Ladies and gentlemen, the story of coalitions in Britain begins a long time ago. In December 1852, Benjamin Disraeli, as Chancellor of the Exchequer in a minority Conservative Government, presented his budget to the House of Commons. It was a very dramatic occasion because, outside Parliament, there was a thunderstorm raging, which could be heard inside; politically speaking, it was dramatic because Disraeli knew he was going to be defeated on his budget by the combination of Whigs, Peelites and Radicals who would soon become the Liberal Party. He knew that when he presented the budget, but he ended in a very defiant way. He said he was going to be defeated by a combination, and that, “The combination may be successful.” He said, “A coalition has, before this, been successful, but coalitions, though successful, have always found this: that their triumph has been brief.” He then concluded with his famous assertion: “This too, I know, that England does not love coalitions.” At the end of my talk, I shall do a survey and see how many people agree with Disraeli and how many think he was wrong.

The coalition we have now is, I think, a major event in constitutional and political history. It is the first peacetime coalition that we have had since the 1930s. It was formed, as I am sure you all remember, after a hung parliament in the 2010 general election. That was the second hung parliament we have had since the War.

The first one was in February 1974, but that was not followed by a coalition government, but a minority Labour government, which lasted eight months before a second general election gave Labour a small majority.

There is a second question that I should like to put to the audience at the end and it is this. The last hung parliament, in February 1974, proved an aberration – we did not have one for another thirty-six years – the interesting question is whether the hung parliament we have just had is equally an aberration or whether it could be the harbinger of the future, an era of coalition government.

After every hung parliament in the twentieth century, we have had a minority government and not a coalition, so this is the first coalition that has followed a hung parliament for over a century. However, we have had coalitions in different situations, which we can safely call emergencies. We had them during both World Wars. For most of the time, in the First and Second World Wars, Britain was governed by a coalition, and then the 1931 coalition, which I mentioned a moment ago, that was formed in a serious financial emergency. You may say that 2010 represented another emergency, but it was not quite as severe as people worrying about the collapse of the currency. They thought the Pound would disappear completely and that we would suffer massive inflation, of the kind the Germans had suffered in 1923, which ruined the German middle class, savers and so on. Indeed, in 1931, the Prime Minister of the coalition, Ramsay MacDonald, held up twenty billion, worthless German Marks, and warned that this is what would happen in Britain if the electorate did not vote for the national government to save the currency. There was a real sense of fear and panic, which I do not think could be said about 2010.

There is another feature that differentiates these previous coalitions from the current one. That is, they were formed before general elections and were put to the country as coalition governments against political opponents, and, interestingly enough, won landslide victories. In the First World War, there was a coalition led by Lloyd George, which decided to continue into peacetime. In 1918, the general election saw the coalition opposed by various Liberals and the Labour Party, but the Lloyd George coalition won a large majority. In 1931, the National Government had an election, and it won the largest landslide we have ever seen in British politics. They won 554 seats, and the Labour Party, the opposition, won just 52, so that too was endorsed by the electorate.

The current coalition has not been endorsed by the electorate. I think it would be fallacious to say that it has the support of 59% of the electorate (since 36% voted Conservative and 23% voted Liberal Democrat) because it is not clear that those people would have voted in the same way if they had known that that particular coalition would have been formed. Certainly, I think a number of the younger people who voted Liberal Democrats, such as students, would not have voted Liberal Democrat if they had known the outcome. So this is the problem with the coalition, that while it has a comfortable majority in Parliament of 78, it is not clear whether it has a majority in the country.

Immediately after the election, people were asked what their favoured results would be in the result of a hung parliament. Most people’s first option was a Conservative minority government; the second favoured choice was a Liberal Democrat/Labour coalition; and the third choice was a Conservative/Liberal Democrat coalition - though it is fair to say that, once the coalition was formed, a majority supported it in opinion polls, suggesting that people accepted what was offered. However, it can still be argued that no one voted for the coalition specifically - they had no chance to do so.

Furthermore, you may say that not only was the Government formed after the election, but so were some of its policies, which did not feature in the manifestos of either Party. The obvious one, which I shall address later, is the referendum on the alternative vote, which was in neither the Conservative nor the Liberal Democrat Manifesto (oddly enough, it was in the Labour Party Manifesto, but they did not form the Government). The same could be said of student tuition fees, which the Liberal Democrats pledged to abolish but which they have
actually voted to triple – another discrepancy between the policies announced to the voters and the policies actually pursued by the Government. These two points combined – that not only was the coalition formed after votes were counted, but so were its policies – have given the government less legitimacy in some people’s eyes, compared to previous coalitions.

The point I want to emphasise is this: there is a conflict growing between two traditionally allied concepts, namely, the idea of parliamentary government (a government responsible to Parliament) and the idea of democratic government (a government responsible to the people). Normally, they go together and we do not really think much about it. For example, Blair’s Government had a majority in Parliament and it had also won a majority of seats in the country under the electoral system; it had the majority support of the voters, or the largest minority, and that has been true of every British government except during periods of hung parliament. In the case of the current Government, however, there is a disjunction between a comfortable majority in Parliament and a questionable majority in the country. Those two concepts have become divided, I think.

There are reasons for suggesting that this coalition may not be a one-off, and that it may be the prelude to future coalitions. People sometimes say that under the British electoral system, the “first past the post” system, you are not going to get coalitions very often; you will only get single-party majority government. Of course, that has been largely true since the War, except for the one previous hung parliament I mentioned. You do, on the whole, get single-party majority government. But it was not true between the Wars when, out of those twenty-one years, only six years consisted of single-party majority government; for twelve of those twenty-one years, Britain was ruled by a coalition. The trend that our electoral system only produces single-party majority governments is actually entirely contingent. It could easily return to producing hung parliaments and coalitions, as it did between the Wars, and I think there are two arguments for suggesting that that might happen.

The first is the increasing strength of smaller parties, not just the Liberal Democrats, but other smaller parties too – nationalist parties in Scotland, Wales and Northern Ireland, for example. If you go back sixty years, to the general election of 1951, there were just nine MPs who did not represent the Conservative or Labour Parties. There were six Liberals. Incidentally, five of them had got in without Conservative opposition, and there was only one of the six Liberal MPs who had won against both of the other parties, so the Liberal Party was in a pretty desperate state then. There were only nine MPs who did not belong to one of the two major parties. Obviously, a hung parliament is very unlikely in those circumstances.

If you look at February 1974, the previous hung parliament, there were just 38 MPs who did not belong to one of the two major parties, but last year, that could be said of 85 MPs. That means that one party, to get a decent working majority, needs to get about one hundred more seats than its nearest competitor. That has only happened, I think, on five different occasions since 1945 – it does not happen very often. So it is much more difficult, now, to get an overall majority than it was. That is the first reason.

There is also a second, very important reason, thought it is difficult for us to find the explanation as to why it has happened. The reason is that there are many fewer marginal seats now than there were fifty or sixty years ago. If you take a marginal seat as a seat which would shift from one major party to another on a swing of 5%, there were 166 seats in that category in 1955. Now, interestingly enough, there is half that number - just 83. This is because, for reasons we are not quite clear about, over the last fifty years each of the two major parties has gained in strength in areas where it was already strong. The Labour Party is now much stronger than it was in the inner cities and in Scotland and the industrial parts of the North. The Conservatives are much stronger where they were already strong, in the South of England and in the rural areas. So there are many more safe seats than there used to be, and much fewer marginal seats. We do not know why this change has occurred. All we do know is that it has occurred, and it has fundamentally altered the nature of elections. It means that a party has to get a larger swing to win an equivalent number of seats; it needs to get twice the swing it would need to get in 1955 to win over the same number of seats. This, too, makes hung parliaments more likely.

Having said that, there is at least one counter-argument to the claim that coalitions are now more likely, and it is this. At the next election, voters may say that the economy has improved enormously, thanks to the tough measures taken by the Coalition Government, and that we have eliminated the deficit; unemployment rose for a while but has now fallen; economic growth has resumed again and the country is doing extremely well. If you took that view, you would be very likely to vote for the Conservatives. You would congratulate the Conservatives, admitting that their actions were “tough medicine” but with splendid results! Or you may say that the coalition’s economic policies seem not to be working well at all, in which case you would probably lean towards voting for Labour. The point I am making is that the British system works according to binary assumptions, and in either case, people may dismiss the Liberal Democrats.

It is also possible that the Liberal Democrats - particularly in the country but also perhaps in Parliament - may find themselves pushed in two opposite directions. One group may be happy to continue working with the Conservatives; another group may object to the right-wing nature of the Conservatives and assert their left-wing stance by aligning themselves with the Labour Party. As a result, the party would split into two, going two different directions. That is precisely what happened in the coalition of the 1930s. This is not to say that this will happen again, but previous coalitions have ruined the Liberals by splitting them in two directions.

In 1931, when the National Government introduced a tariff and abandoned free trade, one group of Liberals branded this a shocking breach of liberal principles and left the Government after just a year. So this
Government, with a huge landslide, lost a major independent element in a short space of time. The other wing of the Liberals said that free trade was suitable for “normal” times, but at times of terrible depression, with people losing jobs because of cheap foreign imports, it is imperative to protect your own people. This group thought the Conservatives right in introducing the tariff, and called themselves the Liberal Nationals, later changing their name to National Liberals, and they eventually merged with the Conservatives. It is perfectly possible for that to happen again.

Many people here who, if I can put it delicately, may be slightly long in the tooth may remember when candidates presented themselves as National Liberals and Conservatives, or Liberals and Conservatives. The last of these candidates was Michael Heseltine, who stood for Tavistock (before taking a seat in Henley) as a National Liberal and Conservative. A Minister in Margaret Thatcher’s government, a Defence Minister called John Nott who stood for St Ives, called himself a National Liberal and Conservative; he reasoned that, in the West Country, there was a strong Liberal tradition, and you could not win a seat if you called yourself just a Conservative.

The National Liberal Party wound itself up in 1968 and its funds were transferred to the Conservatives; John Nott claims that they blew all this money on a futile advertising campaign in one day, so it was a sad end for them.

The real Liberals, if you like to call them that, complained to Churchill during the election in 1950 that there were many candidates calling themselves National Liberals who were really Conservatives; they said it was misleading the electorate, and that Churchill should stop that happening. Churchill wrote a rather impertinent letter back, saying that as he was a former Liberal himself, he could not argue about the merits of putting a prefix or suffix beside what he called “the honourable name of Liberal”, but he said there were no candidates calling themselves Liberal Socialists or Socialist Liberals. He reasoned that this was because liberalism and socialism are profoundly opposite philosophies, and argued that the Liberals should therefore be working with the Conservatives to defeat socialism - which did not quite meet the point that the Liberals were making.

This only serves to emphasise the notion of a binary element to the British system, that people are either for the government or against them, in which case they follow the opposition. It is like a football team: one side wins and the other does not, you chuck the rascals out or you choose the opposition. If that view is right and fundamental to British politics, then tendencies towards hung parliaments and coalitions would be negligible.

Certainly, over the last thirty years or so of British electoral history, we have tended to swing from landslide to landslide, giving governments a long period of office, and then throwing them out with a landslide to the other side. That was not quite the case in 2010, but we did that with Margaret Thatcher, the longest period of government by a single party since the Napoleonic Wars, followed by the longest period of Labour government the party has ever had (thirteen years in office). This suggests that the British people might still be a binary lot.

It is clear, then, that the formation of the coalition is a constitutional act in itself, a movement in the British Constitution, but even more than that, the coalition is producing a whole range of constitutional reforms. You may remember a series of lectures I gave called “The New British Constitution”, which became a book in 2009, and in which I talked about the radical, constitutional reforms of the Blair Government. I assumed, as perhaps many people did, that when that government came to an end, and particularly if it was replaced by a Conservative government, we would come to the end of the period of constitutional reform - but we have not. We have got a new period of constitutional reform, in some ways more crucial constitutional reforms than those of the Blair Government, because what could be more important than changing the electoral system for the House of Commons, passing an Act providing for fixed-term parliaments and proposing to change the House of Lords to an elected Chamber? These are very fundamental reforms, whatever view you take about them.

Someone said: “We’ve got an unwritten Constitution, but it’s being re-written before our eyes, and there’s a whole process of constitutional reform going on.”

Those who came to my earlier lectures may remember a comment from 1997 by the then Welsh Secretary, Ron Davis, about Welsh devolution, which he said was a process and not an event. I think that is true of constitutional reform in general, that it is a process and not an event, an ongoing process, and even a Conservative-dominated government is very much involved in that process of constitutional reform.

I called them very important and radical reforms, and Nick Clegg, the Deputy Prime Minister, has called it (with perhaps a bit of politicians’ hyperbole here) “the biggest shake-up of our democracy since 1832.” Obviously, the main one which we have been asked to vote about is the reform of the electoral system to the alternative vote. I am sure everyone here knows what the alternative vote is, though people who were interviewed by the BBC’s Nick Robinson last week at the Cheltenham Races were not too sure, with one person believing it to be the name of one of the horses in the Gold Cup Race!

But I am sure you all know that the alternative vote replaces the old system of putting an X on the ballot paper with listing your preferences: 1 for your favoured candidate, 2 for your next favoured candidate, and so on, and if any one candidate does not receive 50% of the vote, you eliminate the candidate at the bottom and redistribute second preferences until someone has a majority.

Some people have criticised this, I think wrongly, by saying that it gives some people two votes, or even three or more, and others no votes; if you vote for a small party which is eliminated (for example, the Greens), you may get two or three votes, but if you vote for a major party, which is not eliminated (for example, Labour), you only
that they are always very vicious because the stakes are so low! The stakes are arguably low in this instance, and fury about it. Rachel Sylvester writes that it reminds her of what Henry Kissinger said about academic disputes:

It is interesting that, although the effects will not otherwise be large, there is a tremendous amount of sound and I have just said, it will facilitate coalitions at a local level.

It makes coalition more likely in two ways: firstly, it will increase - admittedly by a small amount, 30-odd seats and past coalitions have found that very difficult. But that is not easy to achieve because, after all, constituency parties like to put up a candidate. They down – a Liberal Democrat where Conservatives are strong, and a Conservative where Liberal Democrats are other out. The only way to achieve that, under the “first past the post” system, is for one candidate to stand

Conversely, one disadvantage of the alternative vote is that it can lead to even more disproportional results than the present system and it can, in some circumstances, amplify the swing against a governing party. For example, in 1997 when Blair won his landslide, with a majority of 179, the alternative vote would probably have given him an even larger majority than he received, although he only got about 42% of the vote. Indeed, in Australia, where this system is used already, it has produced some similarly odd results. So there are reasonable arguments for and against it.

It has been calculated that the actual effect on representation probably would not be very large. The only simulation we have of the last election shows that, if the alternative vote had been used then, 32 seats would have switched to the Liberal Democrats, which I think is intuitively plausible because the Liberal Democrats are the second choice of many Labour or Conservative voters. Of those 32 seats, 20 would have come from the Conservatives, and 12 from Labour. 32 seats out 650 is not a large number. In Australia, there have never been more than 10% of winning candidates who were not first on first preferences.

In Britain, I think the number would be even smaller because, in Australia, your vote is valid only if you list all your preferences. This would not be the case in Britain, as we do not believe in compulsion, so your vote would be valid as long as there is a “1”; you would not have to indicate further preferences. Experience in the Australian States, where the vote is optional, shows that a lot of people do not use more than one preference, and some parties encourage you not to do that. For example, the Labour Party in Queensland says “Vote 1 Labour and nothing else”, and parties might do that here. There is a lot of evidence to suggest that many people do not use later preferences. In the limiting case, if no one uses the later preference, then the alternative vote is just like “first past the post” – it makes no difference.

The difference is likely to be very small, and I sympathise with a recent article by a Times columnist, Rachel Sylvester, which said the sound and fury of the argument was “like two bald men arguing over a comb” – it does not actually make much difference!

I do, however, think that it would make a difference in another way, not so much representation in parliament, but I think it would make it easier for a coalition to put itself to the country as a coalition. However, for that to work you need an electoral pact at local level, so that Conservatives and Liberal Democrats do not knock each other out. The only way to achieve that, under the “first past the post” system, is for one candidate to stand down – a Liberal Democrat where Conservatives are strong, and a Conservative where Liberal Democrats are strong. But that is not easy to achieve because, after all, constituency parties like to put up a candidate. They think their raison d’etre is to fight an election, and choosing a candidate is their reward, in a way, for canvassing on wet Wednesday evenings and all the other work they have to do. It is not always easy to achieve that result, and past coalitions have found that very difficult.

With the alternative vote, however, it is much easier, because no one has to stand down. All the candidates can stand, but if you are a Conservative, you can vote Conservative as your first choice and put Liberal Democrat as your second choice – and vice versa. Therefore, I think the true significance of the alternative vote is that it makes coalition government much easier, it facilitates coalition. The only advice I would give about the referendum is this: if you like coalitions, you should vote for the alternative vote; if you do not like coalitions, you should vote against it.

It makes coalition more likely in two ways: firstly, it will increase - admittedly by a small amount, 30-odd seats from the last election – support for the Liberal Democrats, so making a hung parliament more likely; secondly, as I have just said, it will facilitate coalitions at a local level.

It is interesting that, although the effects will not otherwise be large, there is a tremendous amount of sound and fury about it. Rachel Sylvester writes that it reminds her of what Henry Kissinger said about academic disputes: that they are always very vicious because the stakes are so low! The stakes are arguably low in this instance,
However, I think the political consequences of the referendum could be very striking indeed, and all previous referendums have had very important political consequences. If you look at the only other national referendum we have had - in 1975 to decide whether we should say in the European Community or leave - that resulted in a two-to-one majority for staying in. That had strong political effects. Firstly, it marginalised and weakened the left-wing of the Labour Party, because they had been the main advocates for leaving. The Conservatives were then much more pro-European than they are now. Secondly, the experience of working together encouraged many people on the right-wing of the Labour Party, like Roy Jenkins, to think that they might have more in common with the Liberals than with their own left-wing colleagues. Therefore, I think that referendum played some part in the split in the Labour Party, which occurred in 1981, whereby the Jenkins pro-European wing left the Party and formed an alliance with the Liberals.

In 1979, there were two referendums on devolution in Scotland and Wales, which failed. The Government supported devolution, but the voters did not, and that had huge consequences. The Callaghan Labour Government was a minority Government and depended on the votes of the Nationalists, so when the Nationalists withdrew their support from the Government, Callaghan was defeated in a vote of confidence in Parliament and forced to go to the country rather earlier than he wished. It is remarkable and obviously very rare for governments to be defeated on a vote of confidence, and that general election opened the way to eighteen years of Conservative rule - another very major and radical effect on twentieth century British politics.

I think the present referendum will also have magical effects because I think that, whichever way it goes, the grassroots of one of the political parties will be very disappointed.

Obviously, if the result is a resounding “no”, Liberal Democrat supporters will say they have sacrificed a lot for this coalition: they have accepted the Conservatives’ economic policy, they have accepted their policy on student fees, which has got them into trouble with a lot of young voters – what have they got for it? They would have hoped for this major constitutional reform, which would perhaps have counted as one step towards proportional representation. Without that, they might well ask themselves what they are still doing remaining in the coalition - what benefit is it to them?

On the other hand, if the country votes “yes”, grassroots Conservatives will see how this benefits the Liberal Democrats, and the difficulties that this will then pose for Conservatives hoping to secure a single-party majority - the more seats the Liberal Democrats have, the more difficult it is for them to get an overall majority. They may well ask themselves why they have done this, why they have made this surrender to the Liberal Democrats? Firstly, because David Cameron was not, as it were, good enough to win an overall majority, in which case they would not have needed to work with the Liberal Democrats; and secondly, because he weakly conceded, they would say, this referendum, and it has made life much more difficult for them and more difficult to get Conservative policies through.

So, either way, the grassroots of the parties will be upset, and I think the outcome of the referendum is bound to increase the instability of the coalition; it is threatened more from the grassroots than from the top. I think a lot of the commentators overestimate the stability of the coalition because they see that there is a lot of good feeling between Cameron and Clegg and the other Ministers, but it really depends on whether grassroots continue to support it - once the supporters withdraw their support, it cannot survive.

That was said of the 1918 coalition, which collapsed quite rapidly by 1922, not because of disagreement at the top, but because Conservatives in constituencies did not want it anymore and chose candidates who were opposed to coalitions. Someone said, “In Britain, the leaders lead and the followers follow, until the followers cease to follow when the leaders cease to lead,” and the coalition then collapsed. Although most of the Cabinet, including such great figures as Lloyd George and Churchill, wanted it to continue, there was a grassroots rebellion against it, and that could easily happen again.

I think that this is a great problem for the coalition, whichever way it goes. It is a paradox really because the referendum was proposed in order to make life easy for the coalition, because the Liberal Democrats would not have joined it without the promise of a referendum, which allows the two parties to disagree reasonably amicably, and to offload the problem onto the public to resolve.

It does, however, cause very serious problems, and I think that there is a particular problem with democracy amongst young voters. We do know that, in the last election, amongst voters aged 18 to 24, 7% more voted this time than last time. It was still not many, only 44% as compared to 37%. People talk a lot about the youth vote, but they ought to talk more about the grey vote, because the vote of someone over 65 is worth four times that of someone from 18-24 because there are twice as many of them and they are twice as likely to vote. The participation rate is about 75% amongst people over 65. Nevertheless, more young people voted, and it is reasonable to suppose that one of the reasons they voted was the Liberal Democrat pledge on tuition fees, which was backed by the National Union of Students. So there has been a democratic deficit, to put it kindly, on the part of the young, who feel that they have been conned on that particular vote, especially if it is their first experience of voting.

This emphasises my point about the gap growing up between parliamentary government and democratic
government, which I think is rather worrying for the Constitution. At the end of my book, *The Coalition and the Constitution*, I say that if we are going to put things right, we need a counterbalance in the form of more direct democracy and more popular influence on government. That was the main feeling of people after the expenses crisis of 2009, that the people ought to have much more leverage on government. I think it is one of the paradoxes of these reforms of the present Government that they actually, in some ways, might insulate Parliament even more than it is from the public. I put forward various solutions at the end of my book, which an otherwise kindly reviewer in the Economist called “the subject of fantasy”, and that “...in uncivic and grumpy Britain, people aren’t waiting to be liberated and vote and take part in democratic activity.” Of course, I am not convinced that these ideas are fantasy, but I shall leave that with you.

Thank you.

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