complaints to the party's Ethics and Integrity Committee is one of the most extraordinary stories of the last Parliament. It is inexplicable because it was one of the first tasks Hague set himself on becoming leader.

Symptomatic of the organisational failures was the start of the party's election campaign. Hague appeared on the back of a truck in Watford addressing a crowd; as a contrast to Blair's stage-managed appearance, this was good. But giving local activists the wrong banners to carry in Watford

ruined it. Placards saying 'Keep the Pound' surrounded Hague. That was not intended to happen and it was a tragedy because the pre-election campaign of posters saying 'You paid the taxes, where are the policemen etc.' had conveyed just the right message. But it became obliterated.

Meltdown

The 2001 general election produced the party's worst performance since 1906. It was much worse than 1997 because we had had four years to begin the ascent up the huge electoral mountain we have to climb and yet we failed to get to first base. Ken Clarke's description of the last Parliament as 'four wasted years' was tough but true. Our strategy of seeking to mobilise our core vote simply failed to work. We did do better than the other parties in rural areas but for the first time since 1922 our share of the vote in Scotland was below that of the Liberals.⁴⁷ In England, we now have just one seat in the five major northern conurbations. The Liberal Democrats took six seats off us (and retained Romsey which we had lost in a by-election) and Labour gained one. As Andrew Tyrie has pointed out, had the turnout been higher, it is likely that the election results would have been even worse.⁴⁸

Despite winning one seat back in Scotland, and the seats we have in the Welsh Assembly and the Scottish Parliament, at Westminster we are not a national party. For a Unionist party that is horrifying. It cannot be anything other than depressing for Conservatives that the Liberal Democrats used the opportunities we gave them in the last Parliament to consolidate their hold on existing seats and to add further ones to their total.

Daniel Collings and Anthony Seldon see the results as suggesting that Hague was a good tactician but not a good strategist.⁴⁹ This is too generous an assessment; there was no strategy and the tactics were often lamentable. It is always unfair to personalise political disasters in this way – those that served with Hague in the Shadow Cabinet and their advisers clearly share in the blame. But it was Hague's decision after 1998 to try and put dark blue water between Labour and ourselves. This attempt to reposition the party on the right failed spectacularly. It neither mobilised our own core supporters nor did it attract back those voters we had lost since 1992.

Recovery or decline

If the Conservative Party wants to govern Britain again it will have to shift its electoral position. Out on the right flank we can score the occasional goal but we will not win the match. For much of the last decade the Conservative Party has been trying to convince itself that it can win by being more right wing than ever before. We have fought two general elections in a row on an anti-European ticket and we have been slaughtered. If the party cannot see

the folly of this approach now, it is doomed to political extinction. The Liberal Democrats are flexing their muscles and re-positioning themselves to take advantage of Tory failures.

On his election as Leader, Duncan Smith took a pragmatic approach to policy. He avoided conflicts within the Party, except with the racist right, with whom he was commendably firm. He sought to lower the temperature on Europe and when a Labour MEP, Richard Balfe, joined the Tory Party in March 2002, he was welcomed wholeheartedly by Duncan Smith, regardless of Balfe's personal commitment to the UK joining the euro and his longstanding membership of the European Movement.

But by the summer of 2003, the situation looked very different. Predictions that Iain Duncan Smith would return to his anti-European roots appeared to have been realised. The success of the Conservative Party in the May 2003 elections, triggered a change in strategy by Duncan Smith that looked remarkably similar to that adopted by William Hague after his claims of success in the 1999 European Parliament elections. Abandoning his strategy of avoiding the divisive European issue, he launched a full-blooded attack on the proposals for a new structure for the European Union.

The sense of *déjà vu* in the Tory Party was palpable. Perhaps even more astonishingly, when Duncan Smith's leadership was challenged by Crispin Blunt MP in the aftermath of the May elections, Blunt suggested that William Hague might make a comeback in the future.⁵⁰

Of course Duncan Smith could not avoid the European question forever but his aggressive stance simply re-opened wounds in the Party rather than moved it forward. He made no attempt to bridge the philosophical divide between the essentially Atlanticist anti-Europeans and the rest of us. At least Duncan Smith has stopped the party falling into one elephant trap Labour had been digging: he has said that if the country votes 'Yes' in the euro referendum, he will accept that result.⁵¹

It is not just that we have to stop blaming 'Europe' for all our troubles. The party has to break out of the damaging obsession that private is always better and public is always worse. Taxpayer funded public services deliver the goods in dozens of countries across the world: why isn't that possible in Britain? In recent years, Tory spokesmen have given the impression that reform of public services was more to try to save money than to improve the quality of outputs. Duncan Smith is absolutely right to switch the emphasis from copying everything from the USA and looking at the successful policies of our near neighbours.

There is still a damaging fixation in the party that our fundamental aim should be to create a 'small state'. This is driven by the belief that the USA is the model society that we should seek to copy. Elements of US life and society are indeed attractive but Britain is a European country. That does not mean that the British people aspire to pay significantly higher amounts

of taxation but they do believe in public services largely funded through a redistributive tax system. And they want a Conservative Party that will provide those things and do it better than Labour ever could.

As Chris Patten has observed of the success of the Partido Popular in Spain, it is perfectly possible to advocate a liberal economic agenda without being driven by dogma or falling into the clutches of special interest groups.⁵² At various times Hague used the language of One Nation politics but he never adopted the policies to go with it. He seemed increasingly obsessed with the so-called core vote. As a result, he inspired a coalition against him larger than the one behind him. That way, madness lies. If Iain Duncan Smith is to claw his way into government, then the way forward for our party has never been clearer.

Notes

- 1 I am grateful to Nicholas Kent for carrying out much of the research for this chapter and to Sarah Clee-Charlton for commenting on drafts. The views are my responsibility.
- 2 John Major, speech to the Conservative Party conference, 7 October 1997.
- 3 See Nicholas Kent's inside story of the leadership race, 'The party I joined was full of nice old people; today it is full of nasty old people', *Guardian*, 5 December 2001.
- 4 J.-A. Nadler, *William Hague. In His Own Right* (London, Politico's, 2000), pp. 86–9.
- 5 R. Worcester and R. Mortimore, *Explaining Labour's Landslide* (London, Politico's, 1999), p. 49.
- 6 P. Whitely, P. Seyd and J. Richardson, *True Blues: The Politics of Conservative Party Membership* (Oxford, Clarendon Press, 1994), pp. 253, 265 and 277.
- 7 In fact, Whiteley *et al.*, *True Blues*, p. 106, did not find that women were more active as party workers than men.
- 8 Worcester and Mortimore, *Explaining Labour's Landslide*, p. 245.
- 9 W. Hague, speech to London and Southern Region, Central Office, London, 15 September 1997.
- 10 R. Morris, *Tories, From Village Hall to Westminster: A Political Sketch* (London, Mainstream Publishing, 1991), pp. 96–7.
- 11 Whiteley *et al.*, *True Blues*, p. 42.
- 12 Hague, speech to London and Southern Region.
- 13 P. Waugh and B. Russell, 'Hague: I should have insisted on women and black candidates', *Independent*, 21 January 2002.
- 14 A. Pierce, 'Threat of revolt forces Tory U-turn on gays', *The Times*, 11 December 1999.
- 15 See Nadler, *William Hague*, pp. 284–5 for a discussion of this.
- 16 'Hague tells Patten to toe the line', *Daily Telegraph*, 7 January 1998.
- 17 I. Taylor, 'The Tory recovery – a hard climb', *The House Magazine*, October 2000.
- 18 D. Green and I. Taylor, *Restoring the Balance* (London, Tory Reform Group, 2000).
- 19 *Sun* 10 October 2000.
- 20 Worcester and Mortimore, *Explaining Labour's Landslide*, p. 70.
- 21 Worcester and Mortimore, *Explaining Labour's Landslide*, p. 90.
- 22 Worcester and Mortimore, *Explaining Labour's Landslide*, p. 49.
- 23 Nadler, *William Hague*, p. 40.

- 24 Nadler, *William Hague*, pp. 37–8.
- 25 A. Pierce, 'Shadow Cabinet backs sceptical line on EMU', *The Times*, 24 October 1997.
- 26 P. Webster, 'Hague warns Heseltine to keep clear', *The Times*, 31 October 1997.
- 27 Ian Taylor MP, resignation letter, 29 October 1997.
- 28 'Ancram defends consulting party members', Conservative Party press release, 26 September 1998.
- 29 Quoted in G. Jones, 'Hague wins 84 per cent vote on the euro', *Daily Telegraph*, 6 October 1998.
- 30 Hague, speech to London and Southern Region.
- 31 Quoted in the *Esher News and Mail*, 22 November 1999.
- 32 See P. Osborne, 'An accurate autopsy', *The Spectator*, 3 November 2001.
- 33 Worcester and Mortimore, *Explaining Labour's Second Landslide*, table on p. 30.
- 34 The Conservative lead over Labour on crime was down to 2 per cent by 1997.
- 35 'A new narrative for the Tories?', *Political Quarterly*, 71:4 (2000) 383–5.
- 36 S. Walters, *Tory Wars: Conservatives in Crisis* (London, Politico's, 2001), p. 101.
- 37 Walters, *Tory Wars*, p. 55.
- 38 Quoted in Walters, *Tory Wars*, p. 57.
- 39 Quoted in T. Baldwin, 'Tory mutiny over asylum rocks Hague', *The Times*, 22 April, 2000.
- 40 Worcester and Mortimore, *Explaining Labour's Landslide*, p. 66.
- 41 See Walters, *Tory Wars*, pp. 150–3.
- 42 J. Lees-Marshment and S. Quayle, 'Empowering the members or marketing the party? The Conservative reforms of 1998', *Political Quarterly*, 72:2 (2001) 204–12.
- 43 See R. Kelly, 'The party didn't work: Conservative reorganisation and electoral failure', *Political Quarterly*, 73:1 (2002) 38.
- 44 Nadler, *William Hague*, p. 216.
- 45 D. Butler and D. Kavanagh, *The British General Election of 2001* (London, Palgrave, 2002), p. 320.
- 46 On the Archer case, see A. McSmith 'A Tory disaster waiting to happen', *Daily Telegraph*, 20 July 2001.
- 47 Butler and Kavanagh, *The British General Election of 2001*, pp. 315–16.
- 48 A. Tyrie, *Back from the Brink* (London, Parliamentary Mainstream, 2001), p. 6.
- 49 D. Collings and A. Seldon, 'Conservatives in opposition', *Parliamentary Affairs*, 54:4 (2001) 624–37.
- 50 For Blunt's comments see, http://news.bbc.co.uk/1/hi/uk_politics/2994993.stm.
- 51 D. Charter, 'Duncan Smith to accept euro vote', *The Times*, 21 January 2002.
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