

REPORTS

Salad Days: Merger Twenty Years On

Fringe meeting, 7 March 2008, with Lord Goodhart, Lord Clement Jones and Dr David Dutton; Chair: Tony Little
Report by Neil Stockley

OF ALL the ups and downs in the Liberal Democrats' history, few have been more traumatic than the party's birth. The merger between the Liberal Party and the Social Democratic Party (SDP) saw difficult arguments within both parties. The SDP leader, David Owen, resigned after he could not accept his party's decision to vote in favour. Once the two parties had voted to merge, negotiations over the new party constitution were difficult and protracted. The launch of a new policy document ended in disaster when the Liberal Party's MPs, who had not been consulted, rejected it. The abandoned paper became known as the 'dead parrot' document, after the Monty Python sketch. The new party, which could not agree on its name, suffered a financial crisis, sank into fourth place at the 1989 European Parliament elections and had derisory ratings in the opinion polls.

It was not until November 1990, when the new party won the Eastbourne by-election, that the curse was lifted. However, for some years it appeared that the merger might become a defining moment. When Chris Cook revised his history of the Liberal Party in 1993, he devoted an entire chapter, 'merger most foul', to the unhappy period.¹

Twenty years on, the Liberal Democrat History Group fringe meeting at the Liberal Democrats' spring conference in Liverpool provided the opportunity to reassess the merger.

Lord (Willie) Goodhart, a member of the SDP negotiating team and Lord (Tim) Clement-Jones, from the Liberal team, judged the merger by its results. They suggested that, given the party's growth and successes, the outcomes should be judged favourably.

Willie Goodhart argued that, for all their difficulties and frustrations, the merger talks provided the Liberal Democrats with a sound party constitution that has stood the test of time. He believed that the party's rules and structures owe rather more to their SDP ancestry than to their Liberal heritage. He cited as examples the roles of the Federal Executive and the party conference. He also referred to the election of conference representatives, where the SDP had argued for a formula to elect representatives.² Another example was the way policy is made. Lord Goodhart and his colleagues had insisted on a deliberative process, using policy working groups as opposed to the Liberals' standing 'committees', and had been vindicated.

Lord Goodhart went on to argue that the dominance of his old party's structural DNA has served the Liberal Democrats very well. For instance, the Liberal Party had no single membership database and its headquarters no reliable source of funds. The SDP, by contrast, was a more centralised operation. The Liberal Democrats has followed the SDP in having their membership, fundraising and campaigning run from

party headquarters and this, Lord Goodhart argued, has enabled the party to target its campaigning efforts on particular constituencies. Similarly, he believed that the party conference worked well and the policy-making process was well regarded and effective. Lord Goodhart also acknowledged, however, that the SDP team had won some victories they should not have. They insisted that the new party was named the 'Social and Liberal Democrats', a mouthful from which the unfortunate acronym 'the Salads' was soon derived and used to mock the party.

These outcomes, he contended, were a direct result of the way the two negotiating teams organised themselves. The SDP team was mostly agreed about the main issues at stake and was well-organised and cohesive. The Liberal team, by contrast, included the party leader, David Steel, and Tim Clement-Jones, who were enthusiasts for merger, along with erstwhile opponents, such as Tony Greaves and Michael Meadowcroft, who 'wanted their party to absorb the SDP'. Unlike David Steel, Robert Maclennan proved an effective leader of his party's team and a superb negotiator. Whereas the SDP team had 'carte blanche' from their party to hammer out a new constitution, the Liberals had to constantly refer back to their party council and this caused many delays in the talks.

Lord (Tim) Clement-Jones agreed that the merger talks had produced a generally sound constitutional framework and that we now had 'a more effective instrument of liberalism'. Like Lord Goodhart, he believed that this was especially true in respect of campaigning and fundraising. Interestingly, neither speaker fully explained the extent to which local campaigning, building on the community politics approach, was one of the Liberal Party's real strengths and important legacies.

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Lord Clement-Jones went on to present his version of where the merger talks had produced the right outcomes and to show that where they had not, mistakes were corrected, in nearly all cases quickly and with little long-term political damage. The Liberal Democrats had combined the sovereign role of the party conference with a ‘workable democracy’, he said. The policy-making process was ‘originally too elaborate’ but was now much improved. A real federal structure had been in place since 1993. In 1989, the party adopted ‘Liberal Democrats’ as its name, though this followed much internal angst.

One area of policy that had been a source of much argument between the Liberal and SDP negotiators was the inclusion in the preamble to the new party’s constitution of a commitment that Britain should play a full and constructive part in NATO. Lord Clement-Jones still thought it ‘crazy’ to have included a reference to an international body in a party constitution (though, it might be added, the politics of defence in the 1980s were very different to those of today). The SDP team got their way but the reference to NATO was removed in 1990 and ‘we got a sensible preamble eventually’.

Both men also agreed that the new party worked rather better than the merger process suggested it would. Tim Clement-Jones traced how the party eventually recovered from the experience of merger and what he called the ‘financial meltdown’ that followed. In an interesting aside, he also pointed out that, initially, the party had fewer members than the combined total of the Liberal Party and SDP and said that it has never achieved the number of members it was expecting. Lord Clement-Jones believed that 1990 was the turning point and suggested that the Eastbourne by-election result was itself the culmination of many factors:

the effective leadership of Paddy Ashdown; the resolution of arguments over the party’s name; and the adoption of the ‘bird of liberty’ as the party’s visual image.

Lord Goodhart recalled that in the early years there was considerable good will between erstwhile Liberals and Social Democrats. As the former chair of the SDP’s Conference Arrangements Committee, he had a happy and productive period chairing the new party’s Federal Conference Committee. He also served alongside many former Liberals on the Federal Policy Committee and many policy working groups. Lord Goodhart mused that the marriage had been rather happier than the courtship.

The views of both former negotiators appear to be vindicated by the success that the Liberal Democrats have enjoyed over the last twenty years. The party now has more than three times the number of MPs that it had in 1988 and a broader, deeper base in local government across the UK. There is an effective and influential Liberal Democrat team in the European Parliament. The party is represented in the Scottish Parliament and the National Assembly for Wales and Liberal Democrats have served as ministers in both. It has been many years since the point was reached when most of the party’s members had joined after the merger, and had belonged neither to the Liberal Party or to the SDP.

Their remarks could be put in another context: a shared perception of the merger as a natural evolution from the alliance between the two parties. Tim Clement-Jones traced it back to the ways in which Liberal and SDP lawyers had worked together to develop common policy proposals. Such co-operation all but stopped, however, with the ‘defence policy nightmare’ of 1986. Willie Goodhart reminded the audience that from

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the outset of the Alliance, some SDP members had seen full merger with the Liberals as the natural next step. Lord Goodhart also recalled his and his wife Celia’s experience of how well the two parties could work together at constituency level.

David Dutton, Professor of Modern History at the University of Liverpool, did not quite share these views of the merger. He called it ‘a shotgun marriage’ and compared the passionate debates within and between the two parties in 1987–88 with those over Lloyd George’s undermining of Asquith in 1916 and Labour’s crisis in 1931.

Professor Dutton outlined three previous occasions in which two parties have worked closely together in an effort to produce a sum greater than the total of their political parts. The first was the formal electoral pact of 1903 between the Liberal Party and the Labour Representation Committee, which enabled the Liberals to win the 1906 general election with a bigger majority than they otherwise would have. Twenty of the thirty Labour MPs who were elected also owed their seats to the pact. The second was the way in which the Conservatives and Liberal Unionists co-operated to work against Gladstone, which had major political consequences, especially in Birmingham. The third was the decision of the Liberal Nationals to join the Conservative-dominated National Government in 1931 and subsequently to campaign with them at constituency level, to the electoral benefit of both. He compared these outcomes with the Alliance winning a higher share of the vote in 1983 and 1987 than the Liberals before or the Liberal Democrats subsequently.

Professor Dutton drew on these case studies to advance three circumstances that made fusion between two parties logical if not inevitable: where those

voting for them cannot easily distinguish between the two parties; where there is a junior partner that, over time, suffers a loss of political identity; and where, over time, the two parties become united on key policy issues. The first factor was not evident in the case of the 1903 Lib-Lab pact, he argued, and so there was no fusion. By contrast, the Liberal Unionists had lost their distinctive identity by 1912, when they united with the Conservatives to oppose the third home rule bill. Similarly, the Liberal Nationals had joined the Conservatives in opposing the Attlee government's 'socialism' when the two parties fused at constituency level in 1947.

Applying these principles, the merger between the Liberals and SDP was bound to be very difficult, Professor Dutton argued. He highlighted the contrasts with both the fusions between the Conservatives and the Liberal Unionists and the Conservatives and the Liberal Nationals. The Liberal-SDP merger happened much more quickly. Neither party was in the ascendancy. Many more Liberal than SDP MPs were returned in 1987 but the SDP had in David Owen a substantial political figure. Further, that party's finances and membership were still quite healthy. Within both parties, he added, there were significant bodies of opinion opposed to merger, as shown by establishment of a splinter Liberal Party and Dr Owen's 'continuing' SDP.

Professor Dutton also contended that there was also a bigger range of political views between the two parties than in the other cases he discussed. The Liberals and SDP were not united over defence, a major political issue of the time. Before the 1987 general election, they were not able to reconcile their political outlooks or strategies because the SDP's own leadership had not reached a consensus about the party's central

purpose. Roy Jenkins was really a natural Liberal, a Keynesian in his approach to economic management; he saw the SDP essentially as a transit camp, a way of attracting people to encourage people to leave Labour and join a new, liberal political force.

In contrast, David Owen had a long history of antagonism to the Liberal Party and sought to remain as independent from it as possible. He perceived social democracy as a very different political tradition. Whether in his 'socialist' phase, in 1981, or in his later, 'social market' phase, Dr Owen held different political views to those of Jenkins and his followers.

Professor Dutton was correct in arguing that there were many important differences between the Liberal-SDP merger and previous attempts to blend two parties under one roof. The absence of a dominant partner and the fact that both parties still had a strong identity goes some of the way to explaining why the merger proved difficult. However, political reality intervened. As Alan Beith, a veteran of the Alliance and the merger process pointed out from the audience, the two parties would have been engaged in a process of mutually agreed destruction had they tried to live apart, whatever the arrangements.

Professor Dutton may have exaggerated the political differences between the Liberals and Social Democrats. Lord Goodhart reminded the meeting that the former were never a unilateralist party, whatever impressions may have sometimes been given to the outside world. The divergences that developed on defence in the 1980s between them and the SDP mattered much less once the new party was formed. He could recall very few policy debates in the Liberal Democrats that could easily be identified as a face-off between Liberals and Social Democrats. Of those, only one, over civil nuclear power, was contentious and there, as

in other areas, the Liberal view has prevailed. On most key political issues, such as Europe, civil liberties and human rights, there has been strong agreement between former members of the old parties.

Lord Goodhart saw any political differences as being about style and attitude, with the Liberals the 'idealists' and the Social Democrats the 'pragmatists'. Even this may have been too stark a contrast for some of those present. Lord Clement-Jones commented that in the years after merger it became almost impossible to tell who had been a Liberal and who had been a Social Democrat.

To this author, who became involved with the Liberal Democrats five years after merger, these observations came as no surprise. At a previous History Group meeting, Shirley Williams explained the philosophical underpinnings of the SDP and showed how much they had in common with those of the Liberal Party.³ The SDP was powerfully influenced by Tawney's writings on equality and education, as well as the philosophy of John Stuart Mill. The Liberal Party was strongly shaped by the New Liberalism, its main influences the writings of Hobhouse and Hobson, who made the case for an enlightened society in which the pursuit of social justice is an end in itself. The SDP's strategic confusion may have hastened the march to merger. Once the 'Owenites' departed, it became easier for the 'Jenkinsites' to reach agreement with the Liberals about the shape of the new party.

The two parties had a common cause in the pursuit of social justice and equal opportunities, combined with the defence of civil liberties to provide the greatest possible personal freedom. This far outweighed any differences over the shape of the Liberal Democrats' constitution, let alone individual policies. As a result, the merger has worked

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and the shambolic process by which it came about has seemed less important with the passage of time.

Neil Stockley is director of a public affairs company and a frequent contributor to the Journal of Liberal History.

- 1 Chris Cook, *A Short History of the Liberal Party 1900–1992* (Macmillan, 1993).
- 2 As was pointed out from the audience, although it was often

believed that any Liberal member could ‘walk in and vote’ at the Liberal Assembly, in fact this was never true; just like the SDP (and the Liberal Democrat) the Liberal Party possessed a representative formula, allocating delegate places per constituency relating to membership – although the entitlement was more generous than in the SDP.

- 3 Ian Hunter, ‘Old Liberals, New Liberals and Social Democrats: the Liberal Democrats’ political heritage,’ in *Journal of Liberal History* 37 (winter 2002–03), pp. 26–27.

As a radical Liberal, he was endorsed enthusiastically by the Dunfermline Press; his opponent, John Ramsay, a Whiggish Liberal, was endorsed equally enthusiastically by the Stirling Advertiser. Seven months later, at the November 1868 general election and on an extended franchise, Sir Henry defeated John Ramsay by over 500 votes and remained MP for Stirling Burghs for the rest of his life.

The talk was supported by an excellent handout including a biographical chronology, details of Sir Henry’s constituency election results, summarised Scottish and UK general election results from 1868 to 1906, a selection of quotations (on all of which Dr Cameron commented) and a bibliography ranging from T.P. O’Connor’s 1908 memoir to Dr Cameron’s own 2007 article. (Dr Cameron’s critical comments on the 2006 biography of Sir Henry by Roy Hattersley (*Campbell-Bannerman*, Haus Publishing) were much appreciated.)

Other topics discussed included Sir Henry’s emergence from a Tory background (described as suspicious by the *Stirling Advertiser* in March 1868); his (perhaps deliberately cultivated) image of self-effacement; Irish and Scottish home rule and ‘home rule all round’ (or federalism); the disestablishment of the Church of Scotland; the South African War of 1899–1902; imperialism; free trade versus tariff reform; extension of the franchise (including votes for women); land reform; and restricting the powers of the House of Lords. Also discussed was what would or would not have happened if Sir Henry had lived longer with reference to the careers of Asquith, Lloyd George and Churchill, the Irish dimension, the First World War, interaction with Bonar Law (Conservative Leader from 1911 and, like Sir Henry, a former pupil of the High School of Glasgow),

Rt. Hon. Sir Henry Campbell-Bannerman

Centenary Commemorations in Scotland

Report by Dr Alexander S. Waugh

SIR HENRY was born (as Henry Campbell) in Kelvinside, Glasgow on 7 September 1836. After education at the High School of Glasgow, the University of Glasgow and Trinity College, Cambridge, he married (Sarah) Charlotte Bruce on 13 September 1860. He was Liberal MP for Stirling Burghs (Stirling, Dunfermline, Culross, Inverkeithing and [South] Queensferry) from 20 November 1868 and, after junior ministerial office in 1871–74 and 1880–84, Chief Secretary for Ireland in 1884–85, Secretary of State for War in 1886 and 1892–95, Liberal Leader in the Commons from 6 February 1899 and Prime Minister from 5 December 1905. He resigned as Prime Minister on 3 April 1908 and died in 10 Downing Street on 22 April. After a Memorial Service in Westminster Abbey on 27 April, he was buried alongside Lady Campbell-Bannerman (died 30 August 1906) beside Meikle Parish Church (Perthshire) on 28 April.

Belmont Castle, half a mile from Meikle, was the Campbell-Bannermans’ Scottish home from 1887. The

church window above their grave is near the pew in the east gallery where they regularly worshipped when at Belmont. There is a plaque commemorating Sir Henry inside the church near the east gallery.

Campbell-Bannerman evening, 22 April

The Meikle and District History Society held a Campbell-Bannerman evening in the Kinloch Memorial Hall, Meikle on Tuesday, 22 April 2008. With some eighty people in attendance, the speaker was Dr Ewen A. Cameron, Senior Lecturer in Scottish History at Edinburgh University and a contributor to the *Journal of Liberal History*. His talk followed much the same approach as in his article about Sir Henry in the *Journal* (issue 54, spring 2007). However, Dr Cameron also referred to a number of other aspects of Sir Henry’s career during the talk and in discussion. There was, for example, reference to Sir Henry’s unsuccessful candidature at the Stirling Burghs by-election in April 1868.

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