

Coalition Government

Overview

Recent experience has shown that coalition government could well become a regular feature of British politics. That gives rise to a cycle of issues which runs from one pre-election period to the next. There is a body of international experience and an emergent body of evidence within the United Kingdom and devolved governments which can help us identify key questions and gain understanding of the range of possible answers and the implications of choices between those answers.

Preparation by those involved, both politically and within the civil service, for dealing with the questions and choices enhances the prospects of successful operation of coalition government. This paper is intended as an aid to that process of preparation. It seeks to identify the key questions and examine the evidence about various ways in which they can be answered, rather than to prescribe particular answers.

Prior to elections there are questions about the behaviour of both political parties and the civil service and the evidence suggests that the degree of expectation that a coalition government will be formed is a key determinant of the choice of answers.

After the election, there are questions about the process of formation of a coalition government, including questions about who is involved and the role played by different participants, and questions about the product of the process, including the choices to be made about what should be covered by the initial agreement.

Those choices about the substance of the initial agreement give rise to questions about the ways in which the government functions over its period of office and the mechanisms necessary to sustain effectiveness in government and the cohesion of the coalition.

As the coalition moves towards the final part of its period of office, questions about the pre-election period are made more complex by the existence of additional questions about the ways in which political parties' coexistence within government can sit alongside separate preparations for the next election and the possibilities of different outcomes in terms of formation of a successor government.

Understanding of the full cycle of questions enhances the prospects of successful choices about answers. In relation to the possibility of a further coalition within the United Kingdom Government in 2015, it is timely to consider the scope for improvement in the way in which this process was handled in 2010.

Before the election

- Should manifestos involve consideration of negotiating positions for possible coalition negotiations?
- Should there be pre-election contacts between party representatives at some level to create preconditions for successful negotiations?

The process of entry to coalitions depends on whether the creation of coalition government is an expected outcome, as is the case in many countries in Europe and beyond, or an outcome which the parties are hoping to avoid and may view as inherently undesirable. Where it is an expected outcome, it follows that parties will frame their behaviour in advance of an election in the light of the coalition forming process which will follow it. In some countries, that process is a well-trodden path; in others, it may itself be the subject of some preparation for negotiation.

No part of the United Kingdom now has a clear expectation of coalition, if we treat enforced power sharing in Northern Ireland as significantly different from the normal meaning of coalition and accept that the widely shared original expectation of the form to be taken by devolved governments in Scotland has been weakened by experience since 2007. Nevertheless, it is worth reflecting on experience in countries where such an expectation does exist. The key lesson is the recognition by political parties that pre-election statements of their future policy propositions, whether or not they are contained in party manifestos of the kind to which we are accustomed in the United Kingdom, are as much part of an initial negotiating position with potential coalition parties as they are part of an attempt to win votes. The degree to which this is a constraint on the nature of those policy propositions depends on the attitude of the electorate, or the party membership, to the dropping or modification of positions. In some other countries, experience of the compromises necessary to form coalitions appears to give rise to a tolerance for parties, particularly the smaller parties, taking pre-election positions which they are unable to sustain in the negotiations to form a coalition. This stands in marked contrast to the evidence from the current United Kingdom coalition that many party supporters lack such tolerance.

As well as the effect on political parties, there is evidence from other countries of the effect of an expectation of coalition on the role of the civil service. In Finland, for example, the civil service places in the public domain about six months prior to an election an analysis of the challenges which any government will require to address over the term of the post-election Parliament and a longer term analysis of strategic trends. The intention is that all parties should be enabled to produce policy proposals which are informed by an evidence based identification of key issues. There is pessimism, however, about the degree to which the work is used by the political parties.

In the Netherlands, the civil service analyses the pre-election proposals of the parties and makes available publicly costings and assessments of the delivery issues. One of the consequences of this is that when potential coalition partners consider the adoption of each other's policies into a joint programme they are able to do so with good knowledge of the implications. Among other effects of that is that it helps avoid a disconnect between the aggregate of policy proposals and the overall fiscal approach agreed between coalition partners.

Within the United Kingdom, the best available evidence of the effect on political behaviours of the expectation of coalition comes from the preparations for the 2003 election for the Scottish Parliament. In that set of circumstances, where there was a high degree of probability that there would be negotiations to form a second successive coalition government between the Labour and Liberal Democrat parties, there was evidence of thought being given by senior politicians in each party to the big ticket items which would be the subject of trading in negotiation of a new coalition agreement. There may even have been some pre-election discussion between the two party leaders to establish that negotiations would not break down over propositions which each party intended to make central to their manifestos. In the preparations for the 2007 election for the Scottish Parliament, there was also evidence of thought about what main 'ask' the Liberal Democrats might realistically make in the event of negotiations to form a third coalition with Labour.

Without an expectation of coalition, there is a tension between the belief held by some that increasing the differences between the policy propositions advanced by different parties is the path to greater electoral success and caution about the consequences, if coalition negotiations do arise, of having taken positions which are clearly irreconcilable with the views of one or more potential coalition partners. This issue of how to approach manifesto making and campaign promises is bound up with choices about the running of coalition government discussed later and it will be helpful to return to the matter in considering the end phase of coalitions.

Negotiating

- What should the substance of the negotiations be? Is it necessary to have an extensive set of agreed policy commitments?
- Who should be involved in the negotiating process? What should the role of party leaders be?

Countries with regular experience of coalitions tend, as indicated above, to have well-trodden paths in relation to the process of negotiating coalitions. As one would expect, the processes are not identical. In some countries, the allocation of Ministerial posts between parties appears to be the main currency of agreement, particularly where there is a high degree of individual Ministerial autonomy within government. In such countries, the production of a detailed coalition agreement on policies and actions may come after the formation of the new government, so that the participants in that negotiation already hold Ministerial office. In other countries, the negotiation of the coalition agreement on policy and actions precedes the appointment of Ministers. Another variable is the degree of involvement and influence of either senior party officials who are not prospective Ministers or individuals who are political advisers to prospective Ministers and are expected to occupy such positions during the period of government.

Such experience as we have in United Kingdom and devolved governments so far fits the model of negotiating the policy content of the coalition agreement before the formation of the Government and a parallel process of negotiating at least some key points about Ministerial positions e.g. whether to have a formal position of Deputy Prime Minister/Deputy First Minister and the number of Ministerial posts to be held by each party. It also suggests a strong role for prospective Ministers in the process, but not necessarily those who will hold the most senior Ministerial positions, and a very active role for some of those who will be employed as Special Advisers in the resultant government.

The role of the party leaders in the process of negotiating the coalition is interesting. Although the party leaders were directly involved in the negotiation of the first coalition devolved government in Scotland in 1999, by the 2003 negotiation their role was supervisory, receiving formal reports on the progress of the negotiations and available as a final recourse if there were to be a block to progress which could not be resolved within the main process. In the 2010 negotiations to form the current United Kingdom coalition government, the party leaders were in a similar oversight role although the mechanisms for exercising it were not identical.

There is a striking difference in experience within the United Kingdom in relation to the involvement of civil servants in the coalition forming process. In Scotland, civil servants were present in the negotiation process in 1999 and 2003: in organising the negotiating process, in feeding information and analysis into the negotiations and in keeping track of the outcomes of the negotiations and contributing to the drafting of the coalition agreement. One consequence of this is that an understanding of the policy intentions behind the wording of the coalition agreement can be communicated to the relevant parts of the civil service responsible for taking

action on an informed and bipartisan basis, thus reducing the risk of subsequent distrust between the coalition partners that the way in which agreed commitments are translated into action is not consistent with the negotiations.

Experience within the United Kingdom has not yet embraced the circumstances in which there is sustained competition between different parties to form a coalition government. The brief exploration of this possibility following the 2010 United Kingdom election may tell us something about the consequences of the absence of pre-election contacts to pave the way for negotiations or the way in which a smaller party can exploit the possibility of such competition. It does not, however, tell us how a process of parallel substantive negotiations might play out. In Scotland, civil servants prepared in advance of the 2007 Scottish Parliament election a detailed plan for supporting a process of competing negotiations and that plan was shared with Whitehall civil servants in advance of the 2010 United Kingdom Parliament election; but we have no basis for knowing whether parties would be willing to work with such a model or, if they were, whether the planning would prove robust in practice.

The nature of coalition agreements is the subject of a wide range of choices. The most obvious choice is about the level of detail involved. There has been a tendency within United Kingdom experience towards agreements which are highly specific about the nature of policy agreements and highly inclusive in the number and range of specific commitments covered. Similarly detailed agreements are observable in some other countries. This reflects an implicit view that locking the coalition partners into a fixed balance between positions secured in the negotiations is of greater importance to them than the inflexibility in ability to adjust to changing circumstances which is the corollary of such a high degree of specificity. There is an alternative model which places greater emphasis on a shared set of guiding principles, as exemplified to some degree by the first coalition agreement in Scotland in 1999, and which eases the task of evolving detailed policy positions as the coalition parties develop experience of working together.

In addition to policy commitments, there is scope for negotiations to address the 'operating rules' of the coalition. In Scotland, there were clear agreements between party leaders about the adoption of disciplines of collective responsibility and about the circumstances in which that principle might be suspended. This fed through to clear understandings about the importance of disclosure of civil service advice on any issue to Ministers of both parties and about Ministers' responsibilities to ensure that all significant policy developments and government undertakings and actions were exposed to collective consideration. Other countries provide models of different arrangements while still ensuring clarity about 'operating rules' at the outset. New Zealand, for example, has had a coalition in which one senior individual Minister was exempted from collective responsibility and elaborate arrangements were agreed to prevent him seeing government papers on matters beyond his own portfolio. In the negotiations leading to the formation of the current United Kingdom coalition government, less attention appears to have been paid to ensuring a clear understanding of such matters.

Governing

- What operational practices best support the effectiveness of a coalition government over its life?
- How should disagreements be resolved?
- How should coalition government deal with the need to refresh the government's programme?

Once a coalition government has been established, behaviours in government come to the fore.

Research by the Constitution Unit at University College London, some years ago, suggested that a key differentiator in the functioning of coalitions in various countries at various times in the past has been whether the larger party sees coalition as a temporary interruption of single party government and has an eye to the opportunity to dissolve the coalition if they see advantage in doing so. This tends to be accompanied by an emphasis on differentiation of the coalition parties during the period of government and a relative lack of interest in developing effective processes and relationships to improve the functioning of coalition government. In countries where coalition government is expected to recur, the evidence suggests that more thought is given to the ways in which its effectiveness can be increased and relationships of trust between the partners can be strengthened.

There is an obvious correlation between the degree of attention given to the 'operating rules' of coalition governments during the negotiations, or shortly thereafter, and the ease with which a particular coalition settles into the work of governing. Within the United Kingdom, the Scottish experience between 1999 and 2007 reflected the widespread belief that the electoral system adopted for the Scottish Parliament would always produce coalition governments. It was logical therefore for the coalition parties to devote considerable attention from the outset to the way in which the 'new normal' would operate and to take rapid action to deal with unforeseen problems as they arose.

Despite the early agreement that the current United Kingdom coalition government should last for a full 5 year Parliament it has been explicit that both the Conservative Party and the Labour Party have a strong preference for the past model of single party government. There is also reason to believe that the civil service has a preference for a model with which it is more familiar. It is unsurprising therefore that the operating practices of the current United Kingdom coalition government appear to be based on minimum adaptation of the operating practices used in single party governments and a preference for ambiguity in operating rules, rather than an attempt to design a new set of operating practices designed to maximise the effectiveness of coalition government. As a consequence, we have only an imperfect basis for comparison of the effectiveness of the current United Kingdom model and the model developed in Scotland for the two coalition governments between 1999 and 2007 (and the similar model adopted in Wales during the period of the 2003-07 coalition government between the Labour and Plaid Cymru parties).

The current United Kingdom model has some interesting features, which might point the way to more systematic arrangements if there were to be a further coalition United Kingdom government. These include the strong role which has emerged for 'the Quad', bringing together very regularly the Prime Minister, Deputy Prime Minister, Chancellor of the Exchequer and Chief Secretary, Treasury to coordinate the working of the coalition, particularly around the core agreement on management of the public finances. This has some similarities to the way in which the roles of the Prime Minister and Minister of Finance are central to the functioning of coalitions in some other countries, although this tends to be accompanied by the substitution of the Minister of Finance role for the role of Deputy Prime Minister as a Ministerial post for the most senior politician within the second party; and, as in Scotland and Wales, this central relationship more often involves two people than four. Other non-United Kingdom countries also offer a parallel to the arrangement in Whitehall whereby the Prime Minister and Deputy Prime Minister are each supported by a senior civil servant (as well as by many special advisers), the Cabinet Secretary and the Head of the Constitution Secretariat, in exploring resolutions to differences of view between the coalition parties. In other countries, this role can often fall to the civil servants who head up an Office of the Prime

Minister/Chancellory and a Finance Ministry. In the more integrated civil service structures of Scotland and Wales, there was more of an expectation that the Permanent Secretary would be responsible for helping resolve differences, with the two sets of special advisers taking a large role.

These innovations in operating practices to assist the effectiveness of the current United Kingdom coalition government, illustrate one key point about the successful functioning of coalitions: mechanisms to avoid or resolve differences of view are of even greater importance than in single party governments and may need to be deployed more regularly. The frequency with which they are required to operate may be related to other factors. These could, of course, be related to the level of change in external circumstances. The international financial crisis has placed strains on many coalition governments. They may also be related to internal factors, including the degree to which there is a strong agreed framework for the operation of the coalition government.

It is observable, for example, that individual Ministers within the current United Kingdom coalition government step in and out of collective responsibility with no obvious framework of agreement on the boundaries of such behaviour which are acceptable to both parties. Similarly, there is evidence of Ministers from one party withholding information from Ministers in the other party and putting pressure on civil servants to be complicit in that behaviour. As well as undermining trust between Ministers (and between Ministers and civil servants), such behaviours are likely to increase the frequency with which there is urgent recourse to mechanisms to resolve differences between the coalition partners. It appears to be the case that there is a much more frequent need for the use of mechanisms to resolve differences between the coalition partners in the current United Kingdom coalition government than was the case in the coalition governments in Scotland and Wales, which is perhaps related to the differences in the extent to which the frameworks negotiated at the beginning of those coalitions sought to reduce the scope for continuing tensions over the life of the governments.

Coalition governments may face the issue of refreshing the agreement between the parties in the course of the life of the government, depending on the way in which their initial agreement was framed. The more successfully they have integrated their engagement in the operation of government, the more likely it is that they can achieve this in ways which are very similar to the ways in which a single party government would approach the same need to take stock of progress and to adjust to changing external circumstances and the emergence of new issues. With effective Cabinet government, there is no obvious need for a fixed process of amending the coalition agreement. Conversely, if distrust has grown and there is a tendency to operate as separate parties under a loose commitment to maintaining each other in power, it may be that there is a need to reconvene the coalition negotiation in some form, with the objective of producing an updated coalition agreement. There is no United Kingdom experience to draw on in relation to the way in which such a process might work.

The end phase

- What agreement should there be on the ability of parties in a coalition government to engage in separate activity during the final year of a coalition government?
- What role should civil servants play in relation to post election thinking by individual parties in a coalition government and how should that relate to the role they play in relation to such thinking by Opposition parties?

As a coalition government enters the final year before an election is due, there is a tension between the continuing responsibility on the parties to govern together and the desire to differentiate from each other in relation to their presentations to the electorate. There is also

the challenge of having a shared track record in government but a desire to claim a distinct ability to influence the future. This may be complicated if there is a desire to argue simultaneously that coalition government has been successful but that single party government would be more desirable.

One issue is whether a coalition government considers itself under an obligation to continue to govern actively or is willing to reduce government activity to a minimum level, a care and maintenance approach, in the final year. This is not a question unique to coalition government. Single party governments display an observable tension between focusing on the continuing obligations of government and on electoral prospects, but the existence of more than one party with day to day access to the resources of the civil service adds an additional dimension.

The Institute for Government has published a paper, 'Year Five: Whitehall and the Parties in the Final Year of Coalition' examining these issues in some detail and seeking to draw useful lessons from experience elsewhere. It is not necessary to rehearse at length the ground covered by that paper. The most important conclusion is that the tensions are capable of being managed successfully.

In terms of the arrangements for achieving that management, the recommendations in the IfG paper draw in part on the model established in Scotland which offered the coalition parties the opportunity to engage with the civil service in 'separate space', free from the obligation for civil service advice in relation to government business to be shared, and created a rigorous set of arrangements for managing the contacts between the parties and civil servants in relation to post-election policy proposals. Initial discussion of that paper centred on the comparative merits of such an approach as against maintenance of a degree of ambiguity around permitted practice. This discussion reflected in part differing attitudes between those which underpinned past practice in Scotland, which emphasised clarity of understanding of operating rules in the conduct of government and highly disciplined behaviour by Ministers and civil servants, and those which underpin current practice in Whitehall, with ambiguity and flexibility in operating rules and behaviours by Ministers which do not obviously demonstrate consistent disciplines.

An interesting aspect of this set of issues is that it raises the question of the relationship between the access to civil service resources available to parties in government and that available to Opposition parties, who have been granted limited access to those resources over the six months prior to an election. The IfG paper argues that there should be greater parity of treatment between parties in and out of government. It also argues that the limits on the support which civil servants are permitted to provide should be relaxed.

These ideas help illustrate that the issues related to coalition governments concern a cycle rather than a single linear progression from the start of a coalition to its end. The discussion about the way in which coalition parties prepare for an election in the final year of a coalition government take us back to the discussion about the way in which political parties prepare for the possibility of forming a coalition government. Similarly, the discussion about the role of the civil service in relation to coalition parties' emerging thinking about post-election policies takes us back to questions about the contribution which civil servants can make to helping prospective coalition partners negotiate a well-informed coalition agreement.