

In the last issue of *LSE Magazine*, former UK Chancellor **Kenneth Clarke** spoke with John Barnes about cabinet business. Here he reveals more about the inner workings of government.

Clarke concludes

JB: Going back to the beginning of our discussion, you said that some big things still went to cabinet...

KC: I doubt in this day of memoir writing there is any secret about that. Increasingly, of course, the big European ones. The Single European Act certainly went to cabinet a lot. The details were thrashed out in cabinet committees and sometimes one to ones. I was at Employment then and remember that the idea of accepting qualified majority voting on health and safety measures was something that I discussed with Margaret one to one. That proposal went to the cabinet, was approved and it blew up on us when working hours were regarded as part of health and safety by the other member states. The actual discussions on the Single European Act would get quite detailed. The idea that anyone did not understand what was involved is absolute nonsense.

Some of the most difficult big discussions in John Major's government, particularly towards the end, came in the discussions before every European Council. John, for quite understandable reasons, wished to make sure that every colleague had had his say and was satisfied. The government's objectives were thoroughly reviewed. There were big cabinet meetings also on Maastricht. Sometimes the format was a cabinet committee, which would be called to go over the details of the negotiating position with a view to producing a detailed remit; every member of cabinet would be invited to join the cabinet committee if he or she wanted. Some of the Maastricht ones must practically have amounted to the cabinet thrashing out the remit which John went away and delivered.

The legislative programme is important because it helps determine what are the government's priorities.

JB: That always went to cabinet?

KC: Yes. There was always a committee, which would reach decisions that would annoy somebody who hadn't



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Kenneth Clarke was a keynote speaker at the 50th anniversary conference of the Political Studies Association, held at LSE in April, and attended by more than 500 international political scientists. For more details, see www.psa.ac.uk/2000

got anything into the programme. The full cabinet would then listen to ministers complaining that they had not got a place for their bill and arguing the damage this would do to the government. The general rule was that these appeals rarely succeeded because it would mean somebody else's bill being dropped. Occasionally a cabinet member would make such a compelling case for something that the business managers would be instructed to go away and think about how it could be accommodated.

Public expenditure of course always went to cabinet. There would be an important cabinet committee, particularly in the latter days when Major had evolved EDX [the cabinet committee chaired by the Chancellor, which reviewed public expenditure] whose conclusions went to the cabinet. Again we would listen to appeals.

Before EDX was invented, the process had taken place in bilaterals between the departmental ministers and the Chief Secretary. In those days we had an ad hoc committee chaired by Willie Whitelaw, which was known as the Star Chamber, on which I served. This would hear appeals from departmental ministers. In theory they had the right to take their case to the cabinet, but if they had lost at Star Chamber and failed to persuade the Prime Minister personally to persuade the Chancellor, everyone knew that it would be a complete waste of their time.

The Chancellor usually won at EDX because he chaired it and his own Chief Secretary rather dominated proceedings. Cabinet ministers who failed to settle would usually go to the Prime Minister to persuade him to weigh in. In the case of one or two senior colleagues, this sometimes worked. The few ministers who went to the public expenditure cabinet almost invariably lost because the Chancellor would make it clear that if any money was given to 'X' all deals were off, and we would then find out where the money was to come from to stay within the public expenditure total. [The total had always been agreed by cabinet in July before the whole process started.] The Chancellor is in the happy position

that all the other spending ministers are his allies against the one recalcitrant who is still trying to reopen his budget.

JB: I was always surprised that John Major let the Chancellor chair EDX since that committee must have had an enormous influence in determining priorities.

KC: Yes, it did. It produced a splendid method for controlling public expenditure, at which we were very successful in the last four years of Conservative government. John appreciated that. It was not going to be easy to get the deficit down in any other way. Again, you've got to bear in mind that for any Prime Minister, it's a serious matter if the Chancellor does not get his way on public expenditure. There was a crisis, revealed in the recent very undesirable battle of the memoirs, when Norman Lamont could not get his way at EDX. Amongst others, Michael Heseltine and I were saying that he was taking too much out of capital expenditure and he stormed out of the meeting. I don't think the system could have been run with the Chancellor simply as a member of the committee, always at risk of being defeated. If the Prime Minister wanted to influence the public expenditure decisions, which he can do and John Major did, his method would be to raise it at the one to one meetings with the Chancellor. He would say that he was very worried about the pressures being put on a particular department. I think most Prime Ministers get highly sensitive about foreign affairs and defence, and from the Treasury point of view they want to have somebody in whom they have every confidence. ■



JOHN BARNES

IS A LECTURER IN GOVERNMENT.