

Adapting to Devolution Changes in British Party Organizations and Party Strategies

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Introduction

Devolution has constituted a major change in the institutional framework of British party politics. Following the 1997 territorial reforms, the British parties had to come to terms with a new multi-layered environment consisting of distinct statewide and substate levels of electoral and parliamentary competition.¹ Unlike European elections, the advent of devolution posed a serious challenge to the unitary and centralist traditions of the British parties (see McKenzie 1964; Bradbury 2006). This paper asks how the British state-wide parties have adapted in organizational and strategic terms. More precisely, it wants to know how the parties have sought to reconcile their need for territorial party cohesion with growing pressures to grant autonomy to their substate branches in the devolved arenas.

The UK experience forms part of a broader process in Western Europe in which parties acting on multiple territorial levels have to re-adjust internal power balances and competitive strategies in the context of European integration and state decentralization. Comparative empirical research shows that parties in different institutional and societal contexts have developed quite different strategies of multi-level adaptation (see Deschouwer 2006; Hough and Jeffery 2006; Detterbeck and Hepburn 2009; Swenden and Maddens 2009).

The paper will start with a closer look at the new quality of territorial party politics in the UK. I will then provide a short theoretical framework on how to understand party change. The main part of the paper will analyze the territorial adaptation of the three major statewide parties – Labour, Conservatives and Liberal Democrats – in turn. Finally, the conclusion will try to make sense of these empirical findings.

New Territorial Party Politics in the UK

Territorial distinctiveness is nothing new to the British union state (see Bulpitt 1975; Urwin 1982). In terms of national identities, socio-economic parameters and Westminster voting patterns, Scotland, Wales and Northern Ireland (which, due to the very different political context, will not be covered in this paper) have long been different from England (which has also become less homogenous over time). UK governments have kept re-

¹ In accordance with most of the European literature on territorial party politics, I will use the term “statewide level” when referring to UK general elections and to the central party level. “Substate level” denotes regional elections in the devolved areas and the regional branches of the statewide parties. The latter includes the Liberal Democrats “state parties” of Scotland, Wales and England (as well as, for example, the US or Australian States). Thus, there is admittedly some ambiguity in this terminology.

sponsibility for managing territorial heterogeneity by providing for institutional privileges for the Celtic fringe both at home (e.g., administrative devolution, special autonomy rights) and at the centre (e.g., cabinet over-representation) *and* by promoting national integration (e.g., welfare statism). The Thatcher years marked a decisive break with these traditions of “holding-together” a multinational state (see Mitchell 1998; Stolz 1999; McEwen 2003).

Nevertheless, devolution has arguably introduced a new quality to territorial party politics in the United Kingdom. I would like to stress three aspects. First, the substate parliaments in Edinburgh and Cardiff have acquired substantial (if asymmetrical) powers to legislate on many domestic policy issues. In terms of policy scope, there is much at stake in the devolved arenas, particularly in Scotland. As a result of the strong increase in regional self-rule, there is a high potential for institutional innovation, policy divergence and territorial conflict (Sturm 2006; Hooghe et al. 2008). Notwithstanding some prominent exceptions, for example on university tuition fees, there has been a relative absence of serious policy conflict between the territorial levels in the first decade of devolution (Adams and Robinson 2002; Keating 2005). For many observers, this had to do with government congruence, i.e. with Labour being in office on both political levels (Hazell 2000; Laffin et al. 2007).

Second, the devolution process has developed its own constitutional dynamics which have made central control a more difficult undertaking. While constitutionally feasible, the repeal or the unilateral downgrading of the devolution acts by the UK parliament would provoke a serious territorial crisis. In a similar vein, Westminster could still legislate on devolved matters but is expected to refrain from doing so without the consent of the substate parliaments (Trench 2004). Moreover, the strong legislative powers of the Scottish parliament have triggered demands for a political upgrading of the Welsh Assembly, which, to some extent, has been granted in 2006. Still, the Labour/ Plaid Cymru coalition in Wales is formally committed to a referendum on full law-making powers.

In Scotland, the SNP triumph in 2007 has led to a renewed constitutional debate over demands for independence, enhanced self-rule and fiscal autonomy (Swenden and McEwen 2008). The unsolved “English question(s)” and the relative weakness of formalized intergovernmental relations add to the problems of a piecemeal approach to constitutional change (Jeffery 2009; see other contributions in this volume).

Third, the first three devolved elections between 1999 and 2007 have been characterized by distinct structures of party competition. There is a stronger saliency of territorial issues at the substate level. Constitutional preferences and the representation of regional identities and interests are more strongly contested than in statewide elections (Hepburn 2009). Most prominently, there has been a substantial amount of vote switching between the dominant Labour Party and the main non-statewide parties, the

Scottish National Party and Plaid Cymru. On average, Labour lost around 10% of its statewide support in the devolved elections in Scotland and Wales (Detterbeck 2009, 142).²

While there is some anti-government voting involved in these aggregate figures, individual survey data shows that many Welsh and Scottish voters make a rather clear distinction between electoral levels. Rather than using the substate contests as national test elections, voters obviously care more strongly about the advance of distinct Scottish or Welsh identities and interests ("standing up for Scottish/Welsh interests") in devolved elections. This is matched by substate party strategies which focus on regional issues and candidates. With the erosion of class loyalties and the rise of regional advocacy, the hegemony of the Labour Party in both parts of the UK has become more strongly contested by the nationalist parties at the substate level of party competition (Wyn Jones and Scully 2006; Jeffery and Hough 2009).

This new quality of territorial party politics in Great Britain, characterized by enhanced policy scope for the devolved parliaments, assertive constitutional dynamics and distinct patterns of political competition, means stress for the established patterns of statewide integration in the British parties. The challenge is to maintain party unity and the coherence of political messages across territorial levels while at the same time accepting the need for regional distinctiveness and self-rule.

Party Change: Rational Choice Institutionalism versus Historical Institutionalism

Over the last decades, party research has spent much effort on explaining how parties adapt to changing social and political environments. In general terms, party change can either be explained as driven by external stimuli, with parties strategically adapting to fit new circumstances, or as determined by internal factors, such as internal power distribution, party ideology or leadership changes (Panebianco 1988; Harmel and Janda 1994; Mair 1997). In addition, parties may be in a privileged position to alter environmental conditions, for example by introducing public party subsidies, by changing electoral laws or by establishing substate parliaments (Katz and Mair 1995).

Following these lines, Hopkin and Bradbury (2006, 136-137) have developed two theoretical arguments on how British parties are likely to adapt to devolution. While rational choice institutionalism would predict a

² This refers to the constituency votes in both sets of elections which are operating on the same first-past-the-post logic. Electoral dissimilarity is thus more than a mechanical effect of the different electoral systems which are used for statewide and substate elections. However, the proportional element in the devolved electoral formula has helped the stronger complexity of the devolved party systems with most additional list seats being won by the nationalist parties and the Conservative Party (see Detterbeck 2009, 328-329).

rapid decentralization of party authority structures, historical institutionalism would stress the importance of party traditions and thus expect a rather reluctant response to devolution in organizational and strategic terms.

The first perspective postulates a direct effect of state decentralization on party decentralization. Devolution is here seen as an external stimulus for statewide parties to give more power to their regional party branches. The territorial reallocation of government power will lead voters to favour politicians which are perceived to be competent in solving regional problems. Voters will demand more region-specific political representation. For the regional branches of statewide branches this often means to compete with nationalist challengers at the regional level. In addition, the enhanced policy scope at the substate level will make it necessary to develop policy solutions suited to regional circumstances.

Hence, there are strong incentives for rational party elites to redistribute power inside the parties. If political authority migrates to the substate level, the regionalization of party systems and party organizations will follow suit (Chhibber and Kollman 2004; see also Hopkin 2009, 181-183). We would thus expect a parallel transformation of all statewide parties towards a more strataarchical model of party organization, in which each territorial party level is responsible for governing its own affairs. Hierarchical control by the central level would diminish and shared-rule mechanisms which are characteristic of strongly integrated parties would remain weak (Detterbeck and Hepburn 2009; Bratberg 2009). By contrast, the second perspective posits a more indirect effect of state decentralization on territorial party structures. Party responses are mediated by party trajectories and organizational inertia. Devolution, which has been brought about by (some) party actors, is likely to provoke internal bargaining processes within all parties on how to adapt. In these intra-party debates, concerns about contradicting party messages on different territorial levels, the lack of policy coherence, the erosion of party unity and the constitutional assertiveness of nationalist voices will have to be balanced with the acceptance of substate differentiation and the practical demands of a devolved polity. Organizational traditions, internal power balances and the constitutional preferences of the party majority will have an impact on how these debates evolve within different parties (Panebianco 1988; see also Hopkin and Bradbury 2006, 136).

We would thus predict more ambiguous party responses to devolution. Parties will differ in the ways in which they will perceive and interpret environmental change. From a historical institutionalist point of view, party decentralization in the British context may be expected to be late, pragmatic and piecemeal. While some incremental redistribution of internal powers towards the substate level will occur over time, there will also be strong pressures to maintain central control over vital party matters. Hence, rather than radical change, we may assume more limited reforms

to the centralist model of party organization in the UK (Detterbeck and Hepburn 2009; Bratberg 2009).

Territorial Structures of the British Parties before Devolution

The three statewide parties have developed regional structures for Scotland and Wales well before devolution. The regional branches traditionally had their own party executives, conferences and bureaucratic apparatus. However, within both the Labour Party and the Conservative Party, the regional party units did not enjoy formal autonomy and were clearly subordinate to the national party level. The National Executive Committee (NEC) of the Labour Party and the National Union of Conservative and Unionist Associations (NUEC) respectively regulated and controlled what was going on in the regional branches.³

The leading figures of the Scottish and Welsh branches, including the *de facto* regional party leaders, the Scottish and Welsh Secretaries of State (or shadow secretaries for the Westminster opposition), and the senior officers in the regional party headquarters were appointed by the British party leadership. Candidate selection, for which local parties traditionally have retained the final word in both parties, was governed by national party rules. Party policies and electoral strategies were devised by the central party leadership. If there was a change in party direction, as happened during the Thatcher years in the Conservative Party or during the period of Labour modernisation from the mid-1980s, the Scottish and Welsh party units were expected to follow suit (Laffin et al. 2004; Bradbury 2006).⁴

Except in times of serious party crisis, for both major parties, the regional branches formed part of a centralized party organization in which hierarchical lines of command and a strong sense of party loyalty ensured unitary party images (Fabre and Méndez-Lago 2009, 104). At the national party level, the Labour Party traditionally had a more polycentric decision-making structure than the Conservative Party which vested all powers in their parliamentary leader. Before the party reforms of the 1980s and early 1990s, Labour acknowledged a strong role for the trade unions and the

³ In Scotland, the Conservatives were represented by a formally separate party, the Scottish Unionist Party, until 1965. Although the party was closely associated with the British Conservatives, it had its own members, finances and party personnel. Party reforms in 1965 and 1977 streamlined organizational linkages and brought a renamed Scottish Conservative and Unionist Party under the control of the statewide party. During the Thatcher and Major leadership periods (1975-97), the Scottish party functioned as a regional office much as its Labour pendant. The Welsh Conservative Party has always been treated as integral part of a unitary British organization (Bradbury 2006, 230-231).

⁴ The Scottish Labour Party (adopting that name after having been the Scottish Council since 1918) had a rather strong left-wing representation in the regional party executive in the 1980s and early 1990s. Hence, the Scottish branch became a battleground between party wings on public policy reforms. "New Labour" forces succeeded and prevented the Scottish executive from becoming an internal opposition to the British and Scottish Labour governments (Hassan 2002; Laffin et al. 2004).

national party executive vis-à-vis the parliamentary leadership, while the Conservatives maintained a formal separation of the parliamentary caucus, the party headquarters and the statewide party organization until 1998 (Webb 2004). With regard to territorial party structures, however, the two major parties had converged on a similar centralist model in the pre-devolution era.

This stands in marked contrast to the third and smaller statewide party, the Liberal Democrats which had adopted the federal structure of its predecessor, the Liberal Party. The party supported a federal vision of the union state and reaffirmed its decentralist ethos in granting autonomy to the substate party level. The “state parties”, i.e. the regional branches in England, Scotland and Wales, have been sovereign in all matters not reserved to the federal party.⁵ Even prior to devolution, the regional branches held responsibility for their own internal procedures and were able to formulate policies for their respective region. The state parties organized regional conferences, maintained separate party offices and elected their own party leaders who were also formally represented in the statewide party executive.

As a vertically integrated party, the Liberal Democrats managed to coordinate policy approaches across the party levels. In political terms, the parliamentary leader shaped the public image of the Liberal Democrats but had to consult the many stakeholders within the party when devising party strategies. More generally, the dominance of the parliamentary party had to be matched with a strong commitment to membership influence and the autonomy of the state parties. However, as a small opposition party in the Westminster parliament there was no real test for the compatibility of a federal party structure with a majoritarian political system (Hopkin and Bradbury 2006, 138; Fabre 2008, 135-136; see Whiteley et al. 2006).

Territorial Adaptation of the British Statewide Parties

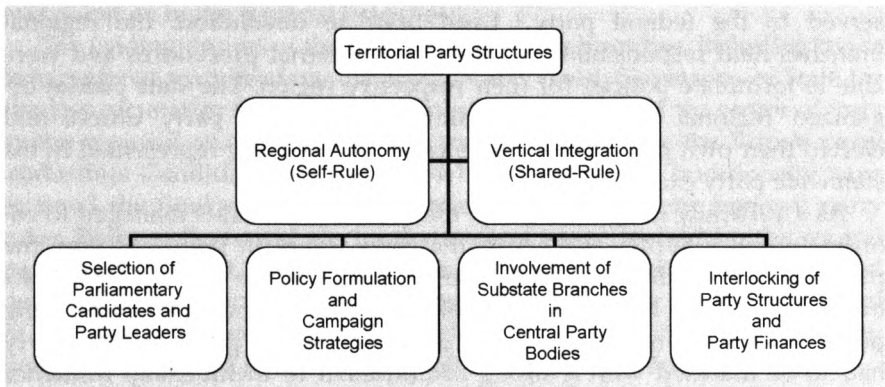
We will now take a closer empirical look at the ways in which the British statewide parties have responded to the challenges of devolution. In order to study territorial adaptation, I will employ two important analytical criteria which are derived from the literature on comparative federalism (see also Deschouwer 2006; Swenden and Maddens 2009; Fabre and Méndez-Lago 2009).

Elazar (1987) has defined a federal system as a combination of “self-rule” and “shared-rule”. When applied to multi-level party organizations, the former refers to the autonomy of regional party branches in managing substate affairs. Self-rule will be evaluated here by looking at two indica-

⁵ The English state party, which is of course much larger than the Scottish and Welsh state parties, has passed up all its policy-making powers to the federal party. The distinction between the English and the federal party is thus blurred. (Laffin 2007, 655)

tors: (a) the procedures for selecting regional party leaders and candidates for substate elections, and (b) the mechanisms of formulating public policies and devising campaign strategies at the regional level. The latter, shared-rule, is concerned with the capacities of parties to connect the different territorial party levels and to provide for the inclusion of substate interests at the central party level. Shared-rule will be studied with respect to: (c) the involvement of substate branches in central party bodies and (d) the interlocking of party structures and party finances. Figure 1 shows the two conceptual dimensions of studying multi-level party organizations.

Figure 1: Multi-level Party Organizations



Following this conceptual framework, I will try to establish the patterns of adaptation within the three statewide British parties in the post-devolution period. We will see that the Liberal Democrats had a smooth transition thanks to their federal party structures. The process of adaptation has been more difficult and incremental in the case of the Labour Party, the (senior) government party on both territorial levels between 1999 and 2007. Finally, the Conservative Party opted for a rather significant break with existing party structures in the wake of the 1997 electoral disaster.

The Liberal Democrats: the "Goodness of Fit"

For the Liberal Democrats, devolution posed opportunities rather than challenges. In political terms, the more proportional electoral system at the substate level was likely to deliver higher levels of parliamentary representation for a statewide third party. Even more important, the collaboration with the Labour Party prior to devolution at both state and substate levels (e.g., in the Scottish Constitutional Convention), shared policy preferences and the common desire to make devolution work, made the Liberal Democrats a natural coalition partner of Labour at the regional level. Devolution thus made it likely for the Liberal Democrats to become a

party of government in the UK. In the event, coalitions between the two parties were formed in Scotland (1999-2007) and Wales (2000-2003), with the Liberal Democrats being able to gain some important policy concessions from the senior coalition partner, notably on university tuition fees and free personal care for the elderly (Laffin 2007).

In organizational terms, the federal structure of the party fitted the specific demands of devolution. The Scottish and Welsh branches could develop their own responses to electoral and parliamentary competition at the substate level without strong intervention from the British leadership. Particularly with respect to coalition management, horizontal cooperation between the Scottish and Welsh party elites rather than hierarchical control from above characterized the early years of devolution for the Liberal Democrats (Bradbury 2006, 236-238).

In the case of the Liberal Democrats, there have been only minimal party changes after devolution. The state parties have maintained their formal rights of regional self-rule. Leadership and candidate selection procedures are still determined by the Scottish and Welsh branches separately. In practice, there are only small differences across levels. Party leaders at both state and substate levels are elected by postal membership ballots while parliamentary candidates are picked by local membership ballots after having been approved by the party's regional units. The statewide party does not have formal control over these processes (Hopkin and Bradbury 2006, 142; Fabre and Méndez-Lago 2009, 104-107).

The formulation of devolved policies and campaign strategies for regional elections is also in the hands of the state parties. Election manifestos are elaborated by substate party committees in cooperation with the regional parliamentary elites. While there is an emphasis on shared principles, the Liberal Democrats accept that policy divergence may occur as a result of different regional circumstances (Fabre 2008, 143). This also applies to coalition politics. The central party made it quite clear that the decision to enter government coalitions or the details of coalition agreements were up to the Scottish and Welsh branches. While some central advice was provided, the statewide leadership was reluctant in trying to influence the regional party units (Laffin 2007, 656-664).

With respect to shared-rule, the federal composition of the central party organs (with a strong English bias) has remained intact. Scottish and Welsh party members are represented at national party conferences. Each of the three state parties appoints a vice-president to the federal party executive and elects members to the different statewide party committees. However, with devolution there has been some tendency towards weaker linkages between party levels. The attendance of Scottish and Welsh representatives in statewide party bodies is rather low as these organs seem to focus more on British and English matters. This implies a certain tendency to a stronger distance between the federal/English party and its Scottish and Welsh branches. (Fabre 2008, 137-139)

Overall, the Liberal Democrats' regional branches have acquired substantial control over substate politics in line with the traditional party commitment to federalism and decentralization. Devolution has provided additional resources for the Scottish and Welsh parties. While there is still material dependence on central party funds, the access to substate parliamentary staff and government resources has somehow reduced financial imbalances within the party. (Fabre 2008, 144)

The Labour Party: Government Congruence and Incremental Party Learning

Despite being the party that introduced the devolution scheme, the Labour Party had arguably the most difficult process of adaptation among the three parties studied. Only after a highly controversial period of central party intervention between 1997 and 1999, a number of rights/privileges were devolved to the Scottish and Welsh party branches. These included regional leadership and candidate selection, control over campaign strategy in devolved elections and the choice of substate party programmes and policies (Bradbury 2006, 222-229).

Yet, Labour has remained a unitary party in formal terms. The national party executive (NEC) still holds formal control over rule-making and interpretation of the party constitution. Amendments to the Scottish and Welsh party statutes have to find central approval. Thus, the central party has retained a supervisory role vis-à-vis the substate branches and determines the general principles and organizational procedures for the party as a whole (Laffin et al. 2005 and 2007). The level of substate party autonomy in the Labour Party is thus dependent on the situational context and strategic considerations of the statewide party leadership.

With respect to regional self-rule, the formative first devolved elections of 1999 proved to be a turning point. As an expected party of government at both territorial levels, the central leadership saw much at stake in maintaining party cohesion. The regional party elites were not to challenge the image of a modern, third-way social democratic party committed to the British union state (Hopkin and Bradbury 2006, 140-143). The national party was therefore strongly involved in setting rules for the nomination process and participated on the Scottish and Welsh boards which were responsible for interviewing prospective candidates. In what critics described as a "New Labour loyalty test", nationalist and socialist Labour politicians did either not apply for selection or were kept from the approved list of candidates from which constituency parties were asked to choose. In a similar vein, the regional party lists were established by regional electoral boards which included central party officers (Bradbury 2009).

For the selection of regional party leaders, tripartite electoral colleges (parliamentary caucus, affiliated organizations, constituency parties) were established according to the national procedures of the Labour Party. In

Scotland, while individual British party leaders took an interest in the several Scottish leadership contests, the statewide party remained relatively distant. In Wales, however, the central apparatus was accused of manipulating the 1999 regional electoral college to prevent Rhodri Morgan, who was perceived as too leftist and nationalist. The incumbent UK Secretary of State, Alun Michael, won the contest and subsequently led the Labour minority government in Wales. In early 2000, however, Michael lost the support of the Welsh caucus and was replaced by Morgan. This time, there was little doubt that the Welsh Labour Party had been the deciding power (Hopkin and Bradbury 2006, 140-142; Laffin et al. 2007, 95-96).

Decision-making on substate party programmes and policies has been devolved to Scottish and Welsh Policy Forums which work along the same lines as their statewide pendant. Their policy reports, which are open to submission from constituency parties and affiliated organizations, are debated and voted upon at substate party conferences. The strategic oversight is taken by substate Joint Policy Committees, drawn equally from the regional party executives and parliamentary parties. While substate ministers play a dominant role in these processes, the statewide party keeps a supervising eye. In particular, the UK Secretaries of State for Scotland and Wales act in the regional party executives and joint policy committees as liaison officers between party levels (Fabre 2007, 107-110; Laffin et al. 2007, 96-101).

Following rather strong pressures to hold on to the New Labour agenda in the context of the 1999 devolved elections, the statewide party has come to accept substate discretion in developing regional policy profiles as long as they are not contradicting general party lines (Hopkin and Bradbury 2006, 143-145; Fabre and Méndez-Lago 2009, 108). In similar vein, coalition formation is clearly in the hands of the regional party elites. There is no formal involvement of the central party in negotiations over coalition agreements (Laffin 2007).

In 2000 and 2001, the central party transferred the powers of operating substate party politics to the substate branches in Scotland and Wales. For the 2003 and 2007 elections, debates over regional party personnel and policies were confined to the regional party level with the central party staying aloof. There are two explanations for this development. In combining both, we are able to understand how the Labour Party has adapted to devolution (Bradbury 2006; Laffin et al. 2007).

First, Labour had learned that there is a price to be paid for imposing a central party strategy from above in the context of devolution. The cost had to be calculated in terms of intra-party territorial conflict, negative media coverage ("control freakery") and relatively weak electoral results in 1999, particularly in Wales. Thus, the central party level appeared to be better off by granting autonomy rights to its substate branches while keeping control over the general rules and policies. For the regional party units, competing with the nationalists of SNP and Plaid Cymru required more

freedom to respond to distinct Scottish and Welsh identities and demands. Being in regional office, Scottish and Welsh Labour were better equipped to focus on the details of devolved policy-making than the UK party.

Second, the British party leadership lost interest in devolved politics after the 1999 formative elections. In having had a strong impact on the creation of the new regional party elite, the central party have been able to structure "the nature of the party's representation in Scotland and Wales for a generation." (Bradbury 2009, 142) A broad New Labour consensus on public policies prevailed despite some occasional disputes and the need for region-specific interpretation. The devolved institutions had started to work rather smoothly and informal party channels, nicely put as "comradely connections", effectively helped to reduce intergovernmental conflict between UK and sub-state ministries. (Laffin et al. 2005 and 2008) As a result, there was much less at stake in the context of the following devolved elections. Having prepared the ground, the statewide party found it easier to give more leeway to the "Celtic fringe" (Hopkin and Bradbury 2006, 142).

Looking at the other dimension of multi-level party organizations, shared-rule, the Scottish and Welsh branches have relatively little impact on statewide party processes (dominated by English representatives) and few instruments of joint decision-making across party levels. The involvement of regional party leaders in central party bodies has remained weak. The Scottish and Welsh parties are not formally represented in the national party executive or the national Joint Policy Committee. So far, substate government ministers and party leaders have not stood for election to the NEC (Detterbeck 2009, 295-296). In the National Policy Forum, only 22 out of 180 members are elected by regional boards or conferences, with Scotland and Wales allocated eight members each. The work of the regional policy forums, which bear responsibility for substate party programmes and policies, does not feed systematically into the deliberations of the statewide policy forum (Laffin et al. 2005, 2-4; Fabre 2007, 107-110).

To conclude, while substate party autonomy has grown over time, the inclusion of substate branches in running the statewide party has remained fairly limited. With both party levels taking on responsibility for their specific arena more separately, Labour has adopted a more stratarchical mode of party organization in the post-devolution era. As seen above, the difficulties of hierarchical party control and the declining interest in devolved politics have created an attitude of "benign indifference" from the centre. After 1999 this approach has been characteristic of the Labour Party. (Laffin et al. 2005, 6)

However, the central party has retained formal rights of supervision and control. In addition, party resources in terms of staff and finances are still biased heavily towards the centre. The primary sources of Labour revenues are trade unions' affiliation fees, private and business donations as well as individual membership fees. The bulk of party income, some

85% to 90% in the early 2000s, is received by the central party organization. Support by the statewide party, which often seems to come with suggested spending priorities, are thus essential for running electoral campaigns and managing the regional headquarters. Party staff is still employed mainly by the central party. Senior figures like the regional party secretaries and policy officers are dependent on London for their appointment and career advancement. However, with devolution the Scottish and Welsh parties have gained access to small teams of advisers and researchers working for substate ministers, parliamentary groups and individual members of parliament (Fabre 2007, 116-117; Laffin et al. 2007, 101-102).

As the central party has kept control over party statutes, administration and finances stratarchy within the Labour Party is organized according to central imperatives. The substate branches enjoy autonomy as long as they are not interfering with statewide party rationalities. Devolved policies which are affecting UK matters or have knock-on effects for England are expected to be deliberated between party levels. Hence, party decentralization has to be contained within the limits of a unified and coherent (New Labour) party profile.

The Conservative Party: Party Reorganization in a State of Shock

For the Conservative Party, the late 1990s constituted a profound environmental shock. After having been in power since 1979, the party forfeited governmental office in the electoral disaster of 1997. The Conservatives lost some 10% of the general vote and did not return a single MP from Scotland or Wales (Bradbury 2006, 216). Moreover, the Conservatives which had strongly opposed devolution had to adapt to the newly established substate parliamentary arenas.⁶ This period of crisis opened up a window for radical party change (Lynch 2003; Bratberg 2009). At the UK level, party modernization led to the establishment of a unified party structure governed by a new party executive committee, the Governing Board. The privileges of the parliamentary leader to determine party politics and to select leading party personnel have, however, remained largely intact (Peele 1998).

The Conservatives became also engaged in a serious debate on its centralized territorial structures. While electoral support in the devolved areas was of lesser importance for the Tories, there was concern to be publicly recognized as an English party only. The Scottish branch held an internal

⁶ The Conservatives, the traditional party of unionism, have developed an unmistakably anti-devolution position under the Thatcher leadership. The party campaigned for a rejection of the referenda in 1979 and 1997 in linking regional self-government with a break-up of the United Kingdom. It had also refused to join the Scottish Constitutional Convention. Arguably, this radical position on constitutional matters and the market-liberal policies of the Thatcher and Major governments which were opposed by a majority of the Scots ("no democratic mandate in Scotland") has isolated the Conservative Party within Scottish society (Stolz 1999, 223; Dardanelli 2009, 62).

review about how to respond organizationally to devolution, and how to win back electoral support. The Lord Strathclyde commission advocated for formal sovereignty of the Scottish Conservative Party which was duly implemented. The Scottish Conservatives remain affiliated to the British Conservatives, participate in UK-wide party processes but organize independently and manage their own internal processes without any formal role for the statewide party. According to the party constitution, Scottish members are obliged to follow the rules of the UK party with respect to statewide matters while the (self-determined) rules of the Scottish party are binding with respect to substate matters. (Bradbury 2006, 231-232; Fabre 2007, 121-122)

Meanwhile, the Welsh branch of the Conservative Party sought no independent status within the British party. In formal terms, the Welsh Conservative Party remains an integral part of the statewide organization. The central party can potentially interfere in the policies, campaigns and candidate selections of its regional branch. The Welsh branch is run by a Welsh board which is subordinate to the British party leadership. Despite these restrictions, the central party has given relatively free reign to the Welsh party in handling substate party affairs. On most issues, consensus or mutual accommodation between the two levels of party has prevailed so far (Bradbury 2006, 232-233; Fabre 2007, 122-130).

If we look at regional party self-rule, the Scottish party has gained statutory control over procedures for leadership and candidate selection, campaign strategies, party programmes and substate policies. By contrast, the Welsh branch needs to find central party approval for most activities. Both substate parties have arranged for membership ballots to select their parliamentary leaders according to the central party model (Bradbury 2006, 232-233).

In similar vein, candidate selection for the substate parliaments has remained rather similar to the national guidelines. Regional party committees are responsible for keeping approved lists of candidates and supervising the local membership conventions or postal ballots. Scottish and Welsh members decide over the ranking order of the regional party lists in postal ballots. The statewide Conservative Party showed little interest in interfering with substate candidate selection from the outset. We should keep in mind, however, that compared to Labour there was much less at stake for the central party leadership in picking the "right" candidates for Edinburgh and Cardiff (Fabre 2007, 128-129; Bradbury 2009, 135-140).

The elaboration of substate policy positions and campaign strategies is dominated by the Scottish and Welsh parliamentary elites. As with the national party, internal debates in the sub-state party executives and policy forums only have advisory character for the parliamentary leadership. While the substate parties are expected to follow the UK party line on statewide policies, they can develop their own proposals for devolved matters without formal interference by the national party leadership. The

Scottish Conservatives have developed a moderate, centrist policy profile on devolved issues. The Welsh branch has remained more sceptical on devolution and more strongly supportive of free market policies (Hopkin and Bradbury 2006, 145-146; Fabre 2007, 129- 130).

In general, then, the Conservative Party decided for a rather straightforward response to devolution in granting autonomy to the Scottish party and the Welsh branch. To some extent, the Tories have established vertical linkages between party levels. The Scottish and Welsh Conservatives are represented in the statewide Governing Board via their (deputy) party chairmen, who are responsible for the organizational matters at the sub-state level. This illustrates the managerial character of the national party executive which is characterized by a strong representation of senior members of the party headquarters. (Peele 1998) At a more political level, the Scottish and Welsh parliamentary leaders are regularly invited to attend Westminster shadow cabinet meetings (Bradbury 2006, 234). Whether indicating a re-imposition of central control or an attempt in establishing a mild form of shared-rule, the Conservative Party seems more willing to institutionalize substate party representation than the Labour Party.

As it is the case with the other British parties, the Conservatives have a rather centralist model of party financing. Most registered donations, the most important source of Conservative revenues, are directed to the central party organization. The UK party has to provide funding for the sub-state party units, which are therefore highly dependent on support and advice by the central party. The Scottish and Welsh party officers are still employed mainly by the statewide party organization (Fabre 2007, 130-131).

The distribution of party resources, the traditionalist belief in party unity and the strong privileges of the Westminster parliamentary leader suggest that the Conservative Party has powerful instruments to enhance party discipline and coherent policy messages if the statewide party thinks it necessary. The real test for this assumption may come with the return of the Conservatives to national government office.

Comparing the British Parties

When comparing the responses of the major statewide British parties to devolution similarities rather than differences are striking. All three parties have devolved a substantial amount of autonomy to their regional branches to run substate politics in Scotland and Wales. While the formal rights of central supervision differ between parties, as well as between Scotland and Wales in the Conservative Party, the actual degree of central party intervention has been low in all cases. For the governing Labour Party this is, however, only true after the first formative 1999 elections to the devolved parliaments. The initial heavy-handed approach to control the Scottish and Welsh Labour Party units has subsequently given way to

a more relaxed attitude and more subtle methods of making the interests of the statewide party heard.

With respect to shared-rule, there is an only limited impact of the regional branches in central party bodies and statewide party processes. The Scottish and Welsh party elites are weakly represented in national executives. The federal structures of the Liberal Democrats are better suited for vertical integration, although devolution seems to have made territorial party levels more differentiated. In both the Labour Party and the Conservative Party, hierarchical forms of multi-level party management, including the central control over party finances and staff as well as the political authority of the Westminster parliamentary leadership, have survived into the post-devolution era.

Finally, the first decade of devolution has seen relatively few open disputes between party levels over public policies and competitive strategies. This is particularly interesting in the case of the Labour Party, where a common ideological outlook of party elites at both territorial levels has eased the transition period and helped to make devolution work. Shared policy preferences and informal (Labour) party channels have arguably strengthened the cooperative features of the devolution settlement (see Mitchell in this volume).

In sum, we may say that the British parties have converged on a similar model of post-devolution territorial structures. This model is characterized by strong regional autonomy for the substate branches which is, however, counteracted by structural privileges of the central party levels and the potential for central supervision. It is also shaped by limited mechanisms of vertical integration and strong notions of party unity. The process of adaptation to devolution has been most pronounced in the Conservative Party, while it has been most ambiguous in the Labour Party and least extensive in the case of the Liberal Democrats.

Conclusion: Adapting to Devolution

At the outset of this paper, I have introduced two theoretical approaches for understanding party change in the context of devolution. Rational choice institutionalism would argue that parties adapt swiftly to environmental change by decentralizing party authority structures. Historical institutionalism would lead us to expect a more winding process of party adaptation in which party traditions and constitutional preferences play a strong role.

Looking at the empirical evidence of the British parties, both approaches have their merits. We have seen the development of more stratarchical intra-party relations as a rational response to devolution. Parties have responded to institutional change by giving more political weight to their regional branches. Power has been redistributed in order to give Scottish and Welsh party actors the capacity to deal with the challenges of substate party competition. However, there have been differ-

ences in the speed and depth of adaptation. Most strikingly, the Scottish Conservative Party gained formal sovereignty in the late 1990s, while the Scottish Labour Party was faced with strong central party intervention at the same time.

Thus, our explanation of party adaptation needs to take on board arguments which stress the significance of party. There are two elements of importance here, namely organizational legacies and party strategies. Looking at organizational legacies first, intra-party traditions shape the ways in which parties perceive and deal with environmental change. Parties develop along specific paths concerning their degree of internal centralization and their preferences for specific state models. In the case of the Liberal Democrats, federal party structures match their programmatic support for a federal Britain. In a similar vein, the Labour Party has come to develop a model of intra-party relations which is close to the devolution scheme which the party has established at the level of the state in 1997.

Organizational legacies can, however, be overturned in the processes of strategic adaptation to new patterns of multi-level party competition. In this respect, the case of the Conservative Party is most telling. Despite the party's distaste for devolution and its strongly hierarchical traditions, the Tories rapidly responded by granting autonomy to their substate branches. The electoral shock of 1997 opened up space for a more fundamental party reform which involved a reconfiguration of the Conservative Party's territorial structures.

Party strategies are also influenced by patterns of incumbency and opposition. The Labour Party put much effort in securing party discipline and policy coherence, before it started to devolve power to the regional branches. The Conservative opposition, on the other hand, found it easier to give a free hand to the Scottish and Welsh party level. The Liberal Democrats, finally, perceived substate office as a laboratory for political success at the statewide level.

Putting the UK case in comparative perspective, we may say that the major British parties have developed a distinct mixture of *de facto* autonomy for the Scottish and Welsh party branches and the retention of central party control which can be located on formal and informal channels of influence. Except for the Liberal Democrats, British parties have eschewed a federal party model. The statewide parties are dominated by English representatives who are reluctant to interfere with Scottish and Welsh affairs as long as party unity and policy coherence are not threatened. If, however, divergence is perceived to have negative consequences there is scope for central party intervention. Rather than having a fixed model of regional autonomy, the position of the Scottish and Welsh substate party branches is thus open to contingent dynamics. Elite bargaining, party competition and government constellations are important factors in this respect. To paraphrase Ron Davies, the adaptation of the British parties to devolution is a process, not an event.

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