

## **LSE Government Department The HotSeat Videocast**

Professor Paul Kelly discussing the post Election prospects for the Conservative - Liberal Democrat coalition, and the future of the Labour party.

Professor Paul Kelly.

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**Dr Justin Gest:** Well, they're the strangest of bedfellows; a Liberal Conservative coalition. Hi, I'm Justin Gest; welcome to the Government Department HotSeat. With us today to examine the prospects of this extraordinary partnership is Professor Paul Kelly. Thanks very much for being here.

**Professor Paul Kelly:** Thank you, Justin. Nice to see you.

**Dr Justin Gest:** Nice to see you. Let's get started. So is this coalition even going to last?

**Professor Paul Kelly:** It's a difficult question to answer. My sense is yes. There's a lot of reasons on both sides for this to be a more permanent coalition and I suspect both parties will have looked fairly carefully into the problems before they will have signed up to something like this it is such a special occasion. So I'm putting my head on the block and saying yes but I think that's the right answer.

**Dr Justin Gest:** So if this is going to last, how does this change the Tories agenda going forward?

**Professor Paul Kelly:** Well, most of the coverage presents the coalition as being an advantage for the Conservatives to get them into office and as soon as they can dump the Liberals and go for a majority government that's what they'll do. I think Cameron's long-term judgment is that this coalition is in the best interest of the Conservative party because it allows him to finish his project of transformation. I think he's quite serious about this idea of liberal conservatism and he needs the Liberals for that. So that's one reason why I think the set up probably leads itself to a stable coalition. Both parties need this.

**Dr Justin Gest:** So what can the Liberal Democrats achieve through this coalition?

**Professor Paul Kelly:** Well, there's two ways of answering that. I suppose for some of the senior figures, this is an opportunity that they didn't expect in their careers to exercise power and that's enormously attractive and that's why people go into politics. So some of them will have taken a calculation that if this all ends in tears they will have had a chance. The received opinion tends to be that the Liberal Democrats will be squeezed as a result of this. This will force people to flock back to Labour which is the natural home for the progressive vote but, of course, that assumes that everyone who voted for the Liberals are potential Labour voters which is not the case. There are these regional variations and all sorts of complex reasons why people vote Liberal. There will be some movement back to Labour but it isn't obvious that this thing called the progressive vote will shift back to the progressive party. So its quite difficult to see how the Liberals will be in five years time. I think this could solidify their position as a strong but small middle party.

**Dr Justin Gest:** And if you are Labour, where can you go from here?

**Professor Paul Kelly:** Well, the danger for Labour, and there's some sense that this is where they're going, is that they have a snap leadership election and think that in the short run all

will be resolved and its back to politics as usual; Liberals will be out of it, squeezed, and it will be Labour vs Conservative. If the coalition arrangement works and, more importantly, the distribution of the vote in the election is the settled will of the British electorate, not quite sure how to divide between these three parties, they have to think long and hard what they're for and that's not clear. I suspect the leadership election, if it's done badly, could distort that judgment. So where do they go if the Liberals and Conservatives colonise the centre-right ground but with a strong centre part to that, the only way for them to go is either to try to colonise the same ground or move left which is a disaster unless they can be confident there is this large progressive vote out there and in that they can't be.

**Dr Justin Gest:** And in their obstructionist attempts, because obviously one of their main options will be obstruction, what will they have the chance to obstruct exactly? What do you see being the primary agenda of the Liberal Conservative coalition?

**Professor Paul Kelly:** The primary agenda is clearly deficit reduction and the economy. One reason perhaps, and we'll never know until the memoirs are published, one reason perhaps for a formal coalition is it does echo the last formal coalition government which was in wartime and it does send a signal out that we're serious, we understand, this is really important and party advantage has to give way, at least in the first instance, to the major economic problems that the country is facing, that is part of the signal. If that is the case, if it really is the agenda for the next few years, then it probably is to Labour's advantage, although they wouldn't own up to it, to be out of office, to let the cutting and downsizing of the state and readjustment be done by somebody else. So the question then is does it happen quickly, does it happen relatively painlessly going forward in which case the Conservatives and Liberals might benefit from it or does it leave seething resentment in the British people which might be something a revitalised Labour party can pick up on three or four years down the road.

**Dr Justin Gest:** Well its interesting that you suggest that perhaps the cutting and slashing can be done quite painlessly. For many people, they believe this coalition business is perhaps, it makes decisiveness impossible in very decisive times. For others, it's the best thing to happen to British democracy since BBC 24, our purported competitors. Where do you stand on this?

**Professor Paul Kelly:** Well, it can't be done easily and it can't be done painlessly but if the main task is to reduce significantly public expenditure, the areas of the country which are most dependent on public expenditure for maintaining jobs and so on are not natural conservative heartlands anyway. So if you end up penalising Scotland, south Wales, the industrial Northeast, the industrial Northwest, Manchester, Liverpool and so on, you're not going to lose too many seats, you're going to do what happened in the early 80's where you just pile up Labour majorities in seats that are already safe. It's not clear that that sort of restructuring of the economy is going to impact severely on the Southeast and the areas where the Conservative vote is strongest. So from the Conservative point of view it might be relatively painless, it's not obviously going to hit their core constituencies. If it is targeted like that, Northern Ireland is another one that comes into play as Cameron has already suggested, these are areas where Labour's policy of public expenditure was part of a full employment strategy, it was about keeping jobs in areas. If those are the target areas, it's not clear that Labour will benefit much from that unless the pain is spread across the country which it wont be because of the ways in which different aspects of our economy are dependent on public expenditure. It's not obvious that they will gain greatly by this however painful it is. Of course, if we have riots and so on that's another matter. In the large swaths of blue across the country it's not likely that we will.

**Dr Justin Gest:** Alright, well that will do it. Professor Paul Kelly, thank you very much for being with us. You're off the HotSeat. And thank you for being with us; do stay tuned for next month's edition.