When second-best is still a no-brainer: Why Labour should shoot for a majority coalition in May 2015
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It says a lot about the uncertainty that currently surrounds the next general election that there is one thing that everyone seems sure of, namely that it will not produce a comfortable Commons majority for either Labour or the Conservatives. The Tories, having effectively abandoned the ‘vote blue, go green’, ‘compassionate conservative’, ‘modernisation’ agenda pursued by David Cameron when he first became leader, will find it difficult to do much, if any better, than they did in 2010. Labour can hardly do worse, yet it looks unlikely – given widespread doubts about its economic competence and its leader, and given the threat it faces from the SNP (not to mention UKIP and the Greens) – to emerge as anything more than the largest party in a post-election parliament. The fact that the UK’s first past the post electoral system currently does it far more favours than its opponents looks unlikely to alter than reality.

This will leave Labour with a number of possible options. It may be able to form a minority government, either on its own or in coalition with one or more partners. If this happens, it will either have to pass legislation on an issue-by-issue, vote-by-vote basis or else agree ‘confidence and supply’ agreements with one or more smaller parties. Under such agreements, one or more partners would remain outside government but agree to support a minority government on issues involving votes of confidence and the budget. Confidence and supply agreements should, while they last, ensure that a Labour (or Labour-led) minority administration can get most of what it wants through the Commons and that it will not be in daily danger of collapse. Alternatively, if the numbers add up, Labour may be able to form a majority coalition together with one or more partners, with the most obvious names in the frame being the Lib Dems (depending perhaps on who the leader of the Lib Dems is) and possibly the SNP but not forgetting (assuming they are there and presuming they insist on joining, rather than simply supporting, a Labour-led government) the Greens, Plaid Cymru, and one or more of the Northern Irish parties.

Minority government

The first of these options – minority government – is much misunderstood. For one thing, it seems to go against the logic of the UK’s traditionally majoritarian, winner-takes-all political system: how can a government which does not control more than half of the seats in the Commons hope to function and to survive? For another, there is a widespread but arguably mistaken assumption that this is an option that is somehow automatically open to the leader of the largest party in the Commons, especially perhaps if that leader is the sitting prime minister. In fact, the ability to form a minority government depends crucially upon the willingness of other parties to refrain from voting against it on the Queen’s Speech or (and there is room for debate on this) on an explicit confidence motion.1 There is no guarantee that a putative (or an actual) prime minister who is unable to convince the Palace (for which read those who advise the monarch) that he or she has obtained reassurances to that effect will be given the Queen’s commission to form said government in the first place – not, anyway, if another party leader can make a more convincing case (perhaps backed by written or verbal promises from smaller parties) that he or she can put together a combination that a) is willing and able to defeat the largest party
on a confidence vote and b) vote confidence in an alternative government that he or she would lead. In other words, just because Stanley Baldwin was allowed in 1923 to face the House of Commons and then resign after losing a vote on the Queen’s Speech does not mean that David Cameron will automatically be allowed to do so in 2015 – unless perhaps the Palace thinks this is the best way to somehow ‘keep the Queen out of politics’.

Of course, it could well be that smaller parties do promise not to bring a government-in-the-making down, perhaps because they are worried that they may not have the funds to fight another election or that they will be punished by the electorate for triggering one by refusing to provide support. But they have to balance those concerns with the fear of a backlash for propping up an administration led by a party that, by definition, very few voters voted for and whose policy prescriptions may run totally counter to their own. Little wonder, then, that there is an increasing tendency for them to insist on ‘getting it in writing’ – in other words to negotiate the kind of formal ‘confidence and supply’ agreement that characterises what political scientists have termed ‘contract parliamentarianism’.

Presuming, for the sake of argument, then, that Ed Miliband can persuade one or more smaller parties to allow him to form a minority government, either with or without strings attached, then this may admittedly be an option worth his (and our) consideration. Whether it would go the distance in the sense of lasting a full parliamentary term, however, is open to doubt. We have long known that minority governments tend to be shorter-lived than their majority equivalents, even if in those polities with more experience of them they last much longer than many unfamiliar with them might imagine. The UK, of course, is not one of those polities, although it may have much to learn from overseas about making minority government work. Scandinavia, and in particular Denmark, is probably the premier exemplar, but so too is Spain. Anyone who thinks that there is something strange or unworkable about regionalist, even potentially separatist parties, keeping a state-wide minority government in power should remember both the centre-right and centre-left in Spain has at times relied on the Catalans to win and maintain power in Madrid.

Inasmuch as it has one, the UK's own history of minority government is far from inspiring. In the twentieth century, Labour governed as a minority in three cases. The first was from January to November 1924, when it was brought down, amidst a Red Scare, by its Conservative and Liberal opponents. The second was from May 1929 to August 1931, when it collapsed after the bulk of the Cabinet refused to agree spending cuts pressed upon it by a Labour Prime Minister and Chancellor who promptly, jumped ship to a National Government dominated by the Conservatives. The third experiment with minority government began in 1977, after Labour lost the tiny majority it had won in the second general election of 1974. Prime Minister then James Callaghan negotiated the so-called ‘Lib-Lab’ pact which sustained a minority Labour government between March 1977 and September 1978. After the Liberals withdrew from the pact, Labour carried on alone until it was defeated in March 1979 by a motion of no-confidence laid down by Margaret Thatcher’s Conservative Party, which went on to win a comfortable majority in May of that year. The Conservative administration led by John Major was a minority government between December 1996 (when it finally lost the overall majority it had won back in 1992) and May 1997, at which point it was defeated in New Labour’s landslide win.
Given the above, the argument that minority government would present the ideal opportunity for Ed Miliband to prove himself Prime Ministerial for a few months or even years before going back to the electorate for a full mandate maybe a little less persuasive than it first appears. It largely premised, anyway, on what Harold Wilson did some fifty years ago when, after winning a narrow majority in 1964 he held on to it before going to the country again in 1966 and winning a landslide. But, even if we forget for the moment that the 1964-66 administration was not a minority government, there are some important differences.

First, Wilson was already relatively highly-rated as a leader: Miliband, for all his qualities, is not and won’t necessarily become prime ministerial by becoming Prime Minister. Secondly, the public finances were in nothing like the dire state that they are in now. Thirdly, inasmuch as the economy was in trouble (and, since sterling was both fixed against the dollar and badly overvalued, it wasn’t actually too robust), Wilson, coming in after thirteen years of Tory rule, could reasonably blame the previous government for his problems: Miliband, given Labour was in power for the same period until not too long ago, doesn’t have that luxury. Fourthly, Wilson faced, in turn, one Conservative opponent, Alec Home, who had clearly had his day, and another, Ted Heath, whom voters found distinctly underwhelming. Who knows who a putative Prime Minister Miliband will be squaring up to? Fifthly, while Wilson was free to call an election at the moment of his choosing, Miliband (unless he somehow manages to repeal it early on) will have to operate under the Fixed Term Parliament Act: this does not mean he will be utterly unable to engineer an early dissolution, but it will not be completely within his power. Finally, the constitutional difficulties are not the only ones that will weigh heavily on a putative Prime Minister Miliband – so, too, will Labour’s financial difficulties. These have eased a little after a few years of good housekeeping and Short money. But the latter will have dried up if the party has made it into government and the Tories are generally thought to have amassed a much bigger war chest in preparation for a swift second election, albeit one which they hope they, and not Labour, will be in position to call.

The Lib Dems – and the rest

None of the above, one suspects, will do much to quieten those, particularly on the trade union left of the party – stand up Len McCluskey – who have made it clear that they would prefer a Miliband minority rather than a deal with Lib Dem politicians. In their view (and it is not an unreasonable one) Clegg and co. have essentially rolled over and let the Tories do pretty much what they like to public spending and public services since 2010. So why should they be given a second chance – particularly when some of them (the Orange Bookers at least) will make it their mission to bind Labour to another five years of austerity, the abandonment of which is precisely what the Labour left will demand? If Labour refuses to invite the Lib Dems to join them in coalition and they therefore vote down a Labour minority government (or else prevent it from forming in the first place), then, the argument runs, it will finally prove to any voters who haven’t already twigged that they are Tory stooges. Besides, the Lib Dem brand is already so toxic that Labour should have nothing to do with it lest it find itself contaminated – an argument that has traction not just with the Labour left but also the Labour right. Indeed, one suspects that Andrew Adonis is not the only Blairite to have had his or her eyes opened both by the behaviour of the Lib Dems during the famous ‘five days in May’ 2010 and by their conduct ever since.\(^5\)
It could be, of course, that the Lib Dems do so badly in the General Election that they decide that they are best off out of government and prefer not to join a coalition. Opposition, some might argue, will give them a chance to rest, re-group and re-tool. It might even give the electorate time to forget, meaning they might one day be able to wrest back the mantle of the ‘none-of-the-above’ party that UKIP (and the Greens) snatched away from them after 2010. If so, they would be doing something that few other parties are prepared to do. Even radical left parties, whose participation in power is particularly and predictably fraught with difficulties, normally grab the chance with both hands when it is offered to them: who knows, after all, when it might come round again? One might also argue that showing they are willing to work with Labour as well as the Conservatives is actually integral to the Lib Dems’ image in the long-term. After all, if they turn down the chance, they really do risk confirming the accusation that they are little more than Tory helpmates. The alternative – the ‘half-way house’ represented by a confidence and supply arrangement – may seem superficially attractive. However, as the party’s negotiators quite rightly argued in 2010, it may represent the worst rather than the best of both worlds, securing them just as much blame but far less power. All-in-all, then, it seems likely that, if Labour decides it wants or simply needs them, then the Lib Dems will come running, even if they feign a degree of reluctance in order to improve their bargaining position. All this presumes, of course, that their cooperation is not being simultaneously sought by the Conservatives. If the latter is the case, then, as in 2010, that position will once again be a very strong one. We can only hope for their sakes that this time they play their cards better than they did in 2010.

Depending on how many MPs they bring with them to Westminster, Miliband and Clegg (or whoever replaces him as leader, either at Labour’s insistence or that of his own disillusioned supporters) may not be able to put together a majority coalition, meaning they will then have to consider whether to govern as a minority coalition (such things are by no means unknown in European countries like Denmark, Sweden and Norway) or to invite in one or more parties to get them ‘over the line’ (generally reckoned to be somewhere around 320 seats). Depending on how short of this figure they fall, and depending on how well the other, mainly regional/national parties perform, this could mean making an offer to the Scottish Nationalists (the SNP), Plaid and/or one or more of the Northern Irish parties. It may also see an offer made to the solitary Green MP, Caroline Lucas, assuming that she manages to hang on to her seat in Brighton Pavilion.

Again, all would then face a choice between those parties actually joining the government as full-blown coalition partners or acting as ‘support parties’ by providing votes when they are needed for confidence motions, budgets and other legislation, either on an ad hoc or a contractual basis. The SNP has already declared that it would consider the latter, even declaring in mid-December 2014 that it might break its own moratorium on its Westminster contingent voting on English-only legislation. Whether it would actually demand entry into a UK government – and whether Labour would be in the least bit interested in granting it – is another matter. It seems unlikely on both sides, but never say never. It is hard to believe Nicola Sturgeon (or would it be Alec Salmond?) sanctioning such a deal, but there may be some Labour people who can see the attraction of having the auld enemy inside the tent rather than the other way round. After all, to employ the rational choice idiom often employed by those comparativists who analyse government formation, whatever its other advantages, coalition, even though it requires time and effort to
manage, almost certainly lowers the inevitable transaction costs that come with dealing on a day-to-day basis with other political parties.

Irrespective of the nature of the deals that Labour may or may not be able to do with other parties, they will to some extent be determined not just by the numbers but by the correspondence between its policies and those laid out by its potential allies during the election campaign. There will be plenty of earnest attempts between now and the election by journalists to get the parties to reveal which bits of their manifestos are non-negotiable and which positions are ‘red lines.’ Unless we are very much mistaken – and unless British politicians are very much more stupid than their continental counterparts – these efforts will be largely futile. It makes absolutely no sense for any of the parties, if they can possibly avoid doing so, to reveal their hands before they get into the poker game of government formation talks. So they do in the rest of Europe, they will only rule out cooperation with parties that are clearly anathema (which for Labour would presumably include the Conservatives and, almost certainly, UKIP) and then brush off questions about other parties with dreadfully familiar platitudes: ‘It’s for the voters to decide’, ‘I’m not going to get into to discussing hypotheticals’, etc., etc.

That does not of course mean that Labour will not be thinking about what it will and won’t be prepared to insist and compromise upon. Inasmuch as the phrase ‘Lib Dem policies’ means anything these days, there remains a considerable degree of overlap between the two parties’ programmes. And their willingness to work together to make changes to (although not scrap) the bedroom tax from 2014 onwards, notwithstanding the fact that Labour initially criticized Clegg’s volte face on the issue as ‘unbelievable hypocrisy’, is clutched at as a straw in the wind by those who believe an arrangement is possible – even after the dismissive private briefings and public sneers directed at Miliband during the Lib Dems’ last conference before the election. According to Labour insiders, however, coalition with the Lib Dems is not an option that anyone in the Leader’s Office or the Shadow Cabinet can be seen to be seriously discussing. If there is a group at the very top working out the details of Labour’s negotiating stance – something that would surely be sensible, given the party’s lack of preparedness in 2010 – then it is operating under very deep cover indeed. If that is the case, it would be entirely understandable, not so much because the Lib Dems are electorally toxic or because imagining a deal with them would incur the wrath of trade union leaders like McCluskey, but because the very existence of such a group would risk shattering the illusion that Labour is gunning for an overall majority – an illusion still deemed to be important in order to maintain the morale of activists.

**Majority Coalition**

But let us say for the purposes of argument that the option to form a majority coalition with the (remaining) Lib Dems was open to Labour. Should Labour seize the opportunity? We would argue yes. For it is clear from the experience of the current Conservative-Lib Dem coalition that, contrary to the bleating of disappointed Conservative supporters and MPs, forming a coalition with the Lib Dems has been a boon to the Conservative party. On the whole the Coalition has been dominated by the policies and decisions of the larger party. Certainly, the Tories were defeated on at least one major policy—boundary change—but on almost every other front (the economy, the NHS, the EU) it is Conservative policy that has won the day.
Most obviously, a majority coalition has secured to David Cameron a comfortable majority in the Commons, and a working one in the Lords. That has provided stability, and the numbers to push through some very significant reforms to the British state. Whatever one makes of the health reforms led by the then Health Secretary Andrew Lansley, it is worth bearing in mind that these are reforms that would not have quickly or easily passed under a Conservative government with a single party majority. Recall that the Health and Social Care Act 2012 was an enormous act, passed under pressure at the end of a parliamentary session that was already twice as long in order to push through a high number of bills; and that bills must pass through both the Commons and the Lords. Under the Labour governments of 1997-2010, the Lib Dems had become the crucial swing party in the Lords—without the Lib Dems on their side, then, the Conservatives may really have struggled to pass the Act, even in its revised form.9

Moreover, for good or ill, Tory ministers have been the public face, and drivers of, of these policies. The vast majority of the key Whitehall departments are fronted by Conservative ministers, not Lib Dems. It is with these individuals that the public identifies most policies, the supreme irony being that the one policy to which the Lib Dems had, initially, definitely not agreed—tuition fees—was the province of a department headed by a Lib Dem Secretary of State! Controlling most of the departments meant that the Conservatives have been in control, for the most part, not just over policy but also over the day-to-day business of government.

For the Lib Dems the scoreboard is in the negative. They have struggled to have an impact in the coalition partly because of inexperience in government, but also because of some poor initial decisions. They took only a few ministerial posts, but they failed to take charge of any great offices of state. Junior ministers have had some influence in their departments, but this has been highly variable, and depends a great deal on their Conservative Secretary of State, and the nature of the department. True, the Lib Dems have had some important successes with the pupil premium, same sex marriage, and raising the tax threshold; and in some cases they have delayed or effectively vetoed Tory policies (the so-called British Bill of Rights, for instance). However, many of these successes have been relatively small and, where Lib Dem policies have been implemented, that implementation has often occurred in an incremental way – in marked contrast to Conservative policies which are usually broader and potentially more far reaching (a speedier austerity programme, welfare reform, the NHS). Where the Lib Dems have delayed or vetoed Tory policies it has either been done behind the scenes or the news has been so fleeting that often it has passed the public by. More than this, the successes the Lib Dems have had have been overshadowed by failures and turnarounds. The signature policy of the Lib Dems—constitutional change (AV, Lords reform)—has mostly failed. On austerity and cutbacks, the Lib Dems agreed to (rightly or wrongly) a much quicker schedule than they promised prior to the 2010 election. And, then, of course, there was tuition fees.

Where there has been conflict in the Conservative-Lib Dem Coalition, it is just as likely to have been between ministers from the same party (No 10 and Theresa May, May and Gove) than between ministers from different coalition parties. But, especially in the latter half of the parliament, this has not been through want of trying by the Lib Dems. They have, after all, long since moved into differentiation (and in 2014, ‘decoupling’) mode—that is, seeking to distinguish themselves from the
Conservatives in government: for instance, DPM Clegg delivering a separate statement following the publication of the 2012 Leveson report on the need for a legislative solution to press regulation; or Vince Cable insisting in 2014 that the Office for Budget Responsibility spell out the differences between the Conservative and Lib Dem approaches to future spending cuts.

But it is not clear that the public believes the Lib Dems, forgives them—or cares. Differentiation is a sensible strategy, but it is confusing to the public who see the Lib Dems still in government and voting on government policies that are seen (rightly or wrongly) as Conservative in foundation. Even now (in late 2014) Clegg is asked how he can be ‘propping up the Coalition’.\(^{10}\) The Lib Dems may have proved they can be a party of government, and it is remarkable that the party has maintained its internal cohesion under such pressure (of course, the same cannot be said of those who voted for the Lib Dems in 2010). But this has been at the cost of popularity, with polling putting the Lib Dems in single digit percentages. This is a long way from the 23% of the vote that they secured following the 2010 general election. This is a fundamental problem for smaller parties in coalitions: they struggle to gain the attention of the public; and they are rarely rewarded at a second election. Truly, the coalition has turned into a ‘miserable little compromise’ for the Lib Dems.\(^{11}\)

So we scratch our heads about those in Labour who look down upon a coalition as a poor alternative to minority government. As Matthew D’Ancona has said, it is no longer possible to argue, as many argued prior to the 2010 election, that coalition government is unworkable.\(^{12}\) Coalition means compromise, but the cost of compromise is negligible compared to the benefits of being in power. Of course, we should say history doesn’t necessarily repeat itself. In 2015, Labour will be faced with at least one potential partner who has more immediate coalition experience than Labour: the Lib Dems will have the experience of five years of coalition behind them, while the SNP may be able to draw on the direct experience of Alex Salmond. More generally, we can presume that all potential coalition partners will have learned from the experience of the Lib Dems and act accordingly—for instance, they may present Labour with a tougher bargain (more strategically chosen ministerial portfolios, for instance); they may be more targeted in their differentiation strategy; they may demand greater freedom to disagree in government.\(^{13}\)

But overall, coalition remains the better alternative for Labour, for two key reasons. It means a majority in the Commons (but not necessarily the Lords); and because in practice the impact of the smaller party is limited—limited in government, and limited from the public’s point of view.

Labour can learn other lessons from the current coalition. Four seem particularly apposite:

First, Labour (and its partner or partners in coalition) time in negotiations. As both coalition parties learned to their regret, marry in haste and you repent at leisure. Labour should take some time following the election to think about priorities—or even just to rest.

Second, Labour will have to work at a coalition, just like any relationship. A good rule of thumb in dealing with the other party or parties in a coalition is ‘good faith and no surprises’—even if this does not always happen in practice.
It means setting up mechanisms similar to that of the Conservative-Lib Dem Coalition—the quad, additional special advisers for the smaller party, and so on. Labour can kill with kindness: most of these mechanisms will not help the smaller party or parties with voter popularity, but they will help with day-to-day coalition relations.

Third, it is not inter-party dissent that characterises coalitions (as much as journalists think it does) but rather intra-party dissent. Philip Cowley and Mark Stuart have chronicled the rebelliousness of this government. Much of this is due to the characteristic fractiousness of the Tory party, but being in a coalition has added to the ranks of the dissatisfied and the disgruntled. Shorn of the opportunity to rise in the ranks, and soured by David Cameron’s relative popularity, Tory MPs in particular have rebelled at an extraordinarily high rate—and of course, two have left the party. So Labour needs to think about how it is going to manage backbenchers over a five year term. Certainly it has to avoid getting into the same situation as the Conservatives, many of whose supporters seem unable or unwilling to see that their party has got far more from the Lib Dems than the Lib Dems have ever got out of them.

Fourth, relationships evolve. By the mid-term there will be pressure from various arenas for a renewal—of policy, staff and approach. The Conservative-Lib Dem Coalition gave us the rapidly-forgotten ‘Mid Term Review’; and later a modest (and equally unmemorable) reshuffle. A coalition under Labour would need to do better. And then there is the end game: Labour will need to manage the ‘decoupling’ strategy of the other party (or parties).

**Conclusion**

Following a hung parliament, then, Labour, presuming for the sake of argument that it emerges as the largest party after the general election, has a number of options: single minority government, coalition minority government, coalition majority government or single party majority government. Obviously, to some extent these options will be determined by the parliamentary arithmetic. But we strongly suggest that those advocating minority government (in some form or other) over coalition government are sorely mistaken: the ability to form a minority government is by no means a given, nor are the precedents (at least in the UK) particularly encouraging. As a result, majority coalition government—for the larger parties at least—is clearly the next best thing to an overall majority if the latter, as is likely, proves to be beyond Labour’s capacity.

If the experience of the current coalition is anything to go by, coalition government is far, far more beneficial to the larger party. It gets the benefit of a working majority in the Common and (ideally) a relative majority in the Lords. Most of its policies and decisions, therefore, are likely to be agreed to. It does not need to worry so much about ‘distinctiveness’—that is primarily a task for the smaller party in the coalition. The smaller party (or parties, as the case may be) struggles to gain traction with the public. It may not get its policies implemented, in which case it is accused of being ineffective. Even where it does get its policies implemented this may happen in very diluted fashion—or worse still, the larger party takes credit or is given credit by the public. More than this, the smaller party is constantly caught between a rock and a hard place: vetoing or watering down the policies of the larger party and inviting
criticism that they are the tail wagging the dog, or else of agreeing too readily to the wishes of the larger party and be accused of ‘rolling over’. And while the incumbency effect applies to both government parties, the evidence suggests that it is the smaller party who suffers more. So the larger party wins twice: it has relatively stable government, and it gets to watch a rival party twist in the wind of public opinion. For Labour in 2015, just as it was for the Conservatives in 2010, a majority coalition, if it is achievable, may feel like second-best, but it is nevertheless a no-brainer.

5 Adonis, Andrew, 5 Days in May: The Coalition and Beyond (London: Biteback, 2013)
12 Matthew D’Ancona In it together: the inside story of the coalition government (London, Viking, 2013)
And indeed the Lib Dems are considering the lessons. See, for instance Nick Harvey

*After the rose garden: Harsh lessons for the smaller coalition party about how to be seen and heard in government* (London: Institute for Government, 2015),

[http://www.instituteforgovernment.org.uk/sites/default/files/publications/After%20the%20rose%20garden_0.pdf](http://www.instituteforgovernment.org.uk/sites/default/files/publications/After%20the%20rose%20garden_0.pdf)

See, for instance, the experience of smaller parties in Wales (the Lib Dems and Plaid Cymru, both junior coalition partners to Labour); or in New Zealand (NZ First, the Alliance, ACT).