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POLITICAL CRISIS IN BRITAIN

The idea that societies undergo cycles of progress and decline is prominent in the work of great social theorists. Yet students of political and social change are perhaps less able than economists to state exactly what it is that is changing in society or politics compared to the economy. This touches on a larger problem of concepts and indicators that plagues the political science literature. Indeed, I find it interesting that political decline (or progress for that matter) is so often inferred from social and economic data; the latter becomes symptoms and criteria of political system failures. This is a form of reductionism, of course. The new study of political economy is exploring the linkages between the two fields, but, on the whole, we are poorly informed about the linkage mechanisms.

There is now a large corpus of writings and comment on the 'decline of Britain'. This covers the political system, the economy, international influence and social cohesion. The themes of 'the British disease' or the 'British crisis' are now established almost as branches of study. Some of it is well researched and academic in the best sense of the term, much of it is jounalistic and the stuff of political platforms and cocktail conversations. My theme today is 'the politics of decline'. I want to examine how thinking on the British experience has changed over time, the symptoms of this decline, analyse some of its possible causes, and finally, consider the theme of the conference. Is there a British crisis?

One might acknowledge at the outset that the more pessimistic analyses are largely to do with Britain's relati-

vely poor economic performance over the past thirty years; relative that is , to most other industrial societies. Explanations have ranged far and wide, so that the economic failure is seen as part of a wider social, political an cultural phenomenon. One ends with multicausal explanations which link the above factors. However valid, they do not make for neat analysis or political remedies. Talk of deep-seated historical , cultural socio-economic problems is all very well but ... Yet there is no doubt that leaders in many walks of British life have regarded relative economic decline as the country's major challenge, and that failure to arrest the decline has weakened the authority and effectiveness of the political system. Increasingly, decline and what to do about it has come to dominate political debate and led to self-questioning and self-doubt among leaders of many walks of life.

I.

Dissatisfaction is not new. In the late 19th century conservative theorists worried about the consequences of an expanded suffrage and the growth of mass politics. At the beginning of the twentieth century the demand for National Efficiency anticipated the 1960s cry for Modernisation or Remodernisation[1]. In the 1930s, mass unemployment and the failures of the Labour party turned the thoughts of some intellectuals to more extreme solutions. But for the historian of ideas it is the thematic similarities between demands made by opinion formers in the early 1900s and 1960s which is remarkable. In both cases they transcended party lines. For example, the main complaints of both were addressed to Britain's economic weakness, international decline, and the amateurism and lack of expertise among administrative and economic elites. Many of the prescribed remedies were also similar; new men who would be 'experts', possessing scientific or technical skills; reforms in government institutions which would permit more 'rational' poli-

cies; and the integration of Britain within a larger unit (the British Empire in 1900, the European community later). In 1900 the target was the set of assumptions represented by Gladstonian Liberalism, in the 1960s it was tradition and rule by an 'old boy' network. Both would agree with Sidney Low's claim in 1904 that 'Government in England is government by amateurs' and that the complexity of government required new skills beyond those of 'good intensions and a respectable character'[2]. Finally, in the 1960s, as at the beginning of the twentieth century, there was optimism that the importation of new men and new techniques would arrest the British decline.

It is also worth reminding ourselves that Britain has for long been admired as a model stable democracy. The widespread foreign (and native) admiration dates back to the 18th century at least. The study of comparative government has been stimulated by the intellectual case for examining the different ways societies operate and the practical search for learning how to do things in a more desirable way. A glance at the large literature on political development will show the importance of the British experience on both counts - till recently.

What the 18th century observers admired was the way in which the gradual consolidation of the 1689 constitutional settlement seemed to provide a balanced system; the government was secure but also accountable to Parliament, it ruled according to known laws and conventions and civil liberties were better protected than those on the Continent. After 1776 the American rebels fought to import what they regarded as the best features of the British system. From the 1830s until recently Britain and France have often been contrasted as models of political development, the one alternating between extremes of political ideology and the other incremental, moderate and balanced; the one unstable, the other stable. And in the 20th century, the experience of so many European states with variants of authoritarian and totalitarian rule made them a negative model of political change. If

students therefore turned to Britain in search of the secret key to stable democracy is has been in large part because of the lack of many other 'success' stories.

Now, of course, in the space of less than two decades there is a different vocabulary. Poor performance in various policy fields is frequently linked to the once admired political institutions. So many features, traditionally presented as causes of Britain's success, are now regarded as handicap; the political culture, the two party systems, the island position and sense of national identity, the fact of having the first industrialised society, and so on. The political, social and eonomic systems are all seen as standing in need of re-modernisation.

II.

Thoughts on Decline

It may be worth saying a little more about the economic aspect because it is this which most commentators have in mind. The sense of disappointment and decline has been prompted largely by Britain's economic performance, set against the performance of other West European states. The sense of crisis was heightened in the years 1973-76 when the combination of roaring inflation, industrial disruption, law-breaking, the collapse of the Heath government in January 1974, the collapse of the pound and the resort to the IMF and the sharp decline in popular support for the two main parties all seemed to indicate an iminent collapse of the system.
Concern about Britain's economic decline goes back for nearly a century, when there was a fear that Germany and the United States were overtaking Britain as an industrial power. Decline, it needs to be enphasised, is relative. There has been progress in some areas (e.g. living standards in terms of home ownership, real disposable income, pupil-teacher ratios and provision of living

space, heating and bathrooms in houses), and slippage on others (e.g. unemployment). Britain's average rate of economic growth in the thirty years after 1945, matched that of the previous 45 years and real disposable income approximately doubled on average for each adult between 1950-75. Since 1945, the British economy and the welfare state have provided the vast majority of people with living standards that their parents would not have imagined possible. On the other side, from being among the top ten richest countries in the mid 1950s (in income per head), Britain now barely makes the top thirty. For several years now Britain has had the lowest rate of economic growth in Western Europe and the accumulative effects have begun to show.

Decline may mean different things; it may refer to a gap between promised and/or expected performance and reality; or an inferior performanced relative to what was achieved in the past, or in comparison to what other countries are achieving. The first measure is partly attitudinal - what people expect, the second relates to differences over time, the third to differences over space. It is fair to say that most critics have all three elements in mind. Yet the notion of 'decline' is also subjective. An increase in total public expenditure or on a particular service (e.g. defence) may be interpreted as a sign of progress, or decline, depending on one's view of desirable levels of spending on the service. Greater militancy or self-assertiveness by individuals or groups my be mourned or praised as a decline of deference. Of course, talk of decline is invariably part of the political opposition's rhetoric, just as government spokesmen tend to see things as getting better. Some sceptics may see talk of decline as just another bout of British self-criticism, or that so-called decline is an overdue re-adjustment to the economic and internnational status of a medium-sized power. Finally, it is worth noting that a number of politicians and commentators have speculated about the 'governability' of industrial societies, not just Britain.

III.

Reform

Once the notion of decline becomes popular, then leaders, particularly in a democracy, will want to do something about it. William Gwynn has observed that commentators and politicans have divided into two broad groups, the 'jeremiahs' who see the trends as part of a long decline and the 'pragmatists' who claim that changes in personnel, policies and institutions may bring improvement[3]. Reformism as an answer to decline has gone through various stages, though all have been operative to some extent in the past twenty years. First, dating from about 1960, was the confident assumption that different politicians and/or policies were needed to apply effectively the knowledge (e.g. Keynesian remedies or monetarism) and policy instruments (e.g. in the 1960s economic planning, entry to the EEC, devaluation of the pound, or prices and incomes policies). During the 1960s many aspects of British society - higher and secondary education, trade unions, the regions, broadcasting and so on, were subject to overhaul. The decade was one of fine-tuning and 'inputism' by both parties.

A second stage was the reform of political institutions. These included central and local government, Parliament, the civil service, creation of the Ombudsman, entry to the EEC and attempted devolution for Scotland and Wales. The reform of central government institutions reached its peak with the Heath government's White Paper, The Machinery of Government in 1970. A few other institutional reforms remain to be accomplished, e.g. electoral reform, a Bill of Rights, abolition or reform of the Lords etc. . The amount of time taken up by these matters on the floor of the House of Commons and in government has been immense. But after a decade of attempted institutional changes, a realistic epitaph might be 'reform without change'. Genuine institutional change, aimed at altering outputs but which leaves most people in their posts and operating in established ways, is

difficult to achieve. Institutions and procedures incorporate established patterns of behaviour which often outlast the circumstances which give rise to them. This is particularly so in Britain where so many institutions have altered over the years and tend to be more firmly rooted as a result. Yet, for impatient reformers, surface institutional change is relatively easy to accomplish certainly when compared to, say, promoting economic growth or more social equality. One sceptical observer has found it 'difficult to escape the conclusion that some institutional 'reform' is a form of displacement activity. It is a substitute for a desired change in the status quo, the causes of which lie beyond the reach of government[4].

Another continuing theme was the vogue for a managerial orientation to policy analysis, economic planing, and programme budgeting. But during the 1970s the country's relative economic decline continued. The politicians and party politics were associated with failure, the two main parties continued to lose popular support, they drifted further apart in their policies, and the traditional British political characteristics of pragmatism, trust and compromise appear to have waned.

There have been two different reactions to these events. Not surprisingly, political opponents differ in their analyses of what has gone wrong. Right-wing Conservatives write of a 'crisis of social democracy' or socialism, compounded of too much state intervention in the economy, and too high levels of personal taxation and public expenditure. All this, it is argued, has resulted in a weakening of free enterprise systems and individual self-help. Socialists talk of a 'crisis of capitalism', a system that does not allocate resources efficiently or fairly and produces mass unemployment. The left has made sweeping criticisms of the abject failures of Labour goverments to produce social and economic transformation. For most of the post-war period this ideological debate appeared to have been resolved in favour of a mix of 'conservative socialism'. But the move from a polit-

ics of affluence to one of decline appears to have ignited the ideological flames in the two main parties. In the two main parties, significant groups want to break from the dominant features of postwar politics, the Mixed Economy Welfare State, and provide their own radical substitute for the 'failed' consensus. This polarisation of policy among activists is facilitated in a two-party system with a 'winner take all' electoral and political system, as and when the extremes are at their most influential in the parties.

Since the 1970 election, a large number of voters have perceived the two main parties as being 'extreme'. As the main study commented on the February 1974 election which registered the slump in the two parties fortunes: 'the electorate was well aware of the return to the politics of class conflict and did not like it[5]. This is surely one reason why there has been a growth of political centrism in recent years among the voters. Support for the Liberals and Social Democrats has grown. Many of the constitutional remedies prescribed - devolution, P.R. und coalition, a Bill of Rights - are aimed at checking the ability of one party government to push through far-reaching changes, simply on the basis of a majority vote in the Commons. Critics have fastened on the 'adversary politics' extreme of the two-party system. As one party takes office, so it wields the powers of government, and, in its early years, tends to undo its predecessor's policies. The results in recent years have been sharp discontinuities in policy.

Here is a new stage in the reform cycle, in which the path to desirable social and economic change is via a break up of the two-party system and a new political and constitutional settlement. Note the shift; from one or other of the two main political parties of government diagnosing and reforming society and economy, the two-party system is seen as the problem.

IV.

Thoughts on Crisis

Another set of statements deals with problems of late-capitalist or post-industrial societies in general and regards Britain as a particular illustration of the strains. One is the overload thesis. Overload is used as a ratio concept to refer to an unfavourable imbalance between demands und responsibilities which a government has to cope with, and the resources and skills available to it. There are three general symptoms of overload: an excess of responsibilities and commitments, less compliance with its policies, and increased dependence on other actors for its policies to be effective. Since the late 1950s the growth rate of public expenditure has exceeded that of the G.N.P. This is less a problem of the absolute level of public expenditure growing faster than elsewhere, than of Britain's slow growing national product. Given the continuation of recent trends, public spending would outrun the level of G.N.P before the end of the century[6]. Hence, the question posed by Rose and Peters, Can Government go Bankrupt? Rose has identified the problem as one of political bankruptcy in which a government loses both authority and effectiveness.

A second, is the contradictions thesis, which comes in various forms. Marxists have connected the decline in profits of British industry to the competing pressures from workers for take-home pay and groups for welfare or the social wage. But, continuing economic decline in turn creates what O'Connor terms The Fiscal Crisis of the Capitalist State, in which the economy is no longer able to deliver the goods and there comes a crisis of legitimacy. Economic commentators like Peter Jay and Sam Brittan have pointed to 'economic contradictions of democracy' in which free collective bargaining and other pressures set off an inflationary spiral which may lead to the breakdown of the liberal democratic system[7]. Both political left and right agree on the symptoms of econo-

mic decline and that it threatens the political system, though they disagree about the steps to take.

A third approach is linked to the notion of political breakdown in which the established institutions and procedures, unable to cope with problems and demands, either change fundamentally or are replaced by a successor regime. Most collapsing regimes are faced, ultimately, with a crisis of legitimacy - though they may preserve themselves through (a) a massive use of force, e.g. Poland today and many other military regimes, and/or (b) support from other states which buttresses the domestic service apparatus.

So much for the trends and the analyses. But does all this presage a crisis of legitimacy or imminent breakdown? It is clear that societies may exist in a state of incipient collapse for some time before breakdown actually occurs (cf. history of the Third and Fourth Republics in France). As Adam Smith commented 'There is much ruin in a nation'. One looks for a trigger or accelerator to produce the breakdown: it might be military defeat, a Hitler, a workers' strike or a revolt in the armed forces. A regime is in a state of crisis where it fails to rule through consent (legitimacy) or is unable to command sufficient force to maintain itself (effectiveness).

In the light of the above I want to suggest that much of the rhetoric about the British crisis is inflated. Surely we do not realistically talk of a 'crisis of legitimacy', disaffection in the armed forces, massive support for anti-system parties. Britain is not France in 1958 or Weimar in 1933.
Yet, along with Richard Rose, I believe that there is 'fire behind the smoke' of the overload/ungovernability analyses[8]. In this final section I would like to suggest what I regard as the problem, though others see it as the crisis. I take it that such an approach will be of more interest than a discussion of whether there is a crisis which, in turn,depends on how we define the term.

V.

Politics of Economic Decline

Consider first the problem of economic growth. There is now ample evidence that the electorate's perception of a government's economic performance is extremely important in deciding switches in voting behaviour and the chances of a government being re-elected. The voters' important criteria of economic performance have varied over time, including employment, cost of living, balance of payment, living standards and industrial relations.

Elections are not solely about economics, of course. A national or international crisis may distract the electorate from bread and butter issues. It may produce a 'rally round the flag' effect, as voters downgrade domestic dissatisfactions and support the government of the day. From April 1982 the Conservative government has surged into a massive lead in the opinion polls that is virtually without precedent in the mid-term of a Parliament. In war-time there was a 'Churchill effect' and pollsters now write of a 'Falklands effect' which has overcome the damaging effects of the three million unemployed. Even without the Falklands factor, the divisions within and unpopularity of the Labour opposition has helped the government.

But apart from such crisis, economic performance does count with voters; politicians know this and elections are fought out largely on parties' promises and packages and voters' perceptions of these. James Alt, in the important study, has shown that a large part of the swing between the Conservative and Labour parties at elections is determined by the electorate's judgement of the government party's economic record, partly offset by its assessment of the future economic performance of the two parties[9]. In the 1960s the voters's perceptions of their economic well being correlated with support for the government; people who thought their standard of living had improved were inclined to switch to support

the government, those who thought it had declined were inclined to switch away. As the media has devoted more coverage to economic trend, so the electorate's perception has become more accurate and it is aware of Britain's economic decline relative to other countries. This first feature we can connect to the analysis is that since 1959 no British government has been re-elected after serving a good part of its term in office. Parties in government have been discredited and driven from office when they called an election. So, we can fairly claim that relative economic decline has been an important factor in weakening support for the two main parties and probably dented the authority of government[10]. And why not? An essential feature of the liberal model of government is that governmental decisions and their consequences produce popular reactions. And this particular 'feedback loop' conveys negative reactions from many voters.

Yet the evidence, however impressionistic, suggests that much of the dissatisfaction is with the outputs of government, the two main parties, and not with the system of government as such. One might envisage a stage at which dissatisfaction with the main parties eventually boils over and undermines the legitimacy of the system[11]. But, so far, the electoral support for anti-system parties of the right and left has been derisory and that for the 'centrist' SDP and Liberals has grown. In the 1979 general election of Communist party polled, as usual, less than a tenth of one per cent of the total vote. The National Front (an anti-immigrant party) gained only 0.6 per cent of the vote.

The politics of economic decline certainly has one face of growing tensions, rival groups bitterly fighting for their 'fair' share, and the government being drawn into confrontations with groups. This is particularly the case when the government of the day is trying to hold down public expenditure or wage levels. Its other face is that people gradually lower their expectations of government's ability to deliver, particularly in the

areas of rising prices, rising unemployment, and industrial relations. Political learning or adaptation takes the form of greater public scepticism, a weakening of partisanship and a reduction in the proportion of those who think that it matters which party wins the election and who expect governments to deliver benefits. In a word, there is a decline in instrumental voting[12]. In the 1960s studies suggested that affluent workers, whose solidaristic ties to social class and the Labour party were weakening, became more calculating and instrumental in voting[13]. The reversal of economic trends has encouraged them to lower their expectations.

Research into levels of satisfaction with various aspects of life in Britain today has found least satisfaction with the quality of democracy. But, compared with such other domains as marriage, family life, and health, most people did not rate the political realm highly in determining the overall quality of life. In spite of the economic depression in the 1970s, life satisfaction has remained high in most West European countries. Survey indicators of life satisfaction show that it has actually increased while the economy declined, largely because satisfaction with face-to-face relationships has more than outweighed dissatisfaction with major institutions like government, business and unions. The comparative survey evidence shows that more Britons are satisfied with their lot and the way democracy works than are citizens of other West European countries[14].

If we move to a different level we can discern a qualitative difference in how the elites perform. An outstandding feature of the British system is how the political system has been adjusted and preserved through various social and economic changes and wars. The phenomenon of political and social dislocation and dissatisfaction is a feature of so many other industrial societies in the 20th century. Freedom from military defeat or invasion has been an important factor in this British record of course. Yet it is possible to argue that so many features of the political, economic and social landscape are

fossilized. Traditional institutions and procedures have been more durable than in other industrial societies - the absence of revolution, or some destructive surrogate for it, has made it difficult to achieve radical reform in so many areas.

But if we turn to the politico-economic system, it is clear that the traditional methods and achievement of conflict-avoidance have broken down. 'The British Consensus' in industrial politics, as Middlemas points out, was forged between government and the two sides of industry in the years 1916-26. Government managed to appease the major interests, particularly the trade unions through bargaining, consultation and improved living standards. From the early 1960s, economic problems and the shift of power in many trade unions from the leaders to the shop floor, has produced greater conflict in the politico-economic sectors. Governments of both parties have tried to cope with the negative effects of industrial relations through incomes policies (limiting the rise) or reforms of trade unions or collective bargaining. In 1969, the Labour government tried to reform the unions and were forced to retreat. In 1971, unions' opposition rendered Conservative legislation ineffective. Both were spectacular examples of government weakness and group power. Incomes policies have ended in confrontation between government and the unions and, in 1970, 1974 and 1979, grief for the government.

The cultural aspects of the connections between the industrial realms require the insights of a latter-day Durkheim. How does one explain the difference between the anomic and even bloody-minded attitudes and class divisions in industry with the accomodation in the political sphere? John Goldthorpe, in an analysis not inconstistent with that of Middlemas, has argued that the political realm has, till recently, been relatively insulated from the tensions of the work place[15]. Various historical, cultural and social-psychological factors habe managed to soften the repercussions of lower-class resentment of socio-economic inequalities in the politi-

cal sphere. But, this resentment militates against a 'stable normative regulation in the economic sphere' because there is no value consensus on the distribution of economic and other rewards. Yet, governments have felt it necessary to move into such sensitive areas as incomes and industrial relations in recent years.

We are already experiencing some of the consequences of the politics of economic decline. One always has to remember the termination of the post-war economic miracle - 'the treble affluence' of economic growth, higher real wages and more public expenditure. They include:

(a) actual reductions in public services, and the conflict that follows cuts in jobs, and poorer services;

(b) a sharper contest for resources among government departments, pressure groups, and different sectors of the economy (involving workers, consumers of services and employers). For some time, policy-makers have relied on economic growth to expand their services; inevitably this influenced their outlooks and procedures. Now they have to learn a new part - one of 'cutback management'[16]. There is also a search for new techniques of policy analysis, reorganisation of institutions and better value for money;

(c) a decline in generosity or altruism as taxpayers resent paying higher taxes to provide welfare benefits. The phenomenon of the tax backlash among working class voters poses difficulty for Social Democratic parties. There tends also to be a sharper awareness of the relationship between changes in levels of taxation and of public expenditure;

(d) a tendency for people to turn away from government (e.g. tax evasion) or lower their expectations about its ability to improve the situation. Rose has termed this <u>civic indifference</u>:in which people pay little heed to government policies; they involve themselves in private activities, the 'black

economy' etc. Contemporary Poland and Italy illustrate the response. Erwin Scheuch notes: 'The danger to the Communist system is less that workers start throwing stones at tanks but that they go to sleep at their machines'[17]. This may be linked to pessimism about the government's effectiveness. Each year the Gallup polling organisation asks a sample of the population if it expects economic conditions in the next year to be worse or better than the present one. Between 1966 and 1980, the pessimists outnumbered the optimists in every year bar three.

VI.

Conclusions

I conclude by suggesting that the trends challenge the British political and social system as we have known them. But the politics of decline may perhaps be termed a crisis of social democracy rather then of the political system, to date. By social democracy I mean a brand of policies and ideas that has prevailed for much of the post-war era regardless of which party was in office. It depended on economic growth to make the redistribution of incomes and wealth, and the provision of State services - i.e. greater equality - relatively painless. Without growth, redistribution becomes more conflictual. But the end of the era of affluent capitalism may affect the political system ultimately. As A. Wright comments:

> '... a crisis in the economy has necessarily created crisis for social democracy (and by extension, for a political system impregnated with a social political culture)'[18].

Anmerkungen

1 B. Semmel: Imperialism and Social Reform: Social and Imperial Thought 1895-1914, Cambridge 1960

2 S. Low: The Governance of England, London 1904 pp. 197 and 304

3 'Jeremiahs and Pragmatists: Perceptions of British Decline, in W. Gwyn and R. Rose (eds.), Britain: Progress and Decline, London 1979

4 L.J. Sharpe: 'Whitehall, Structure and People', in D. Kavanagh and R.Rose (ed.), New Trends in British Politics, London 1977, pp. 72-73

5 I. Crewe et al: 'Partisan Re-aligment in Britain 1964-74', in:Brit.Journal of Polit.Science, 1977

6 It is a matter of political judgement whether Collectivism and the growth of the State are regarded as a sign of crisis or progress. If,however, the State produces and consumes more and more in services (say 70 - 80 %) presumably it would be a different type of economy and political system than the present mixed economy and liberal democracy.

7 S. Brittan: 'The Economic Contradictions of Democracy', in: Brit. Journal of Polit.Science, 1975

8 'Ungovernability:Is There Fire Behind the Smoke?', in: Polit. Studies, 1979, and M. Crozier (ed.): The Crisis of Democracy, 1975

9 The Politics of Economic Decline, Cambridge 1979

10 J. Douglas: 'The overloaded Crown', Brit. Journal of Polit. Science, 1976

11 See D. Kavanagh: 'Political Culture in Great Britain', in: G.Almond and S.Verba (eds.), The Civic Culture Revisited, Boston 1980

12 See. J. Alt.

13 D. Lockwood et al.: The Affluent Worker, Vol. II: Political Attitudes and Behaviour, 1969

14 See the evidence in: R. Rose: 'Ordinary People in Extraordinary Circumstances',in:Gwyn/Rose(eds.).

15 J. Goldthorpe: 'Social Inequality and Social Integration in Modern Britain', in: The Advancement of Science, 1969

16 C. Hood and M. Wright: Big Government in Hard Times, 1980

17 'The Relationship of Government and Business to the Individual in Democratic and Totalitarian Systems', Cologne Institute for Applied Social Research, 1977

18 'What Sort of Crisis', in: Polit. Quarterly, 1977, p. 226