



Politics in 21st Century Wales





cardiff bay papers

VOLUME ONE N°2

Published in Wales by the
Institute of Welsh Affairs

The Institute of Welsh Affairs exists to promote quality research and informed debate affecting the cultural, social, political and economic well-being of Wales. IWA is an independent organisation owing no allegiance to any political or economic interest group. Our only interest is in seeing Wales flourish as a country in which to work and live. We are funded by a range of organisations and individuals. For more information about the Institute, its publications, and how to join, either as an individual or corporate supporter, contact:

IWA – Institute of Welsh Affairs
1 Radnor Court
256 Cowbridge Road East
Cardiff CF5 1GZ

Telephone 029 2066 6606
Facsimile 029 2022 1482
E-mail wales@iwa.org.uk
www.iwa.org.uk

First Impression November 2008
ISBN 978 1 904773 39 9

© Institute of Welsh Affairs

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means without the prior permission of the publishers.



Wales Governance Centre

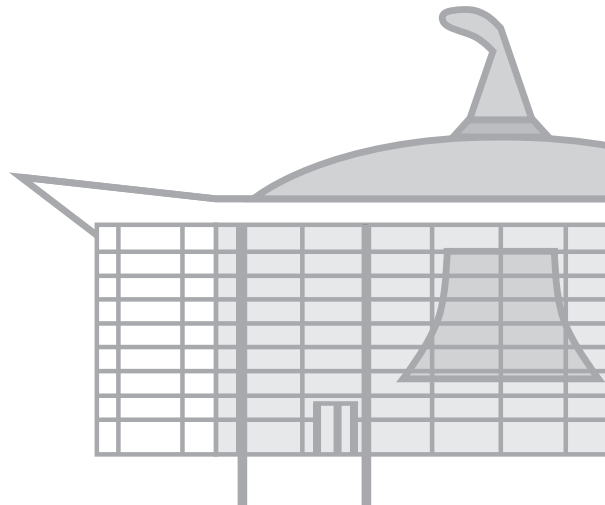
The Wales Governance Centre, created in 1999, aims to be a primary national and international reference point concerning the political and legal implications of the creation and growth in the activities of the National Assembly for Wales and the Welsh Assembly Government and the development of other equivalent institutions and relationships within the UK and internationally. The WGC has a dual focus: as a centre for the study of the governance of Wales and as a centre on governance based in Wales. The Centre brings together academics from across Cardiff University, in particular the School of European Studies, the Law School and the Business School. In addition, the Centre has developed links with academics from both within and outside Cardiff University working in a wide range of social science disciplines.

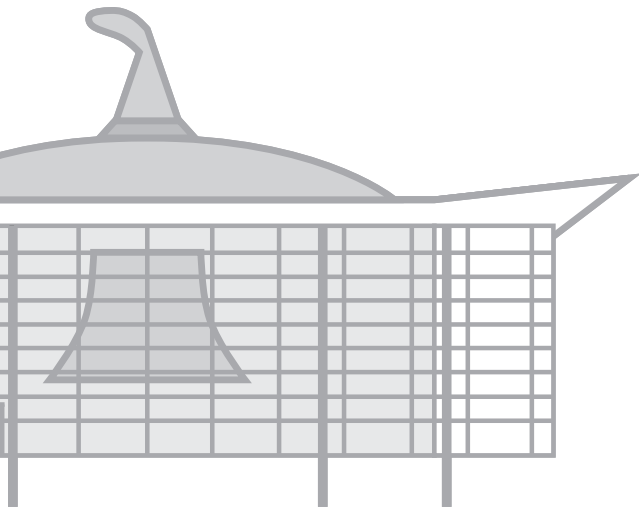
Wales Governance Centre
Cardiff University
65-68 Park Place
Cardiff CF10 3AS

E. walesgovernancecentre@cardiff.ac.uk
T. 029 2087 4885
www.cf.ac.uk/euros/research/researchcentres/welshgovernance

CONTENTS

INTRODUCTION Anthony Barnett	1
CHAPTER 1 Welsh Labour's Future Rhodri Morgan	7
CHAPTER 2 The Welsh Conservative Challenge Nick Bourne	27
CHAPTER 3 Prospects for the Welsh Liberal Democrats Kirsty Williams	43
CHAPTER 4 Reinventing Radical Wales Adam Price	66
NOTES ON CONTRIBUTORS	85





Published with the support of:

The McDougall Trust

and

Electoral
 Reform
 Society
Wales

Introduction

Anthony Barnett

It goes without saying that a book reflecting on the future of the country, written by four of the participants in the furious whirlwind of the coalition negotiations of 2007, will provide essential food for thought about what will happen next in Wales. If not for the coming century then certainly for the next generation. Nor does this collection disappoint.

Wales matters. There are times when I suspect that I am the only London-based writer with an interest in politics but no personal allegiance or affiliation to Wales, who thinks this. The respect shown towards Wales in the Magna Carta is greater than it currently enjoys from the London media.¹ Indeed, the claim that anyone who isn't Welsh believes the country matters may seem so unlikely as to demand proof, which I can provide. As I recounted in my memoir on the much missed Reinhard Hesse, whom I met when he was a speechwriter to the then Chancellor Schröder, much of our first conversation in Munich was about how Tony Blair's policy towards Wales showed that he was not turning out to be the modern democrat the German SPD believed him to be.²

Of course, Wales matters to the Welsh. But I mean something more than this. It has a wider British and European significance; and the blind indifference that the English especially have towards it is wilful as well as wrong. So please forgive me, if you are Welsh as I assume you are, for discussing your country as an outsider with little detailed knowledge, at the start of what is a concrete and detailed set of chapters.

When it comes to Northern Ireland, the metropolitan English feel that the Unionists are astoundingly foreign and sometimes more Irish even than the Irish. We have now signed an agreement with the Republic that if a majority of the province vote to join the South then they have the right to do so. The United Kingdom of Great Britain and Northern Ireland foresees the possibility of losing the ampersand with equanimity and no significant loss of identity.

When it comes to Scotland, there is currently a growing realisation that it may hold a referendum and might even vote for independence. But somehow this is often seen as,

1) See Paras. 56 – 58 with their respect for Welsh laws. (Para 56: "If we have disseized or dispossessed Welshmen of their lands or liberties or other things without legal judgment of their peers, in England or in Wales – they shall straightway be restored to them. And if a dispute shall arise concerning this, then action shall be taken upon it in the March through judgment of their peers – concerning English holdings according to the law of England, concerning Welsh holdings according to the law of Wales, concerning holdings in the March according to the law of the March. The Welsh shall do likewise with regard to us and our subjects.)

2) <http://www.opendemocracy.net/node/2158>.

well, Edinburgh doing a Dublin. The presumption being that Britain will nonetheless remain, even if significantly diminished. It is not felt (and feelings matter in this area) as if England, too, will thereby become independent; rather, we will become a smaller Britain.

Below the waterline of this assumption is another one: that Wales will not want to follow Scotland. Northern Ireland has already been bracketed off. Scotland was always another country. But if the Welsh were to cast off as well... Perhaps because Wales is regarded as the least distinct despite its separate language, its presence is assumed. For the English it has a repressed significance essential to the mix – without it there can not be ‘Britain’. Therefore, if you are a Brit who does not want to think about the end of Britain, you don’t think about Wales.

But, as I feel it is essential for the English to wonder about the future of England, I see what Wales does as especially telling. It is the fulcrum as well as the historic starting point of the union. When its leading Westminster MP is a commanding presence like Aneurin Bevan, then the Union is safe. When it is James Callaghan, described by Marcia Williams as “a bent copper” as he claimed the premiership, then it is ominous for the United Kingdom.

As you can see, my interest in Wales is strong but distant and not based on a close following of its affairs – like a modest buttress I support it from outside.

That said, I move immediately to the chapter by the First Minister on how he sees the Union. Rhodri Morgan’s essay has the feel of a valedictory. He has guided Labour into the coalition status that is the most it deserves. He distances himself with wit and diplomacy from New Labour but also from the monolithic tap-root of Welsh Old Labour, calling for PR in local government. This places him in the small constellation that includes Donald Dewar, Scotland’s founding First Minister who also was loyal to Labour but fashioned his own course. Morgan would like to be seen as the founder of the nation’s devolved autonomy. But he knows that he just might come to be seen as the grandfather of its greater independence and would not, one suspects, be too unhappy with that.

I read with great interest and ultimately with disappointment Morgan’s passages on Wales and Britishness. He argues strongly against Labour in Wales embracing the two main forms of ‘Britishness’ advocated by its leader Gordon Brown: Britishness as a “values system” and Britishness embedded in a centralised electronic ID system. Indeed, as he points out in a witty and stringent passage, both undermine traditional Britishness.

Instead, Morgan suggests that the Welsh should advocate Britishness entirely for pragmatic and practical reasons: as a defence against pandemics and a handy benefit for shared services: “Devolution – as opposed to unionism, federalism or nationalism – offers the people of Wales the best of both worlds.”

Apparently, the only reason the Welsh should want to be British, then, is because it is 'good for Wales'. But this is a purely nationalist argument. Worse, it is a base and philistine approach that lowers shared aspirations and reduces the way Wales sees itself to one of pure self-advantage. Such talk is familiar. It is the way Westminster politicians speak about Europe. Share its values? You must be joking. We are there for our own practical benefit, to fight for our national interests and gain.

There may be an argument for federalism on these lines, as a form of separate mutual benefit. But devolution *is* a form of unionism. It is sleight of hand to try and distinguish it *from* unionism, as the First Minister does in the sentence just quoted. To want to be ruled by Westminster in global and security affairs and to be represented by it at Brussels surely must mean advocating a common or larger identity of interests and a common, shared advantage. Instead, by emphasising 'Welsh values' Morgan abandons any positive advocacy of Britishness at all and it becomes merely the residual allegiance of Welsh self-advantage.

However, the country's very first First Minister is bound to be transitional and Rhodri Morgan seems broadly at ease with what he has achieved. He is critical of the state of his Welsh Labour Party, identifies its failure to be equally active throughout the country and points to more pluralism and coalition as essential to its renewal and success in the referendum that he hopes will give the Assembly the status of a parliament.

I was fascinated by Nick Bourne's chapter. In an important new book, David Marquand (himself a Welshman by birth) suggests that the Cameron Conservatives are a return to the long tradition of Whig Imperialism and therefore a genuine shift away from the Tory Nationalist tradition of Margaret Thatcher.³ The Whig tradition is tolerant, inclusive, flexible and strives for one-nation consent rather than polarising populism. I was struck by the emphasis Bourne places on Cameron's personal involvement with the negotiations for a Rainbow Coalition and the All-Wales Accord, and the new British leader's approval of his party entering into coalition with everyone except Labour.

This puts Bourne in an opposite relationship to his London leadership than Morgan, who clearly feels that his credibility demands scathing asides rather than public confirmation that he is keeping it 'in the loop'. It suggests an early confirmation of the break from social Thatcherism and the repositioning of the Conservatives as supporters of devolution, that has taken place under Cameron's new leadership. The Tories are on a roll at the moment and (unlike Scotland) Wales, at least to a degree, rolls with them.

However, Bourne understands the shallowness of his party's support. His response is to build afresh: "I believe that acknowledging the need for continual change and evolution is essential if our democratic institutions are to remain responsive and relevant to people's lives." Spoken like a true Conservative! And when he concludes that

3) David Marquand, *Britain Since 1918: The strange career of British democracy*, Weidenfeld & Nicolson, 2008.

“Devolution is a positive process, both for our nation and for the Welsh Conservative Party”, you can see that he means it.

Rhodri Morgan is aware that both his period of leadership in Wales and devolution itself have benefited from a long economic boom. The consequences of the crash of 2008 could well be very far-reaching. If its economic impact is as negative as some fear, what will the political impact be? Voters might well react against the Labour government for its uncritical embrace of globalisation, yet also seeks the comfort of belonging to a bigger brother in London as unemployment grows and public expenditure tightens. This is not the happy prospect that Nick Bourne is looking for. But his optimism that Conservatives will have a growing influence in Wales may well prove to be justified in the darker economic times that are to come.

Bourne’s chapter is followed by Kirsty Williams, the Liberal Democrat AM. But first I will discuss the final essay by Adam Price a star MP at Westminster for Plaid Cymru, whose essay fizzles with ideas and addresses some of the key strategic issues about the future of politics in Wales. And I have to admit that he warms himself to me by opening with an apt quotation from Roberto Unger, who ought to be far better known.⁴ Unger’s approach opens up politics and fits well with the direction Price wants Plaid to take.

The most interesting section of his essay is when he justifies the coalition with Labour by pointing to what they have in common – the shared social democratic attitudes of many of their members and supporters – which leaves him puzzling about what exactly it is in Labour he so strongly opposes. Here again, perhaps, Marquand’s typology comes to our aid: Labour in Wales is from the ‘democratic collectivist’ tradition, statist and top down for all its egalitarianism; whilst Plaid is, at least ideally, affiliated to the tradition Marquand calls ‘democratic republican’. The difference being that the latter grounds its democracy in the self-activity of citizens rather than organised consent. Thus Price praises Labour for its efforts to end, or at least ameliorate, extremes of inequality and impoverishment, but stresses that the larger aim of helping people out of poverty should be to empower them to find their independence – a politics of humanism not economism; of a deepening of democracy and an empowerment of the individual lacking in Labour.

There is a profound need to connect politics to popular opinion. All the essays touch on this but only Price puts a figure on it: total membership of all parties in Wales is less than 30,000. Price is forthright about the weaknesses of his party which lacks what he sees as the two “essentials” for health: “mass membership and a cadre class of intellectuals”. I’m not convinced that this traditional model with its Fordist division between leaders and led holds any longer. A contemporary democratic party needs a *network* model for its organisation. Nonetheless, there is a serious search for a politics for modern Wales in Price’s chapter. The fact that he quotes foreigners may be held against him as a sign of

4) His Harvard website is <http://www.law.harvard.edu/faculty/unger/>. Although the effect is slightly spoilt by Price then quoting Philip K Dick saying “Before new things can happen the old must perish” which aside from being manifestly untrue runs counter to Unger’s welcome experimentalism.

his flakiness, but it is in fact evidence of a genuine urge for a strategy that will interest young people of ability and develop a Welsh future that is not parochial.

I wish the same could be said for Kirsty Williams. She opens with the *Little Prince* rather than Roberto Unger. In terms of their formal political positions, I am close to Liberal Democrat politics, especially Nick Clegg's call for a reinvention of British politics. Why then do the party's official advocates so often disappoint?

Williams' account of what has happened over the past year and how she wants to see the Lib Dems proceed is a muddle of personal statements and rhetorical clichés. "I came into politics to change things", she tells us, and yes it is a cliché; and worse, in this context it is uninteresting. "The inalienable stakes we have in each other must become a tool to drive forward our individual, community and national potential", she explains, only what does it mean apart from sounding worse than dentistry without an anaesthetic? There is tough talk about "deal breakers" and unpleasant references to opponents. "I want some people to be quaking in their boots at the prospect of Welsh Liberal Democrats in government". Those "some" people presumably know who they are!

What is the way forward for the Liberal Democratic party? If Price is mistaken to look for a traditional model, at least he was drawing on a theory of progressive change. For Kirsty Williams, "Successful parties are made up of successful people... These are the alpha people... Strong leaders are crucial as the party gets bigger". Imagine if such phrases had been uttered by a Tory such as Mrs Thatcher. The fact that such appeals to power through strength are written by a Liberal does not make them well meaning, even if she herself means well. She explains that, "...we will need to enthuse people. But passion is irresistible." Sincerity and authenticity are important qualities of contemporary democracy. But surely not "irresistible"! This is liberalism laced with authoritarianism.

Williams reflects a larger problem of her party, that its language lacks the democratic spirit. There are exceptional individuals who do not – such as Shirley Williams. But talk of alpha people and strong leaders is worse than statist. Tom Griffin, the Managing Editor of OurKingdom, the openDemocracy blog about Britain, has suggested that the failure of democratic republicanism in England may have forced the democratic movements outside it to embrace a nationalist form. Indeed, you can see how this is true of Adam Price's politics: there is no home for his commitment to democracy in the London HQ'd British parties. Why this should apply to so many Liberal Democrats with their commitment to federalism is a mystery.

I don't know any of the four authors personally and I am not judging them, just reading their four essays at this point in time. One of the mistakes that can occur with distance is looking too closely at what is written without understanding what is really being said.

Allowing for this, then, there are three general things about the book as a whole: its rhetoric, its technological culture and its attitude to England/Britain or London.

In their successful efforts to crush the influence of Neil Kinnock who would have committed Labour to more proportional voting if he could have, the London political class came up with the damaging stereotype of the “Welsh windbag”. (It also denigrates the “chattering class” as if this was not its own highest forte.) I read a lot of official speeches by British politicians as part of my work editing *Our Kingdom*. I doubt if the Westminster leaders are capable of producing a cross-party book of essays as reasoned, careful and thoughtful as this.

It strikes me that the welcome quality of genuine engagement is due to the negotiations of May 2007. These were a real event, taking place within the terrain of Welsh politics with high stakes and consequences now being lived out. The verdict of the voters obliged the parties to act independently, in a way that affected the whole of UK politics. In their different styles, the reader can feel the freshness and importance of this engagement in the contributions by Morgan, Bourne and Price. With Williams unfortunately there is a touch of windbagery. But one can see from the other authors that this is not a characteristic of being Welsh.

Second, there is a discernable longing in all four essays for a return to the traditional political party, or perhaps that their party should regain those strengths, leaving the others to flounder. This seems to me surprisingly out of date. The potential of the internet for small parties and a new democracy is considerable. I’m not talking about the presentation of people and ideas in blogs and web pages and social network sites, but in the role of networking in party organisation, that a younger generation will be familiar with. There is a feel about the book which suggests that the authors are writing about the end of the 20th Century, rather than our current one. Price has some good ideas for new forms of politics, though they could be even more inventive, yet the internet plays little part in them. I sense a conservatism in all the authors when it comes to open organising.

Finally, there is the matter of Britain. The authors seem to have accepted that their actions concern Wales not elsewhere. But Wales is changing Britain and the Welsh therefore need to discuss their claims and contests in the larger framework to which they still belong. The First Minister has done so in terms of his ‘red’ differences with his own party, but Wales now has the standing to say how it wants Westminster to work, and whether it wants to coordinate with Scotland and Northern Ireland with respect to London and, as important, Brussels. This is the wider significance of the days of May 2007 and so far, it seems, all four of these outstanding figures of their respective parties are reluctant to say so. Politics in Wales is now becoming the politics *of Wales in Britain* and in Europe, as a new potential for cross-continental alliances opens up.

Chapter 1

Welsh Labour's Future

Rhodri Morgan

In this chapter, I set out to reflect upon the outcome of the 2007 Assembly elections and to draw some conclusions about what they might mean for the future of Welsh Labour. However, because this is a chapter concerned not simply with the Labour Party, but with the future of devolution itself, I also aim to put these debates within the wider context of current constitutional preoccupations, including some brief consideration of developments in Scotland, the Prime Minister's views on 'Britishness', and future funding arrangements within a devolved UK.

Since 1997 most intellectual and political energy in relation to devolution has been devoted to discussion and navigation of the relationship between the National Assembly and the UK government at Westminster. The 2006 Government of Wales Act, and the Convention established by the *One Wales* agreement represent the most recent developments at this level. Because this part of the constitutional terrain has been so well discussed, this chapter turns instead to a different dimension where, for the Labour Party in Wales, electoral and constitutional considerations come together very directly. While the discussion here does not deal specifically with the outcomes of the May 2008 local government elections, the relationship between regional government, in the shape of the Assembly, and local government in Wales is one which merits new attention and some fresh thinking. The chapter therefore ends with some thoughts about how Labour policy might develop in this vitally important area.

The lead up to May 2007

As in war, political campaigns are judged by their outcome at the end, not their mood music at the time. In 2003 the received wisdom became that Labour in Wales had fought a sophisticated, well-organised and effective campaign which led to an increase in seats, a recovery of ground and an ability to form a single party administration. In 2007, when Labour lost ground, the conventional wisdom turned the 2003 conclusion on its head and trained a critical spot-light on the campaign itself, and the nature of the 'offer' which Labour made to the Welsh electorate.

Neither of these explanations actually provides anything like a full understanding of the dynamics at play on either occasion. In 2003, Labour held the ground 'New Labour' had

gained in 1997 and 1999, retaining seats in non-traditional territory of Cardiff North, Preseli, the Vale of Glamorgan and Clwyd West, while taking back heartland ‘Old Labour’ seats which had moved away from us to Plaid Cymru in 1999, including Llanelli, the Rhondda and Islwyn. A secure economy, and particularly low mortgage rates played loudest on the doorstep in more affluent areas while, in Labour heartlands, the apparent success of British troops in Iraq – the so-called ‘Baghdad bounce’ – was also a positive factor, outweighing any anti-war doubts.

As leader of the Wales Labour Party, I had attempted to follow a twin-track political strategy since becoming First Minister in February 2000. First, my ambition was to demonstrate to Welsh voters that the Assembly could be utilised to form a Government for Wales which was competent, scandal free, transparent and capable of addressing Welsh problems. The formation of an administration with a stable majority supporting it was critical to this. Increasingly detailed negotiations bore fruit in October 2000 when the Liberal Democrats formed a coalition government with us. It is easy to forget, now, the hostility which this arrangement provoked in parts of the Welsh Labour Party, particularly as some of the most hostile voices have transformed themselves into the strongest advocates of such an arrangement in the post May 2007 circumstances! My own assessment is that the 2000–2003 administration worked well, because it was underpinned by a clear policy document – the ‘partnership agreement’ – and because relationships between the two parties with 28 Labour AMs and six Lib Dem AMs provided a healthy degree of constructive, internal challenge. The former of these points was to prove especially important in approaching discussions with other parties in the aftermath of the 2007 elections, because it confirmed that the success of such arrangements depend first and foremost, on a programme for government, not a preoccupation with personalities and the ups and downs of party political fortunes which, naturally enough, loom large in media reporting of negotiations.

Earning a reputation for competence and for Welsh self-confidence that we could actually run things was all-important. It was also important to develop, in Labour’s political strategy during that first Assembly term, ways of emphasising the distinctiveness of Welsh Labour’s approach to policy-formation. The charges which political opponents found it easiest to make stick against Labour in 1999 and 2000 remained that we were somehow ‘London-dominated’, and the constant object of obsessive ‘control freakery’ from Westminster in general, and Downing Street, in particular. For the record, I ought to record that Tony Blair’s attitude to Wales was different from the control freakery urban myth about that phase of New Labour. Although it was not always the custom among his Whitehall colleagues, the Prime Minister took the view that devolution meant that Wales was now responsible for its own domestic affairs, and that it was not for him to take a view, either for or against, any particular policy direction which the Assembly Government might choose to take. Where the interests of the Assembly Government and

those of Westminster overlapped he was, by contrast, very directly and positively engaged in securing outcomes which Wales wanted – from the Objective One negotiations in 2000 and 2007, to the passage of the Government of Wales Act 2006. This was a case, nonetheless, where public perception and reality were far apart. Politically, I judged it to be important to establish, as clearly as possible, the fact that devolved administration would mean that policies would be shaped by the political centre of gravity of Wales and Welsh society. This meant doing things in a way which chimed in best with the political preferences and value judgments of Welsh voters, rather than Whitehall mandarins or ministers, or English voters for that matter. The ingredients of this approach are well known – a preference for cooperation over competition, a pragmatic, rather than ideological, approach to markets and private finance and so on. Welsh society has pro rata, a significantly smaller middle class and no significant wealth-owning class and pro rata a larger working class, pensioner class and welfare dependent class. Together, I believe, they did amount to a distinctive Welsh approach, taking a lead from Welsh society, and I did my best to communicate this in language which could be readily understood.

Ironically, however, while the post October 2000 Assembly Government succeeded, I believe, in demonstrating that devolved administration could be made to work in Wales, both competently, transparently and with a raft of Welsh adapted policies giving it a character of its own, the 2003 election results turned, to a considerable extent, on factors outside the control of the Assembly Government at all. Despite all the noises-off about it, the health service almost never featured on the door-step. Labour's pledges to abolish prescription charges and to introduce free breakfasts in primary schools proved popular and communicated something strongly symbolic about the Welsh character of Welsh Labour. Nevertheless, the issues which mattered most to voters were mainly foreign and fiscal rather than domestic and Welsh.

May 2007: what did it mean?

In 2007 Labour entered May's election with 29 seats, following the late Peter Law's defection and, in north west Wales, a set of boundary changes which made any direct comparison with 2003 impossible. Reading the results has produced little by way of shared analysis or conclusion. For the most part, Labour retained a hold on heartland seats in south east and north east Wales, taking back Wrexham into the Labour fold. To an extent which would have seemed highly unlikely in other difficult elections, Labour also succeeded in retaining bell-wether seats in the Vales of Glamorgan and Clwyd, seats which Labour did not win even in the Labour landslide of 1966. The Tories were the major beneficiary of first-past-the-post seat gains, off-set, in our system, by corresponding losses of list seats. One of the most striking responses on the door-step was the extent to which, after eight years of devolution, the Assembly had become established as part of the normal, natural landscape of government in Wales. The hostility

towards the existence of the devolved institution itself of 1999 and the scepticism of 2003 had very largely disappeared. When turn-out rose, the Labour vote, numerically, stood up remarkably well, but the extra voters represented by the rise in turn-out from 39 to 44 per cent turned out to be Conservatives returning to take part in an election from which, hitherto, many had withheld participation in 1999 and 2003 for reasons of disapproval of the institution.

Plaid Cymru's position, by contrast, was one of much more modest advance, but one magnified by the contrast which this marked from eight years of precipitate decline. In four successive elections, and at all levels – a General Election in 2001, an Assembly election in 2003, local authority elections in 2004 and a second General Election in 2005 – Plaid Cymru had lost ground and seats by comparison with their high tide in 1999. Even the partial recovery of 2007 stood out against this bleak landscape as a beacon, boosted by at least two new factors. Firstly, this was the first election at which Labour was easily out-spent by Plaid. The impact of their much improved financial position was to be found in the quality of election literature, the visibility of new, shiny election signage in key constituencies and in the availability of staff. Money does matter in fighting a political campaign, and in 2007 Plaid Cymru were quids in and Labour looked at least superficially amateurish by comparison, as also happened in Scotland. Secondly, Plaid may well have benefited, to some extent, from the UK media slaverling over the anticipation of success for the nationalist party in Scotland. Given that so many Welsh voters obtain their election impressions and information only from non-Welsh media sources, the extent to which such outlets focused on the SNP challenge may mean that, indirectly the rise in the SNP's fortunes dragged up Plaid Cymru's attractiveness to voters and in making a nationalist vote seem more worth considering. A further possible twist in the electoral story is that it is possible to divine from the figures an analysis that in Wales, as in Scotland, Labour were punished not for being too Welsh but for not being Welsh enough. Plaid was the beneficiary.

Other than this and the general sense of a Conservative revival, the most striking pattern to emerge in the 2007 election was the decline of Labour's fortunes in west Wales, both north and south. While this is a worrying development which Labour has to take very seriously, it is important not to fall into a deterministic sense of pessimism about our prospects and chances in the west of Wales. There is nothing necessary or inevitable about Labour's retreat eastwards. The 1980s were full of learned, earnestly argued articles which 'proved' that Labour could never win an election again because the Labour vote had retreated to its coal-mining heartlands, which themselves were soon to disappear from the economic landscape. Yet, 15 years later, 1997 and 2001 represented a high-water mark in Labour's fortunes in Wales – as good, or better, than anything achieved in the Party's periods of dominance during the 20th century and it was the Tories who completely disappeared from view.

The reason why I think it is absolutely essential that we turn our minds again, as a party, to winning in the west (as I am convinced we can) is the simple recognition that, as far as the Assembly is concerned at least, *without winning in the west, Labour cannot win Wales*. The geographical restrictions of otherwise important initiatives such as *Valleys First* runs the risk of industrial Wales being portrayed as having objectives which are inimical to the rest of Wales. If we were to accept that geographical restriction, then not only do we undermine our credibility in those other areas but, the Valleys cannot come first under that scenario either. In a nation where north versus south, east versus west and Valleys versus coast centrifugal forces predominate, it is all too easy to define what you favour only by defining what you are against. Let us take the example of the call for a new Welsh Language Act. In the run up to May 2007, the other three parties supported it. Labour did not. In practical terms this may have been right. However, it is possible that this allowed the impression to gain currency that Labour was hostile to the Welsh language itself, rather than to new legislation. The Tory party used to be the party that was regarded as hostile to the Welsh language. They have decided to reposition themselves as more pro-Welsh language than Labour. Could Labour have made more effort to re-position itself in that particular political market place? Instead of doing so we stuck to the practical issues of what could be delivered. What would business live with, and so on? You can either set out to ‘capture’ an issue, or you can sit back and find others doing the capturing. Rather than being seen as concentrating on what could be delivered in practical terms, Labour’s approach ran the risk of leaving the party in the camp of perceived unhelpfulness to the future of the language.

All this seems to me to be part of a fairly fundamental law of politics that parties ought to attempt to occupy principled political terrain, persuading and campaigning for the propositions which derive from their ideological make-up. There is a danger for Labour that we appear, too often, to have adopted the opposite stance in relation to issues which matter to voters in parts of west Wales. We simply cannot afford for ‘rural’ to be a term of abuse inside the Labour Party. Of course, our own policies and priorities will be different from other parties, but the policies which we adopt will need to convince people that the Labour Party understands the issues which face people in such areas, and how we have real plans to shape a better future for them. It seems to me that the many, many positive things we had to say – on the economy and Objective One, on improvements to transport links and so on – were too much in danger of being drowned out by mood music which the occasional individual in the party had created of being against things – against farmers, against the language, against those who lived outside the supposed workers’ paradise of industrial Wales. The political outcome of such a tide is clear. No matter how high we pile up our majorities in Islwyn, Torfaen, Merthyr and so on, if we cannot win in Carmarthenshire, Pembrokeshire or the north west, then Labour will be in a perpetual minority. A pre-requisite for a Labour majority is that the interests of the

less well-off people in the Valleys, of whom there are many, are seen as parallel to the interests of the less well-off people in the western half of Wales, of whom there are also many, even though they may constitute a smaller proportion of the population. Labour's agenda is helping the less well-off people of the whole of Wales, not just of one area of Wales.

What does this mean, in terms of policy and political approach? Far from implying that Welsh Labour has over-emphasised its distinctiveness, my conclusion is that we have to work even harder to counteract the charge that Labour stands for some diluted or half-hearted form of Welshness. Amongst young and politically interested voters, in particular, we cannot afford to allow the idea to take root that to be positive about Welshness means not voting Labour. The charge is of course false but it would be foolish to deny that, from time to time, strands in the Party have acted in ways which have given it credibility. All this seems to me to be even more important in a period where rooted local identities and distinctness have become more and more important. In the British context, successive censuses have shown the shift from 'British' to 'Welsh' – or 'Scottish' and more recently 'English' – self-identification. There is nothing parochial about this. In a globalising world and in a mid-Atlantic mesh of homogeneity, where people feel their lives are subject to forces far beyond their own control, the rooted and the local become more significant in hanging on to our identity. Class remains a basic and shaping factor in political affiliation, but its salience is in decline for very simple occupational reasons. The Tower Colliery closure early in 2008, for want of any coal left worth mining, is an indication of the disappearance of the old NUM-NUR-ISTC Triple Alliance image of what Labour in Wales actually means. 'Identity politics' may be less amenable to traditional party affiliation, but it is how, increasingly, people (and especially younger people) mediate their understanding of the political world.

The positive conclusion which I draw from this, and from the results of the May 2007 election, is that we need to move in ways which reinforce Labour's alignment with organisational arrangements and policy positions which reflect this positive sense of Welshness and local identity. Crucially, however, these elements have to be wedded to a political agenda which demonstrates, up-front, that Labour's commitment to Wales is one which sees our future as out-going, rather than inward-looking, and rooted in a radical tradition of egalitarianism. All this is especially important in parts of west and north west Wales, where 'traditional' working-class voters were never numerically dominant west of Llanelli, and are in even shorter supply now, and where the building of a progressive consensus or coalition is all the more essential for electoral success. We have to rebuild a sense of Labour as the natural home for voters who are socially-concerned, who believe in liberalism in social relations and who look to governments to be the vehicle for collective solutions to collective problems.

In that context, and to provide just one tangible example, the intention to develop a Rural Health Plan, as announced by Edwina Hart, ought to be one of the cornerstones of our political strategy for the west. There are heresy hunters in the Party, for whom the idea of such a Plan is inimical. They really have got it wrong. Of those issues which lay within the Assembly Government's own control, health was the single biggest issue which was made to count against some Labour candidates in May 2007 west of the River Clwyd and west of the River Loughor. There is no escaping change in the health service, but there is something in the contemporary zeitgeist which convinces voters that health service reform is symbolic of wider loss – decline of an area, fear of centralisation to distant centres, neglect by others, passing of a former way of life and so on – which then becomes combined with an erosion of trust between government and citizen. By itself the Rural Health Plan will not turn this tide, but we need to make it work for the Labour Party. At least it could start stemming the adverse tide and begin to convince people again that we have a positive programme for improvement, and one which recognises the need for distinctive services to meet the distinctive needs of rural Wales, not simply a technocratic set of arguments about 'safety' and 'sustainability'.

There is a deep-seated pattern in British politics, from which Wales is not at all immune, in which parties which hold power at Westminster lose ground at local level. In the post May 2007 aftermath, some parts of Labour party opinion suggested that the party's performance represented a well-nigh catastrophic plunge into the abyss – not so much a wake-up call as a death rattle. A somewhat longer view, which over forty years of activity in Welsh politics provides, suggests that this much over-states the position. Anyone who witnessed the decimation of local Labour councils in 1968 or 1976 and 1977, let alone the Parliamentary defeats of 1983, will know that there have been nadirs in the party's fortunes in the past followed by bounce-backs. In May 2007 Labour was stuck in the twilight of the Blair premiership, whimpering to a close in a quagmire of foreign policy frustrations and attended by regular visits from Superintendent Nipper of the Yard. Against that background, to have emerged as by far the largest Party at the Assembly with 26 seats and holding a clear majority of 24 out of the 40 constituency seats, and performing at the top end of pre-election predictions, was more remarkable for its resilience than its calamity. The challenge for Labour is to ensure that May 2007 represents the bottom point in our fortunes, the springboard from which to recapture lost ground.

At the same time it has to be recognised that the proportionality built into the Welsh electoral system makes majority Welsh governments the least likely result of elections. In that context, we need to learn to embrace political plurality and work with its grain. The *One Wales* government has, I believe, begun to do just that and may well mark a new departure – or beginning – in Welsh politics.

How, then, is an improvement in Labour's fortunes to be brought about? There have been those who have argued, in the post May period, that Welsh Labour's mistake has been to over-emphasise its distinctiveness and, in particular, to over-emphasise our differences with the 'new' Labour agenda. In this analysis, Welsh Labour stands condemned of having lost touch with an aspirational electorate, which has little interest in traditional socialist concerns for equality, the alleviation of poverty and community. This analysis seems to me to be both factually suspect and politically misguided. Factually, it fails to recognise Labour's success in holding on in the Vales of Clwyd and Glamorgan. Politically it appears to be based on an argument that the reason why the Labour Party did badly was because, inconveniently, we were too powerfully identified with, well, the Labour Party. Elaborated somewhat, this line of argument proposes that the things which matter to the Labour Party – the pursuit of a more equal society, the moral obligation to make the greatest effort where need is greatest, the priority we give to collective, collaborative ways of working, provision of excellent public services, the understanding that the welfare of any one of us affects the welfare of us all – no longer matter to anyone else and ought to be jettisoned. For those who believe that the problem of the Labour movement in Wales is that we are too much like a Labour movement, I would have to say that this was not the complaint which was made to me on the doorstep. There the fear was not that we were too much like ourselves, but that we had ceased to be the Labour Party which people recognised and believed spoke up for them.

After May

It is not the purpose of this chapter to rehearse in detail the many twists and turns which led to the formation of a majority government at the Assembly in the weeks after 3 May 2007. As leader of by far the largest Party, it was constitutionally entirely right and proper that Labour should seek the opportunity to form an administration and that other arrangements, not involving Labour, should only be brought forward if and when that effort had not succeeded.

I had spent the election period, and the months leading up to it, in warning that a latent combination of forces existed at the Assembly whose over-riding ambition would be to evict Labour from office. My political duty was to do all I could to prevent this from taking place, partly because of my responsibilities as Labour Leader, but primarily because of the fundamentally anti-democratic impulse which lay behind a purpose whose only unifying impulse was to exclude representation of the largest slice of Welsh opinion from government. The question of how long an anti-Labour 'rainbow' government might have lasted will now be one of the great 'what ifs' of Welsh political history. Some, on the Labour side, argued that it would have fallen into disarray within a few short months. Supporters of this theory argued that, at that point, a grateful nation

would turn again to Labour. This was a gamble I was not prepared to make. Difficult as it might be to imagine an unholy alliance of Plaid Cymru, the Conservatives and Lib Dems working together, Wales was littered, at local government level, with anti-Labour coalition councils which, against similar predictions of rapid disintegration in 2004, were still in business more than three years later. They may not have achieved very much but collapse they did not. Power is integrative and, with the backing of a civil service machine, it seemed highly likely, to me, that an anyone-but-Labour Assembly Government, kept busy in tweaking the tail of the Westminster lion, might well have endured for a considerable period. They would certainly have had a massive media honeymoon period for the simple reason that the media would find it wonderfully exotic to have a non-Labour coalition in power and Labour over on the opposition benches.

What followed was a difficult period for all concerned, not least the civil service where counter-demands to support the efforts of alternative non-Labour arrangements were undoubtedly felt. My own position was clear throughout: Labour remained in the driving seat until our efforts to form an administration had demonstrably failed. Only at that point would the resources of the official machine be legitimately switched into providing advice to a different political arrangement.

Against that background, on the Friday following the election, I authorised discussions to begin between intermediaries with the Liberal Democrat Party, as the most obvious potential partner in government. At different points over the following weeks suggestions were to surface, and resurface, in the Labour Party that insufficient energy and determination was expended in concluding an arrangement of this sort. That is entirely untrue. Rapid and substantial progress was made in outlining a policy programme which could have formed an agenda for government. The failure to bring all this to fruition lay, I believe, in a failure of political nerve in a party whose very *raison d'être* ought to have been to play a constructive part in responding to the outcome of a proportionally based electoral system. Undoubtedly there were conflicting voices. Some Lib Dems were too down in the mouth as a result of a third standstill election, that they simply lacked the necessary (and substantial) energy to embark on a period in office. Others were undoubtedly attracted to a 'rainbow' coalition in which, as the only participating party to have held office at the Assembly, Lib Dem cabinet members might have exercised a more influential position than in partnership with Labour. Whatever the reason, it became increasingly clear that a coalition between Lib Dems and Labour was not a practical proposition, because one of the two potential partners was simply unwilling to get on the dance floor and dance!

Two years of minority administration, between 2005 and 2007 also left me convinced that a government made up of only 26 Labour members could not offer a four year programme with any realistic prospect of success. A party which had moved from a

pre-election 26 to 29 seats at an election might command sufficient democratic authority to govern as a minority. In a way that is what, with even fewer seats, the SNP has proceeded to do in Scotland. A party moving from 29 to 26 seats has no such mandate. A good deal of self-deluding, and self-comforting talk suggested that Labour should simply have soldiered on as a minority administration. Knowing the close working relationships which had built up between Opposition party leaders during the previous two years I was completely convinced that this was not a realistic proposition. As the post-election smoke cleared, and after the Lib Dem rejection of coalition, only two choices presented themselves – a Labour-led government, in coalition with Plaid Cymru, or an administration made up of all the non-Labour Assembly parties.

Experience of 2000–2003 suggested that the basis for a coalition led by Labour had to be an agreed policy programme. If such an agreement were possible, then political arrangements could be discussed. This is by no means an inevitable sequence. In New Zealand, for example, with a very similar electoral system, political arrangements between parties are the first thing to be sorted out in a post-election period. The only way in which the Labour Party in Wales could be reconciled to a coalition involving Plaid Cymru would be if the strength of its programme for government was sufficient to allow sceptics to swallow their doubts and thence prefer the inevitable compromises of power to the purity of opposition. Given the speed with which it was drawn up, and the pressures under which it was produced, the *One Wales* document does provide a substantial and progressive agenda for a whole Assembly term. All major Parties are themselves broad church coalitions and *One Wales* reflects an alignment around the more progressive policy strands of both parties – hence its persuasiveness to many Labour Party members.

Once *One Wales* was drawn up a brief, if equally intensive, period followed of consultation within the Labour Party. It culminated in a special conference on 6 July 2007. It is still too early to have sufficient perspective on that event to be sure of a secure understanding of its significance. It is certainly arguable, however, that it represents a point at which the balance of influence within the party shifted. In the run-up to the conference the majority of Labour MPs, for so long the key arbiters in what was Wales Labour policy, were openly and fiercely hostile to the prospect of a coalition. At the same time, the overwhelming majority of Labour Assembly Members were in support of the *One Wales* deal. When the conference, in all parts of its electoral college, swung decisively behind the coalition arrangement it may be, as John Prescott might have said, that the noise of tectonic plates moving could be heard.

Britishness

In discussing the future of devolved government in Wales, no account of the current state of thinking in the Labour Party would be complete without an examination of the

debate about 'Britishness'. The Prime Minister has taken a particular lead in generating a discussion of what 'Britishness' might mean in the post-devolution era. It is, inevitably, a disputed piece of intellectual, as well as physical, territory, and one which is replete with political dangers, as well as opportunities. In Gordon Brown's formulation 'Britishness' represents a set of core values such as tolerance and fair play around which diversity can both be celebrated and cohere.

There are attractions in this formulation because it moves beyond disagreements between 'unionism' on the one hand, and 'nationalism' on the other. It positions the Labour Party where the ground is firmest – positively in favour of devolution within a wider interconnected whole – the concept of Britishness. There are, however, at least three significant downsides to this line of argument. In the first place, it runs the risk of running against the tide of public opinion and political sentiment. For nearly thirty years, opinion polls have told a consistent story: the different component part of Great Britain have demonstrated a strengthening support for local roots and local identity – be that Scottish, Welsh and more latterly, English – and an enduring, but weakening, sense of Britishness. It is a necessary act of political leadership to remind voters of the benefits which Britishness brings but, as argued more fully below, a positive emphasis on tangible advantages, rather than an appeal to uncertainly-held common 'values' may carry more weight.

The second reason why 'values' are problematic in this context is that there is no shared, or at least uncontroversial, understanding of what such 'values' might be. The British National Party lays claim, in its own title, to a version of Britishness which is straightforwardly abhorrent to mainstream political values. Yet the BNP is not the only political party in which 'British' is used as a short-hand for 'white' and for an amalgam of exclusionary, xenophobic intolerance of outsiders. Even a cursory acquaintance with the celebration of the end of slavery during 2007-08 provides an ample warning against a simple assumption that to be 'British' is to be synonymous with tolerance or progress. Anyone who lived through the extraordinary reaction to the death of Princess Diana, or witnessed the lachrymose displays of leading footballers, will pause at least, at the notion that to be 'British' involves an understated emotional temperature, and a reaction which treats defeat and victory 'both the same'. Britishness as a shorthand description of a homogeneous country is out of date.

There is a third reason why, it seems to me, Gordon Brown's appeal to 'tolerance and understanding', as particularly British values gives rise to political difficulty. One of the paradoxes of the Blair era was that a man so widely accused of governing by focus group, and of following rather than leading popular opinion, turned out to be a conviction politician determined to follow what he believed to be 'right', rather than what he regarded as expedient. Amongst the things which Tony Blair believed to be

'right', however, was a social agenda which, in some crucial dimensions, was founded on a considerable social conservatism on values. Jack Straw has recently put the case for the New Labour record on civil liberties. It is a substantial body of achievement with major advances in relation to the rights of gay people, the incorporation of the European Convention of Human Rights into UK law, and the extension of a range of new social rights for parents in employment. Yet, while actions may have been substantial, the rhetoric of the decade after 1997 spoke differently. This was the era in which 'cracking down' on a range of social misfits became the daily lexicon of Whitehall Ministers – lone parents, noisy neighbours, benefit cheats, children who didn't go to school, parents of children who didn't go to school, or do their homework, or stayed out too late at night, asylum seekers, offenders of all ages and descriptions, 'malingerers' on long-term sickness benefits, mentally ill individuals who had committed no offence, but whose conditions made them a 'potential' danger to others – the list is lengthy, but by no means exhaustive.

If the values of 'Britishness' are to be promoted primarily on the grounds of tolerance and decency, then bluntly the record of bulging prisons, record incarceration of children, fortress-like asylum policies, and a progressive erosion of the distinction between 'anti-social' behaviour (where solutions ought to be sought primarily through social policy) and criminal conduct (which falls to be dealt with by the criminal justice system) provides an uncertain background of evidence.

The problem is exacerbated still further by a number of flagship New Labour policies. Whatever else might be said for foreign policy, as conducted from the Blair Downing Street, the use of military force to settle international disputes became a characteristic which placed it apart from any other post-1945 British administration. Indeed, the contrast between Harold Wilson's refusal to contribute even a token platoon of soldiers in the Vietnam War (at a time when UK economic and financial dependence on the USA on a Government to Government basis was very substantial) and the commitment now of UK troops to Afghanistan and Iraq provides one of the seminal distinctions in my own political lifetime. The upshot is that the war has become a ball and chain on Labour's reputation in relation to Britishness as so much else. If Britishness in Labour's hands amounts to an expansionist foreign policy, reliant on force with or without United Nations endorsement, then it is quite inimical to an appeal to progressive values as the basis for 'British' identity.

Identity cards are a second flagship policy which undercut any appeal to 'traditional' British values. Not having ID cards, when most countries on mainland Europe did have ID cards was seen as quintessentially British. Much of what appears to lie behind the Prime Minister's formulation of these things rests on a genuinely historical sense of 'Britishness', as embodied in a series of settlements between the powerful, on the one

hand, and the ‘common people’ on the other. The combination of civil rights (stemming from Magna Carta), political rights (based on universal suffrage) and social rights (as provided in the 1945 welfare state) provide the citizen with a series of guarantees against an over-powerful state. It is not necessary to be an anti-state Hayek supporter to understand that governments of all persuasions are vulnerable to a belief that their own intentions are invariably benign and of the inevitably beneficial effect of their actions. ‘Traditional’ British values can as easily be cited in aid of resisting the state’s intrusions into the private sphere as they can in support of pursuing greater ‘security’.

It is for these reasons that the case for ‘Britishness’ seems to me to rest far more securely on a set of pragmatic, rather than value-driven, advantages which come to Wales – and to England and Scotland – from being part of a larger whole. In this sense, the three key benefits of ‘Britishness’ can be summed up as the pooling of risk, revenue, and resource. Indeed, the Prime Minister’s greatest contribution to Britishness is surely to be found in the practical actions he has taken, during September and October 2008, to resolve the greatest crisis to threaten our financial and economic systems in living memory. However much Alex Salmond might shake his not inconsiderable clunking fist over it, if there is a single political credo which has gone under the hammer over the recent past, together with Lehman Brothers, Glitnor and Landsbanki, it is surely the notion that paddling your own canoe is the best way forward for small countries like Wales. By ourselves, with our own resources, there is no realistic chance that we would have been able to provide the sort of copper-bottomed guarantee of people’s savings and pensions which, on a UK basis, has made the difference between security and insecurity for individuals and families and the extreme uncertainty. If you have devolution, within a bigger country with deeper pockets, you have that possibility. Iceland did not. We did – and the practical strength which Britishness has brought, in this sense, was brilliantly demonstrated by Gordon Brown’s application of the benefits of the UK ‘risk pool’ to the advantage of all parts of the UK’s pooled sovereignty.

These reasons seem to me to apply strongly in the Welsh context. When – not ‘if’ – a new global influenza pandemic does break out, our resilience in face of that risk will rely, crucially, on being able to draw on being part of a wider network of services, both public and private. To keep hospitals functioning, or food being delivered to the shops, we will need to help each other. Socialism, of course, is always more attractive in times of crisis, because as in World War II, the ‘haves’ are obliged to face up, far more directly, to the fact that their comfortableness depends on the efforts of others. Indeed, this is a principle which has come to the fore again in some very surprising places, during the early autumn of 2008, from the White House to the board rooms of banks across the industrialised world. What is not surprising, however, is that it should be a Labour Prime Minister and Chancellor who have led the way in applying this principle afresh in newly challenging circumstances. The great insurance principle of the Welfare State, fostered

and shepherded into legislation by that great Welsh politician Jim Griffiths, is based on exactly this practical understanding that risk-sharing works not simply because it protects the most vulnerable, but because to protect one means to protect us all. For sixty years people in Wales have benefited from risk-sharing in relation to health, social security and defence. These are the immensely practical benefits which Britishness has brought, and which, once reminded of them, most people want to secure for the future.

The second practical advantage of Britishness – resource-sharing – is dealt with in more detail in a different part of this chapter. Suffice it to say, here, that Wales has been, and remains, a net resource beneficiary from being a part of Great Britain. In Scotland, the issue of North Sea oil and gas clouds discussion of resource transfers. In Wales, the picture is far clearer. As part of the British ‘club’ we contribute hugely to the combined well-being of the whole – be it through supplying water to Midland conurbations or, in future, through the renewable energy potential of a Severn Barrage, or in retirement destinations for the pensioners of the Potteries. Yet, in return we gain more, be it through sharing health resources along the border with England, or through the Barnett Formula. A recent rash of pamphleteering has sought to erect the issue of shared services along a very permeable border into some sort of totem of constitutional significance. It is surely no such thing. The use made by English residents of Welsh health services, and vice versa, is far better understood as a matter of simple pragmatism, contingent on the accidents of geography rather than ideology. Solutions to what are essentially non-strategic technical problems are far better left to clinicians and health service planners. What they demonstrate, at a more general level, however, is that resource sharing remains a key practical advantage of Britishness.

The Labour Party position which I advocate, therefore, can be summed up simply in this way. Devolution – as opposed to unionism, federalism or nationalism – offers the people of Wales the best of both worlds. We are able, increasingly, to take control of our own domestic affairs, while retaining the benefits which flow from being part of Britain. Those benefits are best understood, and expressed, as practical matters, rather than the assertion of a set of common British values. Indeed, it is the ability to assert the differing values that lies at the heart of devolution.

That is a new British common value.

A pocket-money Parliament?

The *One Wales* agreement commits the Assembly Government to establish a commission into the operation of the Barnett Formula, and allied funding matters. The Commission’s work is now well underway, chaired by Gerry Holtham, with an interim report due in the summer of 2009. In the meantime, in December 2007, the Scottish Parliament

(against the wishes of the Scottish Government) established a wider commission of its own, in which ‘devolution mark two’ for Scotland is being considered, including the whole issue of funding.

As successive commentators have made clear, devolution in the United Kingdom has been underpinned by a set of financial provisions which are not to be found in any other analogous set of constitutional arrangements. The annual ‘block grant’ comes unhypothecated, and with a very large degree of freedom for each devolved administration to determine its own spending priorities, or how the cake is to be distributed. What the system does not allow is any ability to vary the size of the cake which is derived, uniquely, as a result of changes in spending elsewhere by Whitehall Departments, and over which the devolved administrations have neither say nor influence. Undoubtedly, over time, the Barnett Formula exerts a ‘squeeze’ in which historic differences in spending per head of the population (essentially creating a league table in which each Northern Ireland citizen receives the most, followed by Scotland, then Wales and finally England) will be eroded and, ultimately, arrive at a common level. It is important to be clear, at this point, however, that spending levels allocated according to assessed need would replace one sort of ‘squeeze’ with another, rather than simply eliminating the squeeze altogether. Some argue cogently that a needs-based system would reduce resources available to Scotland, and increase those available to Wales, with widespread agreement amongst many commentators that Wales is the biggest loser from the Barnett formula.

Nevertheless, any system based on equalisation according to need operates against the principle that a common level of service ought to be available in each constituent part of the whole. The squeeze then comes not in relation to resource equalisation, but in relation to making services themselves more uniform. If one of the major advantages of devolution is the ability to design policy responses which suit particular circumstances, then ‘needs-based’ funding may prove to be a more insidious form of attack on the Assembly’s freedom for manoeuvre than Barnett equalisation. To be given more money, but placed under greater restraint as to how that money might be applied does not seem to me to be an especially auspicious bargain. It exaggerates, rather than erodes, the danger pointed to in the heading to this section – of being simply a ‘pocket-money parliament’, a spending agent, rather than a responsible devolved government, fully accountable to its electorate.

In the struggle to have devolution established and accepted, it is entirely understandable that the Barnett formula should have been left more-or-less untouched since 1979 – a Pandora’s box best left closed. Ten years on, the box lid is a great deal less secure and, if the Scottish Commission meets the ambitions of its proponents, may well be taken off completely. In that context, and from the Labour Party perspective in Wales, this argues, I believe, for an approach to issues of spending which moves beyond a simple preoccupation with the quantum of resource available to the Assembly, and places a new

emphasis on how that quantum is raised and ends up in the Assembly's hands. There could be substantial advantages to responsible devolution, if the structure of its funding were to move away from the present monolithic 'block grant' approach. If the Assembly were to have a greater say over how its revenue is raised, as well as how it is spent, that would, after all only place the institution in the position which local councils in Wales have occupied throughout the history of modern local government.

Wales and Westminster

While Plaid Cymru brought a number of specific policy ideas into government, the key to coalition-forming lay in the recognition that Labour retained the key to unlocking the provisions of the 2006 Government of Wales Act in relation both to use of new, immediately available legislative procedures, and to 'Part Four' of the Act – a referendum on full law-making powers. Negotiation of this section in *One Wales* required the greatest and most careful thought. The objective was shared between the two parties readily enough. A Labour Government had been responsible for putting the 2006 Act on the statute book, and that Act provided for a referendum. Yet, few things could be worse for devolution, or the National Assembly, than a referendum held prematurely, and lost. The agreement therefore placed a shared emphasis on preparation for a referendum within the four years of the current Assembly term, alongside a thorough testing of public opinion as part of the trigger mechanism. At the time of writing the 'establishing group' of Assembly Members and Members of Parliament, from both coalition parties, has drawn up the detailed terms of reference and modus operandi of the Convention. Its membership, under the chairmanship of Sir Emyr Jones Parry, and work programme have been confirmed and the first main phase of its activity is underway.

A great deal of political water is still to flow beneath the bridge before a final decision on the timing of any referendum will have to be made, including a European Parliament election, a new First Minister and, in all likelihood, a further General Election. Each of these events will provide both an insight into the state of public opinion, and a shaping influence on future decision-making. The central conundrum, and the sharpest test of political judgement, will come in assessing the likely *voting intentions*, rather than the *general opinions* of the Welsh electorate. Enthusiasts for a further referendum point to the rising tide of support for the Assembly, and for primary powers, which has been revealed in a scientifically constructed and carefully conducted time-series of opinion-testing carried out by the Institute of Welsh Politics at Aberystwyth. More sceptical voices point to the gap between declared intentions and actual voting behaviour in the 1997 referendum and the failure of even the most sophisticated opinion polling to predict the narrowness of the final result. What does seem clear is that referendums are blunt instruments, at best, and vulnerable to capture by issues and interest groups which are difficult to spot in advance. To a varying extent, any referendum becomes a verdict on

the general zeitgeist of the time, its result the reflection of the temperature of a far wider political moment than the ostensible referendum subject. At the same time, and particularly in a country like Wales, a referendum will undoubtedly draw to the surface – as it did in 1997 – a latent pool of ‘no’ voters and campaigners, able to draw on a series of fault-lines – north versus south, Welsh language speakers versus non Welsh speakers and so on – which make for easy media headlines.

All of this is taken into account and reinforced in the *One Wales* programme, and in the mechanisms set up in the 2006 Act. The hurdle of two-thirds of Assembly Members voting in favour of holding a referendum is set deliberately high, in order to apply a stringent test to the prospects of success. A simple majority is then required in the House of Commons in order to set in motion the referendum process. As noted earlier, the make-up of the House of Commons at the end of this Assembly term will have been changed by a further General Election. It is not a matter of political point-scoring to suggest that Welsh voters ought to insist on a forensic examination of the position of the Conservative Party in this regard. Whatever soft words are spoken in Cardiff, Welsh Conservative Members of Parliament are amongst the most rabid anti-devolutionists still left in active politics. Under their influence, the whole of the parliamentary Conservative Party was whipped to vote against the second reading of the Government of Wales Bill, an opposition which was maintained throughout the Bill’s passage to the statute book in a course of action adopted without so much as a blush at the contrast it posed to the demand for ‘English votes for English issues’. While it may appear inconceivable to some that the House of Commons might refuse to sanction what the Assembly has approved by a two-thirds majority, the position of the Conservative Party on this issue will certainly need to be nailed down in detail.

On the legislative side, the machinery by which the Assembly can now acquire enhanced law making powers is being fully tested during the first year of the present term. In a process which is new to all concerned, it has been important to try out a range of differently scoped Legislative Competence Orders in order to learn what works best. There have been, inevitably, some bumps along the way, but the conveyor belt of legislative competence is moving and, as all those involved become more used to oiling its wheels, so we can anticipate the pace of progress increasing.

Taken as a whole, and given the nervousness in Whitehall created by having to deal with such a new range of devolved political set-ups – the UDP and Sinn Féin together in power in Northern Ireland, the SNP in sole possession of minority administration in Scotland, a Labour-led coalition with Plaid Cymru in Wales – relationships between the Assembly Government and Westminster remain cordial and purposeful. The extent to which devolution has benefited politically from the stability created by having Labour administrations at both ends of the M4, and financially by enjoying ten years of

substantial growth in public spending, will only be fully recognisable when either or both of these foundation-stones alters in the future. In the present context, the coalition Cabinet at the Assembly has been able to agree its three year budget, deploying the (admittedly more limited) additional resources of the 2007 Comprehensive Spending Review, and is making just sufficient progress with its legislative programme to conclude that the fruits of the current political deployments are bearing fruit. It will be incumbent on all those involved in government, in Cardiff and in London, to ensure that this state of affairs continues over the next two years.

The Assembly Government and Welsh local government

With relative stability at the Wales/Westminster interface, it seems to me that Labour needs to return with renewed radicalism to reform the relationship between devolved and local government in Wales. Given the traumatic impact of the botched Redwood reorganisation of the 1990s, it has been absolutely right, I believe, that successive Assembly administrations have concluded that the system should be left to stabilise itself, and concentrate on the issues of improved service delivery, as far as that has been possible within the existing arrangements. Now, looking ahead, I think it is for the Labour Party to lead a debate on three key possible areas of change for the future. I see no merit in organisational reform simply for the sake of tearing up the current pieces of the jigsaw. Nor do I foresee a redrawing of the basic division of responsibilities between a strategic all-Wales tier and a delivery arm at local level. My purpose would not be to seek any diminution in the powers or purposes of local government, but to debate the systems that equips it to provide the best possible services to the communities which councils serve.

My first, and most controversial issue is that of the voting system. Earlier in this paper I noted that powerful and persuasive voices in the Labour Party were mobilised, in the aftermath of the May 2007 election, in favour of a coalition with the Liberal Democrats. Yet, many of those who argued most forcefully for such an outcome, and who were most sceptical of the efforts made by Labour in Wales to bring this about, were also adamant that any negotiation should preclude the one policy – reform of the voting system – which, for many Lib Dems, was the single *sine qua non* of any agreement. If triggering the referendum mechanism of the 2006 Government of Wales Act was the totemic issue for Plaid Cymru, then proportional representation in local government holds the same status for Liberal Democrats. Looking ahead, and assuming that the Assembly's own electoral system is more likely than not to deny any single party an overall majority (at least while Labour remains in government at Westminster), then this is an issue which I do not believe that the Labour Party in Wales can responsibly consign to Never Never Land. Just as I have argued earlier that the Party needs to have a set of positive policies in relation to issues of rural Wales, the Welsh language and so on, so too

I believe that we need to thrash out a position of our own in relation to local government voting systems. Not to do so will, inevitably, risk putting a Labour leader in 2011 in the same position as we found ourselves in 2007 – faced with a demand to achieve an end, but denied the means to secure it.

This is not, however, the sole or even primary reason why I believe that Labour must grapple directly with this question over the next three years. It is a truism, but a real one that a party withers from its local roots – and the hollowing out of the Conservative Party in the Thatcher/Major years provides a recent and vivid example. I argued earlier that the most urgent lesson of the 2007 election was that Labour has to renew itself in the west of Wales. That will be all the more difficult without a genuinely local platform from which to build. In the absence of constituency Assembly Members, the best way to achieve this is through an active, visible local government presence. The only way in which that is going to happen is through proportional representation – a form of election which would, undoubtedly, improve our representation in counties such as Pembrokeshire, Ceredigion, Ynys Môn and Gwynedd. After the 2008 local authority elections, this argument extends even to councils which have, very recently, been Labour strongholds under first-past-the-post. There would be more Labour councillors in Cardiff, for example, if seats had been distributed according to votes cast. Imagine what the party's profile and prospects could be like in Ceredigion, for example, with even a small but visible and purposeful Labour group on the local authority.

I recognise, of course, that despite now having fought three Labour-designed PR elections at the Assembly, the system remains highly controversial amongst Labour members. Taking this into account, my own proposal would be that we follow the example of Labour in New Zealand and positively support the placing of *permissive proportional representation* for local government in Wales on the statute book. Permissive PR provides for a set of circumstances in which individual local authorities are able to opt for proportional elections within their own boundaries. Where there is no appetite for change – because, as many argue, the present system is liked and understood by electors – then no alteration would take place. However, where local councils see advantages in reform the legislative authority to bring about change would exist. And, as a safeguard against self-preserving complacency amongst existing political leaderships, the system would also need, as in New Zealand, to provide for a trigger mechanism by which local populations can oblige a referendum to be held on change. The legislation which Labour has placed on the statute book in relation to elected mayors provides, I believe, a very direct reference point in this regard. As we know from the experience in Ceredigion, the trigger mechanism can require a local plebiscite to be held on the proposal for an elected mayor, but can in no way determine the outcome of that popular vote. The same would be true in relation to my proposal for permissive PR. It would place the lever for change in the hands of local representatives and local electors. It would be for those advocating a

new system to make the case for reform, and for those who strongly support the current arrangements to explain the advantages they are said to bring. It would offer Labour a progressive position around which the party could unite and which, in parts of west Wales, I would argue, could provide a real tool for renewed political advancement at grass roots level. It is no big issue in New Zealand, when a local authority opts to go for PR any more than it would be to go for the directly elected mayor option here.

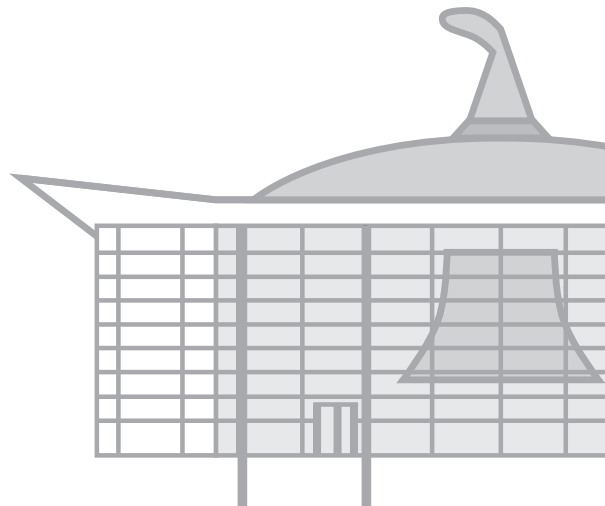
My second issue is, perhaps, almost equally controversial, but capable, I believe, of potentially consensual resolution. It must now be clear that 22 local authorities in Wales represents too great a number to provide a sufficiently critical mass, or concentration of expertise, to deliver services of a uniformly acceptable standard in all parts of the country. Every single one of the 22 performs outstandingly well in discharging at least a small number of major obligations. Yet, even the very best do disappointingly badly in at least some key areas. Local Service Boards represent a substantial vehicle through which improvement must be brought about but, by themselves, are unlikely to match the scale of the challenge in some parts of Wales. The issue is whether the body politic in a local council area should have the right to put forward a proposition that 'our local authority is too small to be viable'. My proposal could result in a modest number of amalgamations of adjoining local authorities where there is clear democratic support for such a development because it would produce stronger and more effective single organisations. Such a change could be organic and evolutionary, rather than deploying the 'big bang' approach of the Tories in the 1970s and again in the 1990s. It would reduce the managerial over-head costs which face smaller authorities, in particular, while minimising change at the front-line. As costs were released from back-office functions, so resources would become available to improve services directly to council tax-payers. It is not the purpose of this paper to seek to identify particular localities where such change might be brought about. What is needed, however, is an open and honest debate with local councils, and with the Welsh Local Government Association, about such a direction of travel for the future. Welsh Labour's approach to improving standards in public services has been rooted firmly in a preference for cooperation over competition. Voluntary democratically sanctioned amalgamations could well be a way of securing the same outcome on a consensual basis, which others have recommended on a top down basis.

Finally, the third issue I want to identify is concerned more with the internal governance of councils. The time has come, I believe, to listen more attentively to those whose direct experience of the Cabinet system in local government has been disappointing. The calibre of local councillors is unlikely to be improved if, as many believe, the organisation of the authorities to which they are elected effectively prevents them from playing a useful role in its deliberations. My belief is that we have to move to a more permissive form of local governance. There are places where the cabinet system has

come to be well regarded, and where the scrutiny and community-leadership roles of non-executive members is bedding down. There is no reason why such local authorities should be asked to change what they do now. However, where the cabinet system is a source of on-going dislike and dislocation, then local authorities should, I believe, have a wider range of models from which to draw, including something more akin to a committee structure.

Conclusion

This chapter has attempted to provide something of a *tour d'horizon* of those two most intimately connected topics, the state of devolution and the state of the Labour Party in Wales. Challenges have been outlined and some new ways forward suggested. It was Aneurin Bevan who said that political struggles never come to an end, they simply change the terms in which they are conducted. What I have provided is just a snap-shot of that on-going debate as it appears towards the end of 2008. By the time any reader reaches this point, in this chapter, the discussion will have already moved ahead. Of course, that is just how it needs to be, in any party, and in any nation, where politics is about shaping today's decisions in a way which leads to a better tomorrow.





Chapter 2

The Welsh Conservative Challenge

Nick Bourne

I think all of us involved in Welsh political life knew that the 2007 National Assembly elections would be a watershed. First, the Government of Wales Act 2006 would come into force, bringing further legislative competence powers to the Assembly. Secondly, the experience of the election campaign gave me, and others, a sense that Wales wanted a change and that Labour's dominance of Wales was waning.

It became clear that in Welsh elections at least there was little prospect of a winner takes all scenario. In this chapter, I will reflect on the period immediately following the election that saw all parties enter coalition negotiations – an exciting time for us all – and what Official Opposition means for my party as we look to the future. I will also take a look at the functioning of the Government of Wales Act 2006 and the role of Welsh Conservatives in closing the engagement gap that has developed between formal representative politics and civil society at large.

The coalition negotiations

The 2007 elections resulted in a real breakthrough for the Welsh Conservative Party. In a hugely significant development we won in five first-past-the-post constituencies across Wales. We retained a strong majority in Monmouth and won Cardiff North, Preseli Pembrokeshire, Carmarthen West and South Pembrokeshire and Clwyd West – all gains from the Labour Party. To this we added seven Assembly Members from the regional lists, taking our total to twelve Assembly Members, an increase of one from the 2003 poll. It was an excellent set of results.

More than this, we came extremely close to winning in several other constituencies, reducing majorities to paper-thin levels in the Vale of Glamorgan, Vale of Clwyd, Delyn, Clwyd South, Gower, and Aberconwy. We also came close to securing a third regional Member from North Wales and a second in South Wales East.

In an election that delivered the Labour Party the worst results from Wales since 1918, Welsh Conservatives secured the second largest share of the vote of any party

campaigning in the election. I'm sure this was hardly the welcome that Gordon Brown might have anticipated just a month before he took over at Number Ten.

Of course, our success followed months of campaigning and years of hard work and preparation on the part of the whole Welsh Conservative team. At the same time the results were more than just numbers and statistics for the Welsh Conservative Party. First, they proved that we are once again an established force in Welsh politics. They confirmed the re-establishment of the Conservative voice in Wales, where ten years ago we did not have one. Welsh Conservatives are committed to making devolution work and this election result proved that Wales wants us to be a part of this. They showed that we are the only real alternative to Labour mis-rule in Wales. We are proposing positive and workable policies that appeal to the people of Wales. We must rise to the magnitude of the serious challenges and resist the urge to indulge in the pettiness of some of the politics that has existed.

Secondly, the election results provided important building blocks for the future. We will be pushing for more Welsh Conservative Members of Parliament, and Assembly Members at future elections, and of course fighting wards across Wales in local authority elections. New constituencies, where we had previously not come close to victory, came into play for us, for example Gower. There are now no no-go areas for the Welsh Conservative cause. The results provide a springboard and in the future we will be fighting hard in the areas where we came so close. We built and made additions to a strong Welsh Conservative team in the Assembly and we are now working on a strategy to ensure our team is even stronger next time around.

It is a sad fact that in politics elections mean we lose friends and colleagues. Our Assembly team lost three able Assembly Members – Glyn Davies and Lisa Francis from the Mid and West Wales regional list (valued colleagues in my own area), and Laura Ann Jones from South Wales East. I am sure we haven't seen the last of them in Welsh politics. The new additions to the team: Nick Ramsay, Angela Burns, Paul Davies, Andrew RT Davies, and Darren Millar have all hit the ground running and are all proving committed, diligent and congenial Assembly Members.

Not only was this election a turning point for Welsh Conservatives, it was also a turning point for politics in Wales. For the first time since devolution in 1999, Labour's assumption of a divine right to rule Wales was seriously challenged. Returning 26 Assembly Members left Labour with no overall majority. It was clear that they would be unable to struggle on as a minority administration. Indeed, Welsh Conservatives would not have allowed them to struggle on as a minority.

After all, it is Labour's top-down state socialism and centralisation that is suffocating Wales' development. Their approach has created the worst health system in the UK,

despite the outstanding professionalism of those working in our NHS. Their approach has presided over continued economic decline. They have stood back and watched our school buildings crumble. They are destroying our communities and closing our schools and post offices. I certainly felt that Labour could not be allowed to go it alone and inflict yet more havoc on Wales. A coalition government became a realistic possibility – in fact a virtual certainty.

The prospect of a coalition government had been at the top of the agenda for the Welsh media from the very start of the election campaign, with various different combinations discussed. Every conceivable option was analysed in minute detail. I was determined that the Welsh Conservatives would fight the election on the platform of our own policies, not on the basis of a memorandum of understanding with another party or parties. However, I did make it clear that Welsh Conservatives would not prop up a minority Labour government. I also made it clear that on the right terms we would, if the arithmetic made it feasible be ready to discuss a rainbow coalition.

Several coalition combinations were seriously discussed – Liberal Democrat – Labour, Labour – Plaid Cymru, and of course the Rainbow Coalition. The combination of a Liberal Democrat–Labour partnership would have built on their previous partnership government in the first Assembly. People such as Adam Price championed the possibility of a coalition between Plaid Cymru and Labour but it was considered by many to be a combination that divided opinion. Finally, there was the third option of the Rainbow Coalition – a coalition of Plaid Cymru, Welsh Conservatives and Liberal Democrats. This ‘third way’ was founded on the strong relationship between the parties in opposition, working together on numerous occasions to defeat the Labour Assembly Government in the second Assembly or to broker deals felt to be in the best interests of Wales. It was a possibility that had once seemed totally unrealistic but now looked increasingly possible.

The weekend following the election was a Bank Holiday providing a chance for all of us involved in Welsh politics to take time out and reflect on the outcome. I spent Saturday with friends in the grounds of Powis Castle taking phone calls full of advice, caution and encouragement. Here many people commiserated on the loss of Glyn Davies as a colleague and at home in Aberystwyth it was the same story regarding Lisa.

It became clear from discussions that there was little likelihood of a deal between Labour and the Liberal Democrats. Though this was championed by some like Kirsty Williams, the party membership would not wear it. After consultation with the Welsh Conservative Group it was decided that we would consider negotiations for a Rainbow Coalition.

Welsh Conservatives were proud to enter into coalition negotiations with Plaid Cymru and the Liberal Democrats, a move supported by the whole of the Group I lead. It was

important that we approached the negotiations as a united front and I was also pleased to receive the support from the party and leadership in Westminster.

As negotiations began, the weeks following the election became something that I can only describe as a whirlwind of meetings, negotiations, phone calls, press briefings, research and, of course, compromise. I was keen not just to keep serious negotiations with potential 'dancing partners' going but also to ensure David Cameron, the Shadow Secretary of State for Wales, Cheryl Gillan, and the party in Wales, through our Chairman Lyndon Jones, were fully on board with what was happening. I was also very conscious that five new Assembly Members, with no personal history of discussions in opposition, were being asked to take a blind leap of faith. They proved to be extremely astute and supportive. There was a buzz of excitement around the Assembly estate and at times the tension was palpable. After all, the stakes were extremely high. A place at the government table and the potential to deliver something new for Wales were prize enough. For my party, the opportunity to have Conservative ministers in government helping to deliver for Wales for the first time in a decade was a real possibility. There was a sense that we could bring about tangible and long overdue change.

The platform for government that evolved out of our discussions with Plaid Cymru and the Liberal Democrats was known as the 'All Wales Accord'. As with any coalition agreement, the Accord was the product of compromise but it was built on a strong foundation of a firm shared belief that Wales needed to take significant steps away from Labour dominance. I believe that what the Accord provided was a strong, fresh and mature platform for change and government. It offered a fresh start for devolution and a viable non-Labour alternative for Wales. It was an extremely strong agenda and one that Welsh Conservatives were proud to sign up to. The 'All Wales Accord' was backed unanimously by our management board meeting at Llandrindod Wells. It was an historic decision and one that stunned me. I had believed that we would carry the day and had lobbied hard but I did not believe that we would win through by that sort of margin.

Welsh Conservatives believed that the Accord was established on shared values, cooperation and a sense that we had to move away from the tribal 'old politics' and ensure wider participation. It laid out a shared vision for the future of Wales, stressed the importance of our communities, culture and Welsh language and outlined our vision for a prosperous economy and first class public services. We knew that it was an ambitious agreement but it was definitely deliverable and workable. Above all, the Accord offered the opportunity to make devolution function properly for Wales with local decision-making and delivery for the communities of Wales.

At the same moment as the Welsh Conservatives were giving the 'All Wales Accord' their unanimous backing, the Liberal Democrats were deadlocked – also in

Llandrindod. Their vote was tied and bizarrely there was no provision for a casting vote! Some senior Liberal Democrats voted against the Alliance. While the leadership had been working on 'All Wales Accord' negotiations, others had been lobbying hard against its acceptance. Kirsty Williams, for example, had voted at that Liberal Democrat meeting against the position negotiated by her leader, Mike German and Jenny Randerson AM.

It was extremely unfortunate that Liberal Democrat voting so unceremoniously pulled the rug from under the feet of the Rainbow Coalition when we were so close to formal agreement. It was also extremely disappointing that the negotiations broke down so far into the process, particularly considering the strength of the agreement between the parties. Had the Liberal Democrats voted 'yes', the three of us – Mike German, Ieuan Wyn Jones and myself, had been due to shake hands on the deal outside of the Senedd that weekend, with a pledge to pay the nurses their full pay award as our first act of government – a pay award that Labour was failing to honour.

While my own personal disappointment has abated, hindsight shows that the Liberal Democrats were in total disarray. After their vote I spoke to David Cameron. He was actually staying overnight in Wales after spending time on duty with Dyfed Powys police and had watched the disintegration of the Liberal Democrats unfolding on television. We discussed possible scenarios, even including a second election, an eventuality provided for under the 2006 Wales Act.

The Liberal Democrat disarray left Ieuan Wyn Jones and Plaid Cymru with some concern about their perceived weakness and also an escape route from the challenge of the Rainbow coalition. The possibility of a Labour-Plaid Cymru deal arose, otherwise they were risking being labelled as a party of permanent opposition and Ieuan Wyn Jones risked his position as leader of the party. From Labour's perspective at the eleventh hour and fifty-ninth minute it woke up to the possibility of losing power. It did not want to do so.

Far from kicking Labour into touch, as Plaid Cymru had promised in their election campaign slogan, their decision to negotiate with and subsequently sign a deal with the Labour Party kept Labour very much in play. This was an extremely disappointing development.

The Labour-Plaid Cymru *One Wales* coalition agreement is fundamentally different from the *All Wales Accord*. Ideological, dogmatic and falling short on ambition for Wales, *One Wales* is an agreement that raises serious concerns about deliverability. It contains few discernible targets and lacks aspirations. Moreover, it focuses power with the Labour Party once again.

My over-riding disappointment surrounding the collapse of the negotiations between my own party, Plaid Cymru and the Liberal Democrats is that it was a missed opportunity for Welsh politics to mature and for Wales to improve. Labour has been the party of the establishment in Wales for decades. However, they now face serious electoral decline. In fact, as my Research Director David Melding AM reminds me, not only did Labour do abysmally badly in 2007 (their worst result since 1918) but they actually received a lower percentage of the vote than the Conservative Party had obtained in Wales in 1979. Labour have failed to deliver the change that the people of Wales expected them to deliver and which they needed and deserved. I believe that the Assembly elections showed that people were ready and prepared for change, prepared for an option not involving the Labour Party.

Despite the disappointment of the failure to secure a place for Welsh Conservatives in a coalition government, the negotiation period was extremely important for us in our development as a party. It cemented the intentions of the Welsh Conservative Party to play a full and serious part in the future of Welsh politics. It also established the Welsh Conservative Group as the Official Opposition in the Assembly, a position that brings with it great responsibility and pride, as I intend to discuss later.

Future prospects for coalition government

Within the British political system coalition governments have traditionally been approached with much scepticism, often verging on contempt, and are viewed with distaste by most politicians. In general the scepticism has been two-pronged. First, it is generally thought that coalitions establish unstable governments. Secondly, a concern has been that coalition over-states the importance and position of the smaller parties within the system. They tend to become kingmakers and this creates a situation where the tail begins to wag the dog. I believe that much of this traditional scepticism is based on the fact that coalition has rarely been a feature of British politics. The first-past-the-post method of election for Parliament more often than not produces a majority government or has done so in the past.

However, I believe that our traditional hostility may be largely misplaced. Clearly, we don't want a situation where the tail wags the dog but minority governments also risk equal amounts of instability. They can be easily rendered inert by a strong and colluding grouping of opposition parties. Of course, we witnessed this on occasion during the second Assembly when the Welsh Conservatives worked constructively with the other opposition parties to provide robust scrutiny of the Assembly Government. The most effective response is to remain constructive and to be open to all possibilities.

In contrast to British politics more generally, here in Wales we are no strangers to coalition government. Labour shared power in the first Assembly with the Liberal

Democrats for 30 months. Of course, we now have a Labour-Plaid Cymru coalition government. I believe that coalition government will continue to be a long-term feature in Welsh politics and future Welsh Assembly Governments will generally be coalitions. Our electoral system of proportional representation mixed with first past the post, coupled with the steady electoral decline of the dominant party in the system is, I think, going to increase the likelihood of coalition government in Wales, at least for the foreseeable future.

While I was determined to fight the 2007 elections on a solid, Welsh Conservative Platform, there was a general feeling that Labour's predicted electoral decline could well instigate coalition and compromise. Many of us hoped that the coalition to emerge would be a solidly non-Labour one. The fact that what emerged was a Labour-Plaid Cymru coalition was extremely disappointing. As I mentioned earlier, the failure of the *All Wales Accord* was a missed opportunity for Welsh politics to evolve and mature. This is because I do not think that devolved government in Wales will have truly been tested until we have an Assembly Government that is neither Labour, nor Labour dominated. The essence of democracy is choice and a tried and tested non-Labour administration will demonstrate a mature multi-party Welsh democracy.

For people in our communities to accept the Assembly as an institution they have to believe that there is a real possibility that they can elect a non-Labour administration and force changes in government. As long as Labour clings to power, I fear that the general public will grow increasingly and ever more apathetic, removing communities and society further away from formal politics. We need to offer something different if we are to counter this. While Labour continues to be the largest party in the Assembly the most effective and likely way of delivering an alternative is via a non-Labour coalition government.

As such, Welsh Conservatives are committed to playing a fully constructive role in future negotiations. We remain open minded about entering any future negotiations on possible coalitions. To rule out our participation would be extremely foolhardy and completely irresponsible. Moreover, it would not provide Wales with the option for change that it needs. I think I can confidently say that the only party we would not consider working in coalition government with is the Labour Party – certainly not as matters stand at present.

Welsh Conservatives as the official Opposition

In the second Assembly, it was a widely held view that the Welsh Conservative Group was the hardest working and most effective team. Indeed, it was considered by many commentators to be the official Opposition in all but name. These accolades were the

result of nothing less than continued unstinting hard work, skill and effort on the part of the Group. While we were all disappointed not to have been able to participate in an Assembly Government coalition, the agreement between Labour and Plaid Cymru provides a new opportunity. It enables the Welsh Conservatives to become the Official Opposition in name too in the third term.

This opportunity is incredibly important. It is a role that comes with important responsibilities to hold the government to account, to be constructive, to scrutinise, to speak out when we think things are going wrong, and to ensure that new legislation is really in the best interests of the people of Wales. Significantly, it also allows us to make the case that we are the only party that can provide a real alternative to a Labour-Plaid Cymru Assembly Government in the future. As the official Opposition we also hold the Chairs of three very important Committees – Audit chaired by David Melding, Finance chaired by Angela Burns, and Health, Wellbeing and Local Government chaired by Jonathan Morgan.

We are approaching our new role with energy and enthusiasm. We are united, principled and disciplined and have been working extremely hard to ensure that we are able to make the best use of our opposition – time debates to hold the Government to account.

Over the period since the formation of the coalition government in July 2007 we have been adapting to our new role. We have built a solid momentum around our work both in and out of the Senedd chamber. It has swiftly become clear that there are only two shows in town now – the Welsh Conservatives and the Assembly Government. Plaid Cymru and Labour having seemingly merged into one party on a series of important issues brought before the Assembly, even some non-devolved issues, including police pay, an EU referendum and ID cards. Each week the list grows. Plaid Cymru seems to have been happy to drop their principles. Once Labour's loudest critics, proud Celtic tigers, they have adapted very easily to become Labour's ornamental hearth rug.

For the immediate future official Opposition is certainly no bad place to be in the Assembly. But complacency is a curse in politics. No party should be content with treading water, content with permanent opposition. We do not consider opposition to be a position of luxury or permanence. We will be using our time as the official Opposition constructively, as a staging post as we prepare for government. My team and I see official Opposition as a point in our development to consult and consolidate and as an opportunity to build for the future. We are determined that we will not stand still as the official Opposition but use the experience to prepare for government.

It is this determination to prepare for the future that provides the fuel for our style of opposition in the Assembly which is one of scrutiny and solutions. I emphasise scrutiny

because it is our duty to hold the government to account. To paraphrase the late Robin Cook, good scrutiny makes for good government. Scrutiny is not just about mud-slinging ‘old politics’; it’s about constructive opposition. And it is also about solutions because being constructive means saying when we agree and suggesting alternative positive solutions when we do not. We will also be sure to remain robust throughout.

As I told the Welsh Conservative Party at our annual conference in March 2008, we need to take this approach because it is our job to fix the mess created by Labour, supported by Plaid Cymru. It is our task to provide Wales with an alternative option. For whenever we ask Labour and Plaid Cymru what their solutions for the future are, all we get is the past. The past is where they are happiest. Welsh Conservatives are developing ideas for the future because that is what people really care about – not what schools were like twenty years ago but what they will be like in five years time; not what the NHS was like fifteen years ago but what it is like now and how it will be in the future.

Our solutions are based on deliverability, affordability and localism, drawing on the skills of the voluntary sector across Wales which is often much better placed to deliver real difference to our communities than any Government-driven strategy document. We will be setting out an alternative vision, free from the dogmatic ideology that is Labour-Plaid Cymru government in Wales. In order to assist us in this process, we have launched a root and branch review of policy. With David Melding as our policy director, this review will draw on the skills, knowledge and involvement of the brightest and the very best in Wales with public, private and voluntary sector inputs.

Policy Commissions have been established in the areas of Enterprise, chaired by Dylan Jones Evans, Health and Social Services chaired by Professor John Fairclough, and Environment with the involvement of the farming unions and the Energy Saving Trust. We are also in the process of establishing commissions on Heritage, Social Justice and Housing, Education, and before long Rural Affairs.

Our policy development will ensure that we remain responsive to the needs of Wales and develop Welsh solutions to Welsh problems. Our solutions will be relevant to people’s lives, addressing quality of life issues such as maintaining local schools and GP services, ensuring access to our hospitals, keeping our local post offices open, and protecting our environment. We will be focusing on keeping our communities alive and thriving with solutions to build safer, cleaner and greener local environments for us all.

Moving towards further powers

There is absolutely no doubt right across the Assembly, from Assembly Members to Support Staff and the Assembly Parliamentary Service that the Government of Wales Act

2006 has brought huge changes in the way we work. I think we all realised that this would be the case. Nonetheless, we have had an extremely busy first year since the Assembly election as we have all adapted to heavier workloads, new standing orders, sought to get our heads around Legislative Competence Orders and worked to understanding Assembly Measures – all in addition to our ever-increasing constituency post bags.

As an institution, the Assembly has been in existence for nearly a decade. In parliamentary terms, it is still very much in its infancy. Yet the last nine years have seen an almost continual process of evolution and development. I doubt that this will ever come to an end: such is the nature of devolution. We must always be willing to change and capable of adapting and developing. After all, the processes and procedures of the Houses of Parliament have been evolving for centuries and this evolution shows no signs of slowing down any time soon. In fact, I believe that acknowledging the need for continual change and evolution is essential if our democratic institutions are to remain responsive and relevant to people's lives.

The Government of Wales Act 2006 was meant to pave the way for the Assembly to evolve into a legislative body. While the sentiment of the Act has attempted to provide the framework to ensure this, the reality couldn't be more different and difficult. The Legislative Competence Order system falls far short of providing the clearly defined steps this framework required. What the Act has done is to apply a temporary sticking plaster. Far from settling the constitutional question for a generation, as we were promised it would do, it has left us with a system that requires the Assembly to go cap in hand to Westminster every time it wishes competence to be transferred. It is a shocking truth that there are now 13 ways to initiate law-making in Wales. It is unwieldy and time consuming and very far from the coherent proposals put forward by the Richard Commission in its unanimous report in April 2004. It is a party political device and not a lasting constitutional settlement.

There are elements of the Government of Wales Act 2006 that we definitely welcomed. For example, we supported the separation of the executive and legislative branches of the Assembly, indeed we had been demanding this for sometime. This has been a positive and significant evolution. It has enabled a clear distinction to be made between the roles and responsibilities of the Assembly Government and those of the Assembly, as distinctive institutions. This separation will enable the public to develop a clearer understanding of the fact that it is the role of the Assembly Government to deliver Welsh public services and it is the Assembly that must scrutinise the Government's efficacy in delivery. This can only be seen as a positive development as we work to overcome public disillusionment with the institution as a whole and continue to raise public interest in our work.

However, my party did have significant reservations about the legislation as it progressed through Parliament. First, we raised our concern over the decision to ban dual candidacy, something that the Arbuthnot Commission did not recommend for Scotland, nor indeed did the Richard Commission for Wales. When the Government of Wales Act 2006 passed through Parliament, Labour had no regional seats in the Welsh Assembly. It did hold regional seats in Scotland. It was clear that the Labour Party were exploiting the situation – no dual candidacy in Wales – because it was wrong and confusing. Whereas, in Scotland it was right and not confusing! In truth, it was a mean, spiteful little provision in the legislation that was designed to deliver some windfall benefit to the Labour Party.

Secondly, and significantly, we were concerned by the Legislative Competence Order system. And thirdly, we were disappointed that the proposals laid out in the legislation failed to build on a cross party consensus that had built up around the unanimous recommendations of the Richard Commission.

In reality, we were right to be concerned by the system of Legislative Competence Orders. This system is confusing, cumbersome and time consuming and our initial concerns have been justified incredibly quickly. Supporters of the system cite its infancy as an explanation for the difficulties, but I do not think this is the case. I don't see things getting any materially easier over time. The system has already placed the Assembly on a collision course with Westminster. The Welsh Affairs Select Committee has been turned into a de facto scrutiny committee and has already declared that it has not had enough time to scrutinise requests properly, that the Assembly scrutiny process is working too quickly, and that Westminster is struggling to keep pace. It is heavily overworked. It has also requested further evidence of what the Assembly wants to do with the competence once approved. Overall, the 'bowl in the hand' process creates the impression of Wales as an unruly and unreliable colony that has to be kept in check.

There has already been a series of reports that Assembly Government requests for legislative competence are being blocked or watered down by various Government departments at Westminster. It appears as though there is some nervousness in Whitehall about granting competence over areas that are too broad ranging. A Legislative Competence Order on Environmental Protection has certainly caused some concern to this effect. A broad definition would enable the Assembly to pass Measures in the future in a much wider range of areas than if it were more specific.

There has also been open disagreement about whether the Vulnerable Children Legislative Competence Order might enable the Assembly to pass a future Measure to ban the smacking of children. Unfortunately, I fear that such disagreements might

become only too frequent. Such a situation does not make for good government. We need communication and consultation if we are to do our best for Wales. At the moment it just feels as though we are wading through treacle, and slowly at that.

The current system of drip-feeding legislative competence is ridiculous and not sustainable. The system as it stands in nothing more than a sticking plaster, a constitutional fudge, applied by Peter Hain, to keep the peace within the Labour Party and particularly between AMs in the Assembly and MPs at Westminster.

In my opinion, the current Act is a temporary situation. Had we followed the framework set out by the recommendations of the Richard Commission we would not be about to begin yet another consultative process on the future development of the Assembly. The Richard Commission agenda was a missed opportunity to seek to build a consensus. Indeed in an early reaction to the findings of the Richard Commission First Minister Rhodri Morgan welcomed the recommendations and said he was proud of his nation. If we are to build trust and address the disengagement that exists in our political systems then we should be seeking to approach changes in our electoral and constitutional administration on a non-partisan basis. The Government of Wales Act 2006 did not do this.

Moreover, the powers drawn down to the Assembly via Legislative Competence Orders is devolution via the back door. This system does not have legitimacy from the people of Wales. There has been no laying on of hands. It would have been much better to go straight to the people of Wales and hold a referendum on proper powers. This would have left us in no doubt as to the wishes of the Welsh people. It would have provided a legitimate decision and would have provided a clear way forward. This would have avoided the current constitutional mess.

Of course, the Convention on future powers for Wales, the result of a Labour and Plaid Cymru coalition commitment, is now beginning to look again at the constitutional question. I can't help but think that if we had followed the framework recommended by the Richard Commission, we would not have had to revisit this process in an identical way. The report and work of the Richard Commission cost the taxpayer in excess of £1 million and yet the Government ignored most of its findings and recommendations. The Convention, I would imagine, will cost in the same region. That is £2 million for commissions on the constitutional question, £1 million of which could have been invested in our public services.

I do feel, however, that we have yet to look at the question in a holistic way considering all parts of the United Kingdom – an important consideration, indeed a vital one for a Unionist party, for us as Conservatives.

Welsh Conservatives have signalled our intention to play a constructive role in the Convention process. I have already had several meetings with the Chair of the Convention, Sir Emyr Jones Parry, and found them profitable and useful. However, the Convention must be more than simply a window dressing exercise to keep the peace within the Labour-Plaid Cymru coalition. Cracks are already evident between the Labour and Plaid Cymru members over what they consider to be the true role of the Convention. It must be an independent investigation into public feelings towards the future development of the Assembly, rather than a mouthpiece for the case for more powers and a Welsh parliament. It must reflect the views of everyone in Wales on both sides of the argument.

I hope that the Conservative Party's own review of the future of the Welsh devolution project will be able to complement the work of the Convention. Devolution has happened in Wales. Welsh Conservatives want the Assembly and devolution to work for Wales. It is here to stay and there will be no turning back the clock on devolution. Perhaps we do, however, need to look at this in a holistic way involving the whole of the United Kingdom. David Cameron has made this very clear, and we are extremely grateful for his support. We are determined to make it work but this review will establish our policy position on the constitutional question as we move forward. We will be addressing all the possibilities for a more settled future for the institution and for the good governance of Wales. This will cement the devolution process. We are extremely fortunate to have Lord Wyn Roberts, a politician who has delivered so much for Wales, to lead this review for us advising us on his thoughts.

Changing political culture and engagement

We have a situation within western democracies generally, where it is felt that our formal politics and political systems are removed from wider society. People have become increasingly disengaged from formal politics, as the falling party membership numbers and the worrying and steady decline in electoral turnouts show. Just 61.3 per cent of people eligible to vote did so at the 2005 Westminster General Election. While the turnout at the 2007 Assembly election was higher than in 2003, 43.7 per cent of people voting speaks for itself. The re-engagement and reconnection of the public in our formal political systems, at local, devolved and Westminster levels of government is the responsibility of all of us who find ourselves in public life. It is a challenge that we must tackle if we are to provide effective representation and public service delivery.

I can't help but feel that it is extremely worrying that a 'them and us' culture has developed between society and formal politics. Of course, there are a myriad reasons why it has developed, certainly far too many to discuss at length here. A major issue is trust. Public trust in our political systems and politicians is at an all time low, one that

has been eroded by politicians of all political colours over a long period of time. Recent concern over allowances and payments to family members have done nothing to reverse this downward decline in trust and interest. According to research conducted by the European Commission, 40 per cent of the public mistrusted Parliament when Tony Blair took office. That figure had risen to a staggering 60 per cent by the time he left. With this in mind, people are rightly suspicious of the intentions of those who participate in representative politics.

People aren't interested in the tribal 'mud slinging' contests that they see on the television. Massive global challenges do not mix with petty party politics. Politics and political parties seem irrelevant to increasing numbers of people. They want their representatives to sort out their local communities, giving more time to helping people, and spending less time in the bear-pit of the House of Commons or other arenas. Politics has failed to keep up with the demands of our changing society.

We shouldn't underestimate the role of both the print and broadcast media in this dis-engagement. They are an important link between politicians and the public and can really cast opinions. They also have a role to play in re-connecting formal politics with our communities.

If we are to address these challenges then we must make our politics more open and more accessible. We must make ourselves more relevant to the lives of the people that we represent. As a concept, devolution certainly attempts to make this possible. It has the potential to make a positive impact on engagement by bringing a level of government and decision making much closer to the people it serves. It is part of what localism means, though devolution of government in Wales should not stop at Cardiff.

We have to make formal, traditional politics more relevant to people's lives and that means establishing an agenda of localism – local decisions wherever possible and feasible. David Cameron and the Conservative Party have been focusing on this concept. It is just as relevant to England as it is to Wales.

That means talking about the issues that affect people and their communities. One of the factors that turn people off from politics is the continual process of raking over old ground time and again, of re-living the past. All political parties are culprits at this but the sooner we wake up and realise that the past is something we have no control over, the better. The past simply doesn't interest people. They are interested in their future. This is what we need to start talking about much more.

Our communities are interested in the services they receive, how good their children's school is, if they can get a doctor's appointment when they need it, local access to an



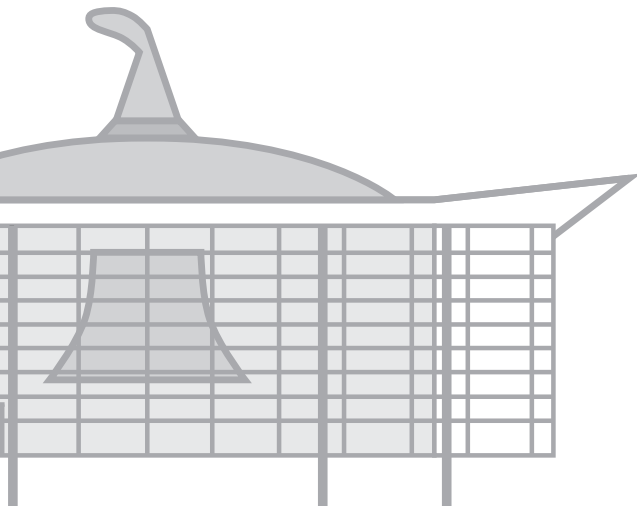
NHS dentist, the collection of their refuse and whether they can afford to buy a home in the community in which they grew up. The sooner politicians start to think about local issues the better. We need to keep politics at the local level, to get voluntary groups and local community groups involved more.

This means we will be working to include and involve more informal political movements in the formal politics process. Paradoxically, locally based, and often single issue groups have seen their memberships and involvement increase. Membership of the National Trust and RSPB have increased enormously, whilst membership of political parties has entered a steady decline. People are interested in global poverty campaigns. They are worried about climate change and very willing to get involved in community action groups. That is because these campaigns are responding to what is important to the public and our local communities. They are immediate, they are local and they are made up the familiar faces of families and friends.

If we are going to inject new life into our political system then we must stop talking in crypto management-speak and diktats and acronyms that turn people off and limit accessibility. Gone are the days when people automatically aligned themselves with a political party. We can no longer take a core vote for granted.

It is up to those of us involved in public life to get out into our communities and talk about things that really matter to people if we are to address the gap between formal politics and society at large, particularly our young people.

Devolution is a positive process, both for our nation and for the Welsh Conservative Party. This is a bright time to be a Welsh Conservative and we look to the future with ever-increasing optimism. I am committed to the joint agendas of localism and positive solutions for the future of our nation and I believe that this will inform and characterise my party's time as the official Opposition. We face some important, indeed awesome, difficulties but there is no challenge that we cannot answer if we face them together with positive policies and united determination.



Chapter 3

Prospects for the Welsh Liberal Democrats

Kirsty Williams

*“As for the future your task is not to foresee it,
but to enable it.”*

Antoine de Saint-Exupery

Although not previously noted for his insight in to Welsh Politics, the author of *The Little Prince* sets the challenge nicely. As politicians, we are not expected to be crystal ball gazers. Our job is to see enough of where things are heading. We need to see far enough – both forwards and back – that we can change the mechanisms that brought us to where we are. In doing so we can set a course for somewhere better.

I came in to politics to change things. I know wanting to ‘make a difference’ sounds like a career cliché, but it’s the reason most people get involved in politics. Maybe it’s not always the reason they stay involved, but that’s another story.

Thinking about these issues made me take some time out of the busy life of an Assembly Member to consider where we are. Actually it is something I think all AMs could benefit from and something we don’t do often enough. It struck me that I have already given a decade of my professional life to the cause of devolution, to the establishment and development of a National Assembly dedicated to improving life in Wales. On reflection, we haven’t come as far as I hoped a decade ago, when I joined the National Assembly Advisory Group to discuss how the Assembly would operate.

The ten years of twists and turns and political intrigue have been pretty exciting for those involved. But what does the woman on the 4a bus from St Julians to Newport City Centre remember of a decade of devolution? Is it the free bus pass in her purse? Free prescriptions? Labour governments of various flavour? Rows over the cost of the building? Media furores over pay and expenses? Or the infamous row about where we all sat in the Chamber?

It’s hardly an inspiring list. But what did we expect? The promises of the devolution campaign, were many and varied. However, the main one was that we would democratise decision making in Wales. In many respects, that has happened and

happened well. For the most part we've had steady if unspectacular governance. Unfortunately that doesn't sell many papers, nor does it greatly enthuse the public.

What we all want to see is that our vote makes a difference. The people of Wales want to see that we can make a change. We want a government that can help us achieve the aspirations we have for ourselves and our families. Turnout is always highest where there's a contest and a real choice. Town and village halls are at their fullest when a much loved local school, hospital or Post office is under threat. People need to believe that their vote matters. We, as politicians, need to show the public that voting matters on the issues that matter to them.

Inheritance

Very few people come in to politics to hold back the tide. I certainly didn't. I got involved because I wanted to make sure that the kind of political vandalism that ripped the heart out of my community and the areas around it when I was growing up could never happen again. Growing up in Llanelli I saw the damage that Thatcherism did: closing factories, mines and steelworks, and taking away people's livelihoods, their pride and their self-esteem. It was certainly not "a price worth paying" to the people and the with which community I grew up. The rows over the presence of a sculpture of Baroness Thatcher in the Senedd building during early 2008 were a testament to the strength of feeling her name evokes even today. I'm convinced that some of my Assembly colleagues would literally explode if the lady herself ever turned up in person.

As a child I listened to heated debates around my grandmother's Blaen-Y-Maes kitchen table as my uncles were laid off from another building site or another factory. I watched her struggle on her school cook's wages and widow's pension. I witnessed the once tidy housing estate deteriorating around her until she could stand it no longer and begged the Council to move her away from the anti-social behaviour that left her unable to enjoy the home she had lived in for decades.

These experiences were the spark that lit the fire. That's why I have a passion for social justice. That's why I am unwilling to accept the old ways of doing things that lead to and perpetuate unfairness. That's what pushed me in to politics.

My political journey is tied to that of devolution in Wales. I was fortunate enough to be part of the National Assembly Advisory Group which drew up the operating principles for the Assembly. I am grateful to have been elected by the people of Brecon and Radnorshire to represent them since 1999. I have given a decade of my life to the devolution cause. So far, the frustrations have been greater than the successes.

A Grey Consensus

Looking back, it's easy to forget that devolution was meant to go hand in hand with a new politics. In 1999 the "architect of devolution", as the press used to call former Welsh Secretary Ron Davies, wanted a more consensual approach. The now dismantled corporate body was designed to deliver a "new style" of politics.

Consensus has a place. I'm not advocating argument for its own sake. But politics is a battle of ideas. Politicians do not deploy words for their own sake, but for a purpose, to express the belief that we can make life better for people. When we lose sight of that goal, we are truly lost as politicians.

I believe Government should exist to improve life for people, not bureaucrats. If we do not have a government of radical ideas we are left with caretaker administrations: reacting to crises, responding to problems, but not setting a new agenda and failing to stretch the boundaries of what the nation can be.

Where are Wales's radical dissenters today? Many of the best young brains are restricted by nature of their employment – in the Assembly, or Assembly sponsored bodies! Too many potential free thinkers have been co-opted in to the mainstream.

And when people speak out they can be hounded by the media and interest groups for saying the unpalatable. In 2007 a Labour researcher in the Assembly resigned after making some contentious and regrettable remarks about the Welsh language on a blog. While I disagree with what he wrote, I think it's a dark day for Wales when young men and women can't exchange ideas freely without fear for their livelihoods. It stifles diversity and suffocates discussion.

Episodes like this suggest to me that Welsh democracy is sick and in need of some radical medicine. Since 1999 a gooey grey Welsh political consensus has developed. It sometimes seems that we simply swapped a remote ruling class in Westminster for a crachach in Cardiff Bay. It's in marked contrast with a Liberal Wales, which has always been about new opportunities, new ideas, progress, and embracing the new. Our nation has been successful when giving voice to the talent and the spirit of the people of Wales. As a party, we have to ask ourselves: are we engaging enough with that Welsh spirit?

The Liberal tradition

We need to re-connect with the Liberal tradition that is radical, non-conformist, and linked with dissenters down the ages: Dic Penderyn, the Chartists, the Rebecca Rioters, and the striking miners. They all sought to work together to make life better for

themselves and their communities. I'm not advocating armed insurrection, but we desperately need to harness that spirit of impassioned rebellion in our modern day politics.

Once upon a time, an army of malcontents marched on Newport demanding universal suffrage and fair representation. Now they arrive by bus and train demanding cheap drink, loud music and a bit of escape from daily life. There is a veneer of contentment which hides a growing gulf between those who make decisions, and those who live with the consequences. A society that silences its radical voices is a society that hears nothing.

The Liberal tradition is a Welsh tradition of coming together, of communities helping each other to help themselves. It's a strand you can see in the role of the Chapel in the community, in the development of the Miner's Institutes, in the story of the cancer charity Tenovus and of local Women's Aid groups.

But as the world gets smaller and virtual communities on Facebook get bigger, community no longer just means where we live and our near neighbours. Even families can be a global concept. Each of us has multiple identities and belongs to many communities. The way people organise themselves and belong is changing. But politics has failed to keep up. When we talk about community action we must ensure that it's relevant and that communities are empowered in the maximum way possible.

Welsh Liberalism has this spirit in its DNA, but it's a candle we must ignite again. I believe in people helping each other to help themselves, because we all have a stake in each other. That is a belief that real progressives share, one that the Democratic Presidential Candidate Barack Obama talks much about.⁵ I believe that we are all links in a chain, and when any one of them is broken, the whole chain is damaged. When one individual, family, school or community succeeds and prospers, so do we all.

The politics of empowerment

The inalienable stakes we have in each other must become a tool to drive forward our individual, community and national potential. This is in marked contrast to the synthetic solidarity of the *One Wales* government. It wants services from the centre to bind us together, to bind Wales together. That straitjacket society will not deliver a more prosperous or socially just Wales.

A more confident and mature nation wouldn't be quibbling about cross-border health or stopping people travelling to their local hospital, because it doesn't suit some ideology or creed.

5) See his *The Audacity of Hope: Thoughts on Reclaiming the American Dream*.

You can't build a community or a nation by force. People come together and stay together when they see that there is advantage for them to do so – not because they are told to do so.

You can't empower people by targeting taxpayers' resources towards giving away freebies. Especially when much of the population should, and is happy to, contribute towards costs and take responsibility. You can't empower people by dictating from the centre how services should be run and rule out local accountability and decision-making. You can't empower people by thinking whatever the issue, the state knows best.

I want to push forward with a new age of passing power down so that communities can help each other to help themselves. I know it sounds unlikely – a politician seeking power, to give it away – but it's true. Communities should be in charge of how they organise themselves. Of course, there is a role for Government in offering a framework, equitable funding and so on. But nothing can break the consensus more and make decision-making more relevant than if it is people and communities themselves that make those decisions.

At my local PACT (Police and Communities Together) meeting in Brecon, the police talk to people, and ask them what their priorities should be for the next three months. That's a great example of ordinary people – those who suffer the burglaries, petty vandalism, and anti-social behaviour – setting the agenda. Local people should be taking charge, not someone remote from their concerns sat behind a desk.

My constituency is blessed with committed individuals who, having seen both the public and private sector absent themselves from providing services within the community, have organised and provided them for themselves. From community shops and petrol stations to Tourist Information Centres and internet cafes. Local people, free from the stultifying influence of bureaucratic rigmarole have simply got on with the job. They are creating wealth, opportunities and providing services often despite rather than because of the powers that be. Maybe that's why Powys is top of the happy league.

We should allow schools, teachers, pupils and parents to prove that their stake in each other can improve school transport, admissions policies and extend curriculum choice. Why don't all renewable energy schemes ensure that the local population are true stakeholders? Let's foster a sense of public ownership in local services. Community groups – however they organise themselves – could manage, administer and develop their own libraries, leisure centres, youth centres and village halls. New social housing developments provide an opportunity to involve tenants more, ensuring that new build goes hand in hand with training, education and business opportunities.

The fear of crime is undoubtedly growing. And that's because people feel cut-off, without influence on how they're protected or how to ensure the justice system works for them. Let's move forward with communities having more of a say in what sentences some non-violent offenders have to serve in the community. It is communities themselves that know what is wrong. What needs to be made right, what graffiti needs to be cleared up, what wall needs putting up again, what local environmental project needs to be finished. But why not go further? Let's examine directly elected police authorities or have a debate about directly elected chief constables.

When Radical Liberals have seized power in the past they have detonated the consensus. Lloyd George is rightly hailed as the great Liberal hero, but his example is not exclusive. The reforms led by Roy Jenkins as Home Secretary are another example of Welsh radicalism. As Home Secretary from 1965-67 he relaxed laws relating to divorce and abolished theatre censorship. He gave government support to David Steel's Private Member's Bill for the legalisation of abortion and Leo Abse's bill for the decriminalisation of homosexuality. Each of these were fundamental shifts in society. Go back to 1889, when Stuart Rendel⁶ introduced the Welsh Intermediate Education Act. For the first time, public money was spent on specifically Welsh intermediate education and it provided education supported by the rates earlier than in England. It is this radical tradition that convinces me that the future of Welsh Politics is a Liberal future.

Coalition politics

The events of summer 2007 have acquired a mystique that perhaps history will choose to remember as not quite so important. They were certainly significant if you lived through them as a participant. But whether in the great sweep of devolution history I doubt if anyone will remember them very much. The machinations of the people and the parties involved will soon be forgotten when devolution starts delivering real results for people. While it was the most exciting period for those of us in political parties, and those who follow Welsh politics closely, there are not many of us in the general scheme of things. The membership of all the political parties in Wales together would not fill a sports stadium.

Of course, it was a difficult time for me personally. It was not as painful as childbirth, but not as joyful either. It pained me to see the party I love and people I love on different sides of an often heated debate. There was anguish, too, in seeing my role in events exaggerated, misreported and wrongly analysed by many people of whom I expect no better and some of whom I very much did.

The coalition talks started off the back of a gruelling election. All elections are gruelling. However large your majority, it's off-putting going to work every day knowing that

people could vote for someone else and it could all be over – just like that. I have witnessed colleagues who have worked incredibly hard, rejected on a national swing. I'm lucky to have a great team around me, but it's natural to feel nervous during elections and I'm not such a macho politician as to hide it.

At every election – even when it's not me who's up for election – I feel the fear. I hope all politicians do. We should. We should always remember that any power we have is the power of the people. They lend it to us for a fixed period and it's theirs to take back or give to someone else. The aftermath of such an experience is hardly the best time to discuss the future government of the country. Yet, therein lies the paradox. It is what democracy demands, and particularly the more European-style democracy, as we have in Wales.

My politics were born of anti-Thatcherism. Growing up in Llanelli I learned little else in my formative years. In Brecon and Radnorshire, my main rivals have always been the Tories. So again, that anti-Tory streak has been nurtured. My instincts are not their instincts. I side instinctively with the workers not the gentry, with the non-conformists not with the Establishment.

I made my views clear at the very first meeting of the Welsh Liberal Democrat National Executive and Assembly Group immediately after the election. I was not alone in holding those views, and neither was I the most vocal in expressing them. I was clear that if a deal was to be done – and having spent the last four years (and the previous four) fighting off the Tories – I preferred one with the Labour party. I felt instinctively that we had more in common in terms of social justice. I had also campaigned hard on an anti-Tory ticket.

My appeal to many voters who are not Liberal by instinct, was that a vote for me was the best way to keep the Tories out. I could not in clear conscience support a deal that would put Tory Ministers in the Welsh government, after gaining votes based on keeping them out.

The negotiations continued but it came clear that local government leaders would not wear a deal with Labour. In Welsh politics there is often a misplaced condescension towards council leaders. Their responsibilities far exceed those of most AMs and MPs, as they will point out if you ever ask them. The majority are skilled political operators who did not achieve their positions by accident, but by hard work and skilled politicking. They deserve more respect and recognition than they get, both locally and nationally.

In the negotiations it was proving easier to deal with Plaid Cymru and the Tories than it was to wrestle with Labour with whom every argument was an old argument in a new context. Even after the election results, they still seemed to lack the self-awareness to

know that they would have to change course and that a government without them was a very real possibility. At our third meeting in Llandrindod I firmly expected Mike German to say he favoured a deal with Labour. He jumped the other way and a majority were willing to support it, despite the fact that more detailed work had been done on a Labour deal, than the heads of terms agreed for a Rainbow coalition.

At various points my opposition to the deal has led me to be branded “a Rainbow wrecker”. There were harsher words used on many blogs. However, reading about yourself in the blogosphere is like eavesdropping gossip – you’re rarely likely to hear anything good about yourself. Rumours of my Rainbow slaying have been greatly exaggerated. I did not organise and I did not agitate. If anyone asked I shared my feeling, but those close to me knew I felt a great reluctance to lead a movement of opposition at a time when I was worn out after a tough election.

I voted not to refer back to special conference at the famous tied meeting in Llandrindod Wells. I voted against it in the Assembly Group. I voted against it as a member of the NEC. The following weekend I spoke and voted against the motion at the special conference, which sought to endorse the All-Wales Agreement. Many from Brecon and Radnorshire did so as well for, like me, they feared the consequences of putting Tories back in charge of Wales, even in a coalition. Like me, they felt the deal wasn’t all it was cracked up to be.

One of the main claims of the pro-Rainbow supporters, was that the deal contained more than 100 Lib Dem policies. Time after time at special conference, the pro-deal lobby recited how much of the policy agreement was our policies. How the bulk of the programme had come from our manifesto – the most detailed of all the parties. But what did it really contain? Was it really a Liberal document, as some argued? It was an impressive piece of negotiation. I’ll happily admit that. We had fought an election on the premise that we would deal with anyone who would deliver our policies, and on a manifesto that was rammed to the gills with every policy we could think of. This had the corollary of providing us with lots of policies to get in to the document.

But which of these 100-plus policies was truly Liberal, which would have marked a sea change in the future of Wales? Sure, each of them was a fine sentiment with a good means of delivering it, but where was the great radical reform? It’s true, that our manifesto had been built on solid foundations. It was a document built for government, built for delivery. It was costed and affordable. But in trying to keep everyone on board, the most radical policies never made it in to the All-Wales Agreement.

There was no firm commitment to making sure everyone’s vote counts in local elections, only to a referendum on the issue. And there was no guarantee that Labour

and Tory MPs at Westminster would permit those powers to be devolved anyway. There was nothing to ensure the delivery of further powers to the Assembly, other than a commitment to demand them. Our green policies, one of the strong strands from a document entitled *Fair Green Future*, were turned a lighter shade of green. The Welsh Liberal Democrat commitment of demanding 60 per cent of household waste recycled by 2011 – one of our more radical policies – was watered down to 50 per cent. No-one is more supportive of Youth Farmers Clubs than me. But one of the pledges of the All-Wales Accord was to establish a consultative forum with the Young Farmers' Clubs network. That's a fine idea. But it's not the kind of big picture change I came in to politics to achieve.

Proportional representation

Wales needs a step change. I want the Welsh Liberal Democrats to be in government. I want us to be leading the changes Wales needs. We have to be bold about the things with which we identify most strongly. That means no truce without PR. It's not important because we're all electoral geeks. It's important because it makes life fairer and provides political leadership that reflects what people actually want. The current system is increasingly often delivering anti-something votes, rather than anything that resembles a positive choice.

I'm not opposed to being in government. But it has to be government for a real and radical purpose. It has to change Wales. I can't say that we should never deal with the Tories, but PR would have to be part of that. And it must not be a concession towards PR. We played that game with Labour in the first Partnership Government between 2000 and 2004 and it meant nothing. There can be no deal without delivering PR. Giving people Fair Votes is one of the great causes that is ours to fight. It's the one thing people know about us. It's something we're passionate about. It is a deal breaker.

It's a deal breaker, not because it's important to Welsh Liberal Democrat members although it is. It not because our constituents are mad about it – they're not. It's not even because it's a noble cause. The reason PR must be a totem, is because it delivers real change. At a stroke, it would sweep away any remaining one-party states in our local authorities. It would turf out the cabals who run their town behind closed doors. Fixing decisions in the Labour club on the Tuesday night, before the charade of participatory democracy in the council chamber on the Thursday would become a thing of the past. The leader is the face of the community, but the people should always be in the driving seat.

PR would be irresistible to me. The Rainbow *All-Wales Accord* document would have delivered over 100 policies from our manifesto. But many of them were jewellery not

worth owning: paste and papier-mâché with not a diamond to be seen. I'd rather do a deal which delivered a handful of diamonds, real sparklers that change the nation, rather than a string of plastic pearls, which might make the wearer look pretty from a distance, but show up their lack of substance in the longer term, and under closer inspection. One or two policies that change Wales forever, are worth more than 50 that tinker at the edges.

The *All-Wales Accord* had a tick box and a sprinkling of pork barrel for every interest group, but where and what was the vision? The most attractive part of it was to get rid of Labour. The vision was to change the government – not to change the nation. Is that enough? It wasn't for me at the time, and I remain unconvinced today.

In the end what I – or anyone else – thought was of little consequence. Despite repeated assurances following the Welsh Lib Dem special Conference that the Rainbow was the real deal, Plaid turned and signed the *One Wales* Agreement with Labour. One could speculate for hours about why. Maybe they knew they didn't have the leader to be the face of Wales? Maybe the anti-Tory faction in Plaid was stronger than it was in our party? Maybe they feared the consequences of leading an administration founded across ideological divides? Probably they thought that it was the only way to secure a step towards their ultimate goal of independence, and only time will tell if they were right. But ultimately they chose to keep Labour in power and with a thumping majority, too, which has rendered the Assembly a very dull place, at least in plenary session.

Coalitions are here to stay in Wales. While I will not cease to campaign for a majority of Welsh Liberal Democrats in the Assembly, I accept it is unlikely that any single party will return a majority without a change in the way the Assembly is elected. My party, and all parties, will have to wrestle with what that means in the run up to 2011. And one thing is certain. How the Welsh Liberal Democrats choose to use the power we have will always be the biggest challenge facing us.

In opposition

Welsh Liberal Democrats have been busy since the Welsh General Election in 2007. We have picked ourselves up and a great deal of internal change has already taken place. Our new president, former AM Christine Humphreys, and new chair of the Executive, Professor John Last, are leading party reforms. Joanne Foster, our new chief executive, is driving a professionalism in everything we do. Welsh Party staff have moved out of Bayview House – our home for the last ten years – and re-located to a new, modern office in Atlantic Wharf. The constitution is being overhauled so that we are fit for the second decade of devolution. So the party is adapting to the new demands of the new era.

All that remains now is for the face of the party to change once Mike German has stood down in October 2008. The new leader will inherit a party in good shape. Debt-free, and bolstered by a set of local elections where, despite being Labour's number one target, we went forward once again. We now have influential positions in the leadership of more than half of Wales' councils, and provide the leader for three coalitions in the largest urban centres – Cardiff, Swansea and Wrexham. We have an exceptionally strong parliamentary group, where two of our four MPs are members of the shadow cabinet: Roger Williams, Wales, and Jenny Willott, Work and Pensions. Lembit Opik, formerly shadow cabinet spokesman on housing, stood down in September 2008 to campaign for the UK party presidency. And in Cardiff Bay we have the most experienced Assembly group of all.

Uniquely among the parties, every level of the party is united on the central 'identity question' in Welsh politics. Welsh Liberal Democrats are united in their commitment to a proper Parliament, or Senedd, for Wales, and united in their disdain for the pyrrhic pinnacle of 'Independence'. There is no pro and anti-devolution wing. There is one party, and one vision, for a confident, autonomous Wales within a strong United Kingdom.

Working in a Party with a federal structure reinforces our belief that federalism can be effective, and is the logical consequence of the devolution process. Strangely, our policy on devolution is the one that best fits what most people say they want. Once you strip away the ideological extremities it's common sense. Yet, by and large, voters have not connected our stance with their beliefs. In part it's because the issue isn't that important to people who are trying to hold down a job, pay the mortgage and keep their kids on the straight and narrow. Compared with issues such as health, education and crime, it doesn't figure on the radar. But it's also because we've failed to express it clearly. The federalism 'F-word' doesn't help either. As Welsh Liberal Democrats we need to be clearer that we want a common sense settlement which can endure and be settled sooner rather than later. Politicians in Wales would be much more effective if they were focused more on constituents and a bit less on constitutions. We need to reach a proper settlement, so we can focus fully on tackling poverty, ill health and improving education.

The *One Wales* agreement is symptomatic of this failure of prioritisation. What is policy the document's first policy commitment? A convention on the constitution! Education, the economy, and the health service are all lower down the list. As a statement of intent it is revealing about Labour and Paid Cymru's priorities. No wonder we are experiencing such problems at all levels of our education system. Although, it has to be said, even the number one pledge has hardly been a great success so far. I'll return to that point shortly.

One Wales is as flawed as the *All-Wales Accord* which rivalled it. It's all "progress towards this" and "working towards that". The government is occupied in a frenzy of activity. But where is the productivity? Where is the vision? Labour's vision ran out a long time ago. And Plaid are stuck with their ideological myopia, which leaves *One Wales* – and consequently our Wales – sadly lacking.

Take education policy, for example. We have an ongoing row about the funding of the Foundation Phase, where the government has tried to get away with under funding the introduction of a radical shake-up in learning for the youngest pupils. There is a widespread acknowledgement – at least outside the government – that there is a growing funding gap between higher education institutions in England and in Wales. Meanwhile, further education has a funding gap of its own. The Ministerial rhetoric and the *One Wales* priority is to upskill the workforce. Quite how they intend to do that, when there is a lack of cash at each level remains unclear. They haven't taken the tough choices – that's why they are failing in priority areas.

So far, no Assembly government has said, "We're cutting this because we want to spend the money on that." We will have to develop that mentality. Even the replacement of the Barnett Formula by a distribution system which better reflects Wales's needs, will not provide a way out of this bind. Politics is about choices. The government is going to need to make some. They need to say which things are a priority, and admit which others are not. That's grown up government. My hope is that devolution is maturing, and we will have governments which are able to make those tough choices, and deliver on key priorities. Oppositions, too, need to accept this reality. Those not in government cannot go on indefinitely demanding more money for everything, without explaining where it would come from, and hope to be taken seriously.

'Happy meal' politics

It's difficult to know what the underlying priorities of the current government are. It's certainly not legislation. The use of the new powers acquired by the Assembly as part of the Government of Wales Act 2006 offered a real opportunity to make a step change. Yet progress has been painfully slow.

We have seen one Legislative Competence Order passed so far, a quarter of the way through the present four-year term. There are more in the pipeline, but progress is painfully slow. This includes the Welsh Language LCO, which has disappeared off the radar. Is it too difficult or too controversial? We've also had the bizarre situation where a Plaid Cymru minister has been told by Westminster that she hasn't asked for enough powers as part of the affordable housing LCO.

The MPs on the Labour-dominated Welsh Affairs Committee have not helped either. Their talk of being “swamped” by legislation and general aloof attitude has done little to smooth a new process. Their reluctant co-operation has added another barrier to a process where there are too many fences and not enough gates. It isn’t just LCOs where progress has been slow. Measures have scarcely been better. Yes, the limited powers make it difficult, but limited ambition is the greatest problem of all.

Where are the memorable achievements and policies of this government? Is it free hospital parking? Is that the great leap forward that is supposed to enthuse the nation? It has the effect of disadvantaging bus users – who still have to pay to get to hospital – and discouraging car sharing and public transport use in one of Wales’ largest employers. It is giving ‘freebies’ to commuters, at the cost of front line services.

“Free at the point of delivery” is a great banner. And of course, people receiving regular outpatient treatment – such as those fighting cancer – shouldn’t be disadvantaged. But free for all is a sham. It’s just ‘Happy Meal’ politics, an obsession with giving people a little reward for their vote. It’s all about the freebie, and stuff the nutrition. ‘Happy Meal’ politics has cast a shadow over the Assembly’s first decade. It has a corrosive effect on politics in Wales. It feeds suspicion and contempt for politicians and politics.

Sixty years ago, the response to poor health care was the radical solution of founding the NHS. Today the response is free aspirins and free car parking for the wealthy. When we think about child poverty, a century ago the radical Liberal solution was the welfare state, a formal safety net for the poorest in society. Our current government proposes free school breakfasts. Even with environment policy, for all the popularity of green rhetoric these days, the comparison with the past is not favourable. Once upon a time in response to environmental concerns we built sewerage systems to provide clean water for our cities and towns. At the last election, the Tories offered free light bulbs. ‘Happy Meal’ politics doesn’t even begin a debate, let alone come up with solutions.

The Convention

Now that the public sector in Wales has come through the years of plenty, and is starting the years of financial famine, it is clear that the era of Happy Meal politics are over. We have to look for alternative solutions. Chucking money at problems came about partly as a result of the Assembly’s feeble powers in its first years. But it has come to show a poverty of ideas and courage. These are no longer milk and honey times, so people rightly expect their government to be concentrating on bread and butter issues. Instead, we have The Convention.

The Convention, being led by celebrated Welsh diplomat Sir Emyr Jones Parry, is a great example. It’s a £1m political conjuring act which will deliver nothing but distraction on

the real issues affecting Wales. Plaid Cymru needed it to show they had got a concession from Labour. Labour needed it to get Plaid on board for a coalition. The people of Wales don't need it at all. Opinion polls on the subject are clear. Increasingly, people want the Assembly to have more powers.

The current system is incredibly complex, and while more powers are coming to the Assembly, the process is slow. It's like driving a car with the hand brake on. Sure, it moves, but it isn't really going anywhere. The Convention won't change that and I really can't see it winning hearts and minds. The Convention will talk to people, we are told. It will hear what they think. I'm sure it will educate some people, those who don't understand the current system. But the reality is that, whatever means the Convention finds to reach out to people, the majority of people in Wales just don't care. Of course, that's a shame. Providing the Assembly with a strong foundation is an important issue. But in a free society people don't have to care.

The tragedy is that the meaningful work of the Convention has already been done. Back in the first Assembly the Welsh Liberal Democrats established the Richard Commission. It was made up of representatives of all parties, together with a diverse range of people from civil society. It set out a clear path for devolution, one that had widespread agreement and around which a consensus could have been built. But Labour balked at delivering it. If they had had more courage we could have been spared this plague on Welsh politics and politicians. Rather than the constitution, we would now be discussing why Wales lags behind UK prosperity levels, or our crumbling school buildings, or why people in Wales die younger than those born in England.

The people of Wales cannot eat consultation documents. It is very unlikely any of my constituents will be better off as a result of the Convention. There is a real danger that it becomes a travelling circus. Going around Wales distracting politicians, and people who follow politics, from the real problems of Wales. The Richard Commission has done the job. Let's take it off the shelf, dust it down, and get on with the business of delivering it.

Fair funding

Saddest of all is that delays in the Convention have put back the start of a more important Commission – the one on the future funding of the Assembly. The result of a Welsh Liberal Democrat motion which received backing from all parties, the idea is now being taken forward by the Labour-Plaid Government. It is potentially crucial to the future governance of Wales. There has long been an acceptance that Wales's needs are greater. We have an older population than the UK average, greater health needs, and greater needs in terms of accelerating our economy which lags behind other UK regions. The Lottery distributors recognise this. Wales receives six per cent of Lottery

funding. Under the Barnett Formula, Wales receives a population-based figure closer to five per cent of any increases in relevant expenditure in England. Even Lord Barnett, who drew up the formula back in the late 1970s, has disowned it. It was introduced as a temporary measure, but the lack of courage of successive governments has kept it in place. A fair funding system is a priority for Wales.

There is a reason why devolution in Scotland has been more successful. Yes, the great powers are part of that too. But the financial settlement which has made it affordable for the Scottish Parliament to introduce free personal care is one we should be lobbying for with all our might. The conservative parties – both Labour and Tory – have fought shy of addressing it, citing the fear that reform may mean we end up getting a worse deal. That is the worst kind of cowardice. A cowardice born of a lack of confidence in their own ability to win the argument with London, with Scotland and the UK parliament in general. It's a question of justice. I'm sure there will always be a disagreement about what constitutes a 'fair' settlement. But to tolerate an unfair settlement for fear of not winning the argument is completely unacceptable to me.

Scotland has tried to get the ball rolling. The work of the Steel Commission, led by Lord (David) Steel, has already sketched out the future of what it dubbed "Fiscal Federalism". It is a document on which we can build. The reality is that Wales will not improve its health or prosperity levels without being bold. Doing what we have always done, will only bring us what we've always got. In recent years, that means a growing prosperity gap between Wales and the rest of the UK. We cannot simply accept the status quo. The Finance Commission is charged with providing the ammunition to win the arguments, to scrap the Barnett Formula and replace it with a fair system based on need. It is vital work, and it cannot be completed soon enough.

Breaking the mould

Change and newness are the dominant motifs of modern politics. Barack Obama's success in mobilising and enthusing people about his candidature to be President of the United States, has only served to root that idea in the political classes. So it's a great time to be changing leader. Welsh Liberal Democrats will have the opportunity to put a fresh face on the party as we look forward to new challenges: European elections in 2009, the UK General Election probably the following year, and the Welsh General Election in 2011. And it seems likely that face will be a female face – breaking the mould of Welsh politics where women have too seldom been heard, let alone seen at the top table.

All parties have to assess where they are. I find it difficult to envisage a non-coalition Welsh government for at least the next decade. As a party, we have to assess what that means for us. Our apparent willingness to deal with any and everyone has cost us dear. It

has allowed others to paint us as unprincipled. The media too has to consider how they cover elections without a clear winner. The traditional two party model of political reporting in the UK is getting out of date at Westminster. It is utterly unfit for purpose as far as Wales is concerned.

I believe parties should state clearly if they cannot work with one party or another. But if they do that they should stick to it. It brings politics as a whole in to disrepute when parties campaign to kick the government in to touch, only to turn around and sign a deal which props them up. I believe a problem for the Welsh Liberal Democrats is that we have been too pragmatic. We have been content to grind ahead, when we could really do with a leap forward. We have been content to target one or two seats we might win with an all out ground blitz. Instead, we should be bolder. What if we set our target for 31 seats rather than ten? How would that change the way people think about us? I believe we should be aiming for the stars, not just the next rung on the ladder.

Wales is ripe for radical change. Labour have let people down too much and too long. Their decline in Wales looks like it could continue for some time. Both Plaid Cymru and the Tories have a natural plateau. Plaid's separatist message has a limited appeal. Similarly, for those old enough to remember the Thatcher years, the Tory revival holds little attraction. We are the only party with the potential to break through. If we reclaim our roots, we can reclaim our historic support, and ultimately reclaim government.

Project 31

Project 31 is at the very edge of what's possible. Psephologists will laugh. Pundits will sneer. But they do that when we predict winning just ten Assembly seats. You cannot live life afraid of the sneerers. No-one who ever achieved anything wasted too much energy on the nay-sayers. If I had listened to them in 1998 I would have put my name forward for Bridgend, as they suggested, instead of Brecon and Radnor. Winning 31 of the 60 Assembly seats might prove to be beyond our grasp, but it shouldn't be beyond our reach. We have produced the best policies for Wales at the last two elections, but failed to sell them. We failed to communicate that we are a team, and that we are united towards key goals.

Too many people just don't understand where we are. Voters have a feeling about the other parties – a gut feeling – a feeling that overrides the intellectual response. They instinctively love or loathe them. Most people don't have that strong, gut-level, emotional response to the Welsh Liberal Democrats. Too many people don't know what we're for, so they cannot have an emotional reaction. We don't leave them with a passion either way. Too often, we leave them cold.

We have concentrated at Assembly elections on having policies coming out of our ears, but have to concede after returning just six Assembly Members – three times – that these policies haven't come together for a feeling for what we are about. In appealing to the brain we haven't created a gut reaction. Our story (or 'narrative', as political commentators like to call it) has not been a coherent one. We haven't used those policies to create a story of what we're about. At least, we haven't created a story that's easily remembered and can be retold by one person to another.

From time to time an issue has come along that allows us to do that. An example was the Iraq War. Such an issue comes allows us to differentiate ourselves from the other parties and gives people a clearer picture of who we are and what we stand for. Those moments are gold for they enable the party and its message to resonate with people. They lead to an upturn in support, a growth in membership and a rise in the polls.

At a UK level, such issues have only arisen occasionally. At a local level, we have been the masters of creating those issues, and milking them for all they are worth. Individual councils have been able to do it too. In Cardiff, there is a clear narrative about what Welsh Liberal Democrat representatives stand for. They have been able to make that connection.

The same is true in Swansea. In Cwmbwla ward, home of my Assembly colleague Peter Black and Swansea Council leader Chris Holley, they have hung on in there, despite what Labour throw at them. The same is true of Aled Roberts in Wrexham. Why is it that our council leaders have been able to resist and prosper, despite the challenges they have faced in office? I think it is because they have been able to develop a relationship with voters. They have a relationship with the gut, as much as the brain. People feel, instinctively, maybe even at a level they can't rationally explain, that Peter, Chris and Aled – and other local champions across Wales – will put them first.

However, as a Group in the Assembly we have failed to do that. We haven't given people a gut feeling. They don't know what our story is? In our attempts to make our appeal as broad as we can, we have failed to stamp our mark. Worried too much about putting people off voting for us, or working with us, we have shied away from truly bold positions that would put us in a position to gain.

We have failed to establish a clear priority on issues and instead attempted to address them all at once. We have been afraid to put people off, afraid of closing doors. We have to change that. If we are not annoying at least 10 per cent of the population on a regular basis, then we're probably not saying anything bold enough. Some people should be horrified by what we are saying. They should be angry with us. If not, we are not being Liberal enough, we're not being distinctive enough, and we're not being hard hitting enough.

I want some people to be quaking in their boots at the prospect of Welsh Liberal Democrats in government. I want polluters to be panicking at the prospect of Welsh Liberal Democrat ministers cleaning up Wales. I want managers wasting money in the public sector to be fearful that Welsh Liberal Democrat Ministers will clamp down on them. I want conservatives (of all parties) to be quaking at the scale and the pace of the change we want to bring to Welsh politics, and to the people of Wales.

We have a set of beliefs and not everyone likes them. We have tried being all things to all people and it doesn't work. To be successful we have to do what we do better than anyone else. We have to concentrate on a few things and be 100 per cent committed to them. We need to be able to tell people we will stand by those convictions, come what may.

Increasingly, Welsh Liberal Democrats are developing their own policies, distinct from the party in England and Scotland. They are based on shared principles, but are distinctive to take into account the different circumstances this side of Offa's Dyke. In the last 12 months we have introduced a new policy development path in the Welsh Party, putting greater emphasis on elected members to lead the debate within the party in their policy areas. For instance, as education spokesperson in the Assembly, I have published a consultation document which will be developed into a more detailed education policy paper that will be presented to the 2009 Spring Conference. This will set a pattern for our policy development leading into the 2011 election. Jenny Randerson is doing the same in the health portfolio.

The policies that emerge will set the tone for our campaigns at both the UK General Election and the Welsh General Election. We need to have a radical approach and establish a platform that while intellectually coherent, also appeals to people's gut feelings. We have to reach beyond the Cardiff Bay bubble. We must reach out to people who have stopped voting and those who have never voted. We have to demonstrate our core values and principles: personal liberty; progressive rather than conservative; giving people opportunities. For me this is the key to our future as a party. We need radical policies that engage new people. That is the key to leapfrogging the other parties to become the dominant player in Welsh politics.

We can break through by re-engaging those lost to politics. That's why it's possible. We won't be wrestling with the other parties for existing voters. We need to recruit those who feel excluded at present, and like us, want to overhaul the system. We need to create a new politics of equality where everyone has a voice, not just those in the Cardiff Bay Bubble. We need to create a politics of engagement, where everyone knows that they can get involved. In this endeavour we need to harness modern technology, using the tools of tomorrow to address the real concerns of real people.

But it is about getting out there and listening to people too. The Town Hall Meeting has long been a staple of US politics. Nick Clegg has been holding them regularly across the UK since becoming leader. Meetings where people can come and tell you their story, and hear politicians in their own words without media spin. It is a politics that involves taking risks. But we have to be willing to bet the house on what we believe in. There is a danger that we lose. But surely the greatest danger is that we never try. “Who dares wins” is the SAS motto, not “Let’s do it tomorrow” or “Wouldn’t it be nice if...” Revolutions happen when a small group of utterly committed people come together and make them happen.

If we are in politics to change lives, and change the nation, we have to start with changing ourselves. It will be necessary to take risks to make the changes Wales needs. We should get used to playing for higher stakes, by starting at home. I want the people of Wales to be leaping (metaphorical) chasms, rather than shuffling along the edge.

We need to get our jumping legs in training. And that applies beyond the party too. If we are to develop an effective Assembly, we’ll need to change a lot, and that includes and some people. In the Assembly corridors we hear a lot about upskilling the workforce in Wales. We hear too little about upskilling Assembly Members themselves. The fact is we all need to raise our game. And those who can’t should stand aside and make room for those who can.

Meeting the challenge

All parties have to look at how they attract and select candidates. Does the Assembly represent the ‘brightest and best’ that Wales has to offer? Of course it doesn’t. With just 60 AMs, the institution cannot afford passengers. That is not to say MPs are intrinsically better, they just have more places to hide. Everyone has to be able to make a meaningful contribution. At a time when we are wresting powers away from Westminster, we need to be able to demonstrate that we have the competence to legislate for Wales. For that, we need more able AMs. The Welsh Liberal Democrats have recently overhauled their selection procedures for new candidates. As a result it’s a much tougher process, more demanding and more challenging. But it does not apply to incumbents. I’m sure the same is true for other parties. If we are to give the people of Wales a better politics, we need better politicians.

One thing is clear in Welsh politics: the age of Labour is over. We are in a transitional stage. The next Assembly election will set the tone for the post-Labour era in Wales. Blaenau Gwent was a turning point for Labour. They fought the Laws, and the Laws won. But they didn’t just lose a seat. They lost a moral edge. They lost the right to say they speak for people generally, when they were ignoring their own

people. Prior to the May 2008 local elections, Labour councils turned their backs on the legacy of the miners. They have become detached from their roots. They are a party in decline. Like the Liberals a century ago, they have become divided on the major issues of the day, and they could slump as low as we did between then and now.

There is a great opportunity for all the parties who are not Labour. So far the independents have been the biggest gainers. But we are still in that transitional period, and independents seldom prosper in the long term. There is a generation for whom Thatcher is as remote a historical influence as Hitler – although they probably learned more about Hitler in school. For them, Labour is the enemy. It is the party that has presided over a youth shorn of opportunity and social mobility. It is the party that has condemned them to a mortgage of debt merely for having the audacity to further their studies. It is the party that has failed to raise their communities from their knees – where the Tories put them.

My colleague Roger Williams MP has talked of the need to make devolution Tory-proof. Unfortunately, the current Labour-Plaid government has failed to grasp that nettle. With the opinion polls predicting a Conservative government at Westminster, the future of devolution is uncertain. David Melding, in his highly readable essays on Conservatism in Wales, has predicted that the next great leap in devolution will come under a Conservative Government. That is his hope, honestly held. However, it is not David Melding who will be in line to be the next Secretary of State for Wales, if indeed the post endures.

In Westminster the Conservative attitude remains hostile to devolution. Conservative MPs have opposed Legislative Competence Orders (like the affordable housing LCO) on the grounds that they don't like what the Assembly might do with them (suspend the right to buy). They have also opposed framework powers for Wales, such as those contained in the Planning Act, on similar grounds. There remains an unreconstructed rump – not least among the two former AMs, David Davies (Monmouth) and David Jones (Clwyd West). We cannot be sure that a Conservative Government will be good for Wales. That's why we need to Tory-proof devolution.

To do that we need to push on further and faster with devolution. We cannot guarantee that future Westminster governments will be sympathetic to Wales. Indeed, this Labour government – since instigating the referendum and creating devolved government as one of its first acts – has hardly been a great friend to Wales. It has blocked relatively benign proposals like a St David's Day bank holiday. The Labour Party sat on the Richard Commission, which recommended a clear pathway to a proper parliament for Wales, and in response produced its own inferior development plan.

It's not just the Tories we need fear. It's the other conservative party too. The London-centric parties have failed to grasp the importance of letting power go. That's why we need to take devolution on, so that we can get on with making it work, and stop arguing about obscure constitutional questions which rate low on the priorities of the vast majority of people. Not one of my constituents has ever said to me "Kirsty, when are we going to have that proper parliament you talk about?" The majority of people want politicians to improve their health and education services rather than reform the constitution, even if we believe that the latter is necessary to achieve the former.

There is a gap between the people and the political establishment. It's a gap caused by the stifling consensus of opinion. The problem stems from the Westminster Village – which is physically in London, but often seems to be on another planet. Closer to home, we have a similar phenomenon in what I call the Cardiff Bay Bubble. This is a stifling consensus of lobbyists, media and bureaucrats. In the bubble there is a free movement between political parties and civil society – from the media to political parties, to NGOs, to government and back. In the Bay bubble experience and contacts are more valuable than original thought. Who you know is still more important than what you know. Too many people in the Bay Bubble fall into the trap of not wanting to rock the boat, and don't want to risk standing out from the consensus. In the Bay bubble there is unwillingness across the board to debate difficult ideas, and new ways to doing things.

The bureaucrats are winning and it is business as usual. Decisions are always taken in the Bay bubble: the Senedd, Cathays Park, the bars and restaurants in the Bay. Wales is a small country, but not so small that everyone and everything is properly represented in that bubble. There are plenty who have no voice. Those are the people that Welsh Liberal Democrats can reach out to. We are the outsiders. We are a party that doesn't believe in the system as it works now. There are thousands of people like us who do not believe the system works. But many have still to be persuaded that it can be changed.

In part that's because we've been too shy about saying that's what we're for. We need to be bolder in saying these things. We have to start a project to win 31 seats. Let's call it Project 31, for want of a better name. We have to make a serious plan for a Liberal Democrat majority in the Assembly – a majority which would allow us to remodel Wales' political systems, and ensure that everyone's voice could be heard.

I want Welsh Liberal Democrats to be ready to work with others as senior partners, not as junior partners. We have to use our influence to promote liberalism and Liberal democracy wherever we can.

There is an emerging generation who are a living backlash against the centralising, dead red hand that suffocates the Valleys. This is a generation that wants an alternative. Some

will be drawn to the lazy intellectualism and easy rhetoric of Nationalism, at least until they mature. Some will just reject the system wholesale, until they settle down and have to rely on public services like housing and education. But there are many who could be enthused by a project to transform the system and make it work for them. These are the people we need to identify. We need to give them a little love and encouragement and in the process harness their passion and enthusiasm for their communities.

We have to grow the party to do that. It is all very well talking about revolutions being started by small groups of people. Successful revolutions end up with thousands of people marching shoulder to shoulder for the cause. We have to grow the party to do that.

That means growing the membership, growing the wider support network and growing our influence throughout Welsh life. It will also mean changing the culture of the party. Successful parties are made up of successful people. Too many of our most successful members are not very active in the party. These are the alpha people, the opinion formers, the influence makers. We have to engage them, and non-members like them, and persuade them to give more to the party – more money, more of their time, and more of their passion. If we develop leaders in every constituency and local authority area, we will create a virtuous cycle of success.

We have experienced growth since the advent of devolution. In local authorities and in the Westminster parliament our representation has increased. But if we want to create a mass member movement we need to ensure that people in leadership positions are effective leaders. Many already are, but for the most part that is a fortunate accident. There has been no strategic identification or training of good leaders. Aled Roberts, leader of Wrexham Council, has established a strong reputation in the party as a great leader. But he – and others in similar positions – established this reputation as a response to circumstances. If we are to thrive and prosper in the future, we have to identify individuals like Aled, and offer them the tools to develop those skills, rather than just leave it to chance. Strong leaders are crucial as the party gets bigger. We need them to create a culture of success in every local party. Success and growth go hand in hand.

Growing the membership won't be easy. We will need to enthuse people. But passion is irresistible. All of us involved in politics have a duty to transmit our passion. We have to play to the issues where we are driven by conviction, and where we have belief. That kind of passion fuelled the religious revivals in Wales. It can fuel a political revival too.

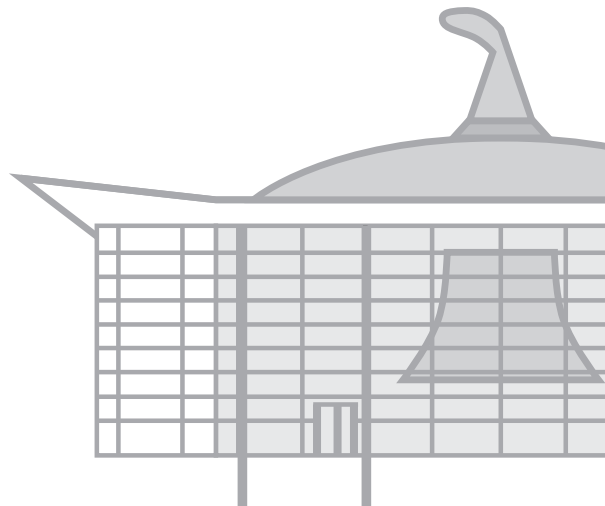
We have to be the message in everything we do. We talk about being radical and Liberal, but do we live it? Not just in terms of policy but in terms of the staff we employ, the candidates we select, and the policies we adopt. We have to embody the message in everything we do.

And that message has to be built around the twin pillars of Liberal Democracy: freedom for the individual and social justice. Labour share that commitment to social justice, but their state-based solutions are anathema to us. The Tories embrace the individual, but have no concept of social justice.

There are millions of people across Britain who share our liberal values but don't vote for the Liberal Democrats at the moment. Our task is to reach out to those people, show that we're relevant and offer an alternative to the two conservative parties that share a cosy consensus. That is a cause worth fighting for and one which offers potentially huge rewards for us as a party.

We are the only party that is fully committed to a nuclear-free Wales. We are the only party that want to axe the unfair council tax. We are the only party that is campaigning for fair votes. We are the only party that can be trusted to lead on the environment. We need to ensure that these vital policies are put together with a brand and approach that engages with people.

Wales is a passionate nation. If we can bring that passion to our politics it will not just invigorate our party, it will invigorate the people, and it will transform the nation.



Chapter 4

Reinventing Radical Wales

Adam Price

“The forces with the best chance to achieve and maintain political predominance in the near future of the advanced societies are those – whether right, centre or left – that most persuasively associate themselves with the cause of restless experimentation and energy. It matters to the future of these societies that they also be forces committed to the belief that the freedom of some depends on the emancipation of all.”

Roberto Unger⁷

I have, for as long as I can remember, had the habit of reading books backwards. From a very young age it struck me that only through realising how a story ends could you truly understand the meaning of its beginning.

The same principle, of course, applies to history. As Joseph Schumpeter, the Austrian economist, once remarked, political events seldom reveal their true significance within the same decade. There can be no arguments that the Days of May (2007) were among the most dramatic in recent Welsh history. The Celtic Spring writ-large – with Nationalists in power in each of the three Celtic corners of this for-now-at-least-still United Kingdom – is already seen as a defining moment in the story of these islands. But what the moment means is still being worked out. It depends on what happens next.

The wait to be vindicated by events will undoubtedly weigh on my party more heavily than on all others because in choosing to enter into coalition with our principal political opponents we effectively entered into what Gwyn Alf Williams would have recognised as a Pascal’s wager on the future of Wales. Wales – as a historical political reality – can in many ways still be characterised as a tentative, emerging nation. The role of a nationalist party in these circumstances is to force the pace of change: to act pre-figuratively, or, as the Scottish novelist Alasdair Gray has put it so memorably, “to work as if you live in the early days of a better nation”.

Being a Welsh Nationalist used to require heroic reserves of patience. Like revolutionaries the world over we were always waiting for that Great Leap Forward,

while busying ourselves with the politics of small steps – little victories, heroic defeats, principled stands – but never quite the “Free Wales” which always seemed just out of our grasp. Now we are transformed from a party of struggle to a party of struggle-in-government, we can practice impatience instead, not through protest but through policy. If Wales is a *verspätete Nation*, a late developer in Marxist terms, then now at least we get to put our shoulders to the wheel.

It is a lamentable fact, of course, but the Government of Wales Act 2006 bestowed upon us the slowest form of Government in the world. It is in Edwin Morgan’s phrase “a symposium of procrastinators”. A policy must first be adopted by a political party in its manifesto, supported by the electorate, included in a Government programme, agreed by Coalition partners and then, if it involves legislation, there must be no fewer than 18 separate steps involving three separate legislatures. Talk about checks and balances. Only an alliance with Labour offered us the opportunity of progressing as a nation beyond this slow-motion politics.

But the truth is that was not the only reason that an alliance with Labour came more naturally to us than the alternative. This is the truth that dare not speak its name. For while Labour and Plaid activists would often rub shoulders in the peace movement, the Miners’ Strike and the Anti-Poll Tax protests of the 1980s – and of course, most fruitfully, during the Yes Campaign in 1997 – the only dialogue between the parties these days is the one around the Cabinet table. At all opportunities we try to maintain the pretence that the Red-Green Coalition is more a latter day Molotov-Ribbentrop pact than an alliance of progressives, a temporary abeyance in hostilities between bitter enemies before normal service resumes.

The Dragon has two tongues

The truth is more complicated. Nationalism and Labourism are the two great radical movements of 20th Century Wales. Liberalism ceased to have deep social and cultural roots in Wales shortly after the Second World War. Conservatism is, by definition, an anti-radical anti-movement and a specifically Welsh personality for the party is a very recent phenomenon.

The relationship then between Labour and Plaid Cymru remains the central narrative in Welsh politics. Although no-one should doubt the ferocity of the electoral rivalry, it cannot be characterised solely as one of outright opposition because it has also involved a process of interpellation, a calling-to-account. In this way Plaid has influenced Labour, drawing it in a nationalist direction. Meanwhile, Labour, through its unrivalled hegemony from the inter-war period on, pushed Plaid towards its formal adoption of socialism as a philosophy in 1981.

The histories of the two movements, though superficially different, have followed the same trajectory from intellectual to popular movement, to party, and to government. In the case of British socialism it took just under a hundred years from Robert Owen's first use of the term to Labour's first government in 1924. This puts Welsh nationalism's long wait for power – of eighty two years – in some perspective.

What unites Welsh nationalism – at least in its home-grown version, as a liberation movement – and Welsh socialism is that they both are essentially expressions of a desire to transform Welsh society by challenging the existing relations of political and economic power. While parties of the Right can often have a modernising programme, they cannot be described as radical or revolutionary in this deeper sense. Even in these politically promiscuous times, the terms radicals and conservatives are still the best words we have to describe the fundamental dividing line in politics: between those who want to confront entrenched power in a society and those who seek to defend it.

As parties of the Left, Labour and Plaid would be natural coalition allies, if it wasn't for the national question. Whereas even the mainstream of the Welsh Labour Party has come to accept Welsh nationhood as an objective reality, the degree of enthusiasm shown reflects a continuing ambiguity as regards the whole notion of national identity. For us the existence of nations is essential as humanity can only develop its potential and its possibilities by developing them in different directions. Progressive internationalism is pluri-national by definition; and progressive nationalism is one of the greatest transformational forces in modern history. Labour sees nationalism as at best a diversion, at worst dangerously destructive. We, by contrast, are proud to belong to a philosophical tradition and an international political movement that can count among its ranks the likes of Thomas Masaryk, Simon Bolivar, Mahatma Gandhi, Jobe Kenyatta, Michael Collins and Thomas Jefferson.

But the ideological tension between Labour and Welsh nationalism has deeper roots than this familiar terrain. The Labour Party and Plaid Cymru represent two very different conceptions of what the Left in Wales should stand for. Welsh Labourism has remained rooted in a traditional and, in some senses institutionally conservative, social democracy. At its heart is a commitment to equality of outcome and opportunity to be achieved mainly through the redistribution of resources via the tax and benefits system to which New Labour, it has to be said, never fully signed up.

Welsh Labour's fidelity to Old Labour values – the 'clear red water' strategy articulated by Rhodri Morgan in a key speech in 2002 – is key to understanding both its relative resilience as a political force and its current crisis. While distancing itself from New Labour was strategically deft, the fact that the main levers of power relevant to the achievement of equality remain in the hands of a Whitehall Labour government intent

on the dismantling of the Welfare State has left Labour in Wales demoralised and disorientated.

Far from presenting itself as a force for change, Welsh Labour has cast itself in the role of mounting a rearguard defence of social democracy in retreat. There is something self-limiting and ultimately self-defeating about this version of left-wing politics. Redistributive egalitarianism – the idea that the main purpose of a progressive government is to compensate for the inequalities thrown up by the market – sounds radical compared to the neo-liberal consensus of recent years. But the underlying assumption is intrinsically conservative: that the conditions and institutions which gave rise to the inequalities in the first place are unchallenged. As the world financial crisis continues to unfold around us, this position is politically unsustainable.

Plaid's alternative conception of what it means to be progressive is based around a much broader agenda of institutional change including the democratisation of the market, the deepening of democracy itself, and the empowerment of the individual. Equality remains a prerequisite to the kind of humanised society and economy we want to create. This means preventing extremes of privilege and deprivation, and, in particular, preventing the hereditary transmission of advantage and disadvantage from determining the life-chances of individuals. But equality is a means and not an end. The end is the enlargement of everyone's capacity to live a meaningful life.

These counterpoints to Labourism have always been there – from Saunders Lewis's distributist concept of *perchentyaeth*, to D.J. Davies's emphasis on co-operative economics, Gwynfor Evans's emphasis on respect for the individual, and the formula of decentralist socialism arrived at by the party in the early 1980s. Plaid's version of progressive politics is not so much about the socialisation of the economy, but its humanisation – including both the social and the personal dimensions of human life. Integral humanism – a phrase devised by the French Catholic thinker Jacques Maritain – perhaps comes closest to expressing Plaid's vision.

What unites all these elements is their emphasis on the need for a 'moral economy', not just the market economy so beloved of the free-market fundamentalists. The idea of a moral economy makes it clear that the economy does not exist outside of human moral questions of equality, dignity and respect for the environment; that the economy is not just a matter of supply and demand but also right and wrong. Only through a moral economy can we provide holistically for human material and non-material needs, especially the need for a caring, nurturing, safe and human-scale environment.

Equality for us, then, has always been a means and not an end. The end is ensuring people have the opportunity to live big lives full of ambition, struggle, surprise, and

success. The struggle to end extreme and entrenched inequalities of circumstance and opportunity – lifting people out of poverty, sickness and drudgery – is a necessary step in the empowerment of ordinary men and women to achieve that larger life. But alongside the traditional social democratic notions of equality and community, we would also stress autonomy. This deep-seated human desire for independence – workers wanting to stand on their own two feet, nations wanting to go their own way – is the engine of innovation.

Gwynfor Evans summed up this aspect of Plaid's social thought in language reminiscent of the 'personalist' philosophy – the original *via media* between individualism and communitarianism favoured by both the last and current Pope – of Emmanuel Mounier and Nikolai Berdyaev:

“...it begins from the premise that the supreme value on earth is that of the human person, whose humanity derives from his social nature. A humane social order will allow each person the fullest opportunity of achieving his or her potential. This requires close regard for material needs: but equally important are man's non-material needs, for the human person is mind and soul as well as body.”⁸

While these ideas run counter to the traditions of mainstream top-down, statist social democracy to which the Labour movement signed up from the 1930s, a dissident sub-current has always percolated just beneath the surface: G.D.H. Cole and the Guild Socialists, the Utopianism of the Co-operative movement, the syndicalism of the *Miners Next Step* and the pluralism of the ILP. It is these left-libertarian elements within the Labour tradition, perhaps, that rendered a red-green alliance less incongruous than it might have appeared.

Transfiguring the actual, imagining the possible

In the political sphere, Plaid's key demand is self-government in the broadest possible sense. We are supposed to be a democratic society but most people are excluded from power, both in the sense of lacking influence over government but also in the sense of not having any control of their working lives or economic prospects. The central premise of humanism must be that people achieve a greater control over every aspect of their own lives. Welsh society and politics need to become, in the words of Roberto Unger, the Harvard-based academic turned Minister in Lula's Brazil, a “high energy democracy”.

Alongside the foot-soldiers and the “trumpeters of the revolution”, as Lenin once dubbed elected representatives, Plaid needs a new generation of ‘organic intellectuals’ to

help ferment the ‘signature policies’ that could embody the kind of transformation we want to see, illustrating our values and showing the voter where our head and our heart is as a party. Ignoring for one moment the practical limitations of the current constitutional settlement, what kind of policies might these be?

Well, as a modern echo of Saunders Lewis’s distributism, in a genuinely humanist Wales each new Welsh citizen could be given at birth a form of social endowment – a basic stake in the wealth of society in the form of a guaranteed social inheritance. This could build on the Baby Bond established by the Westminster Government and the Child Bond which the *One Wales* Government has agreed to create from next year. This endowment should become a cashable resource on which an individual can draw at different points in their life – on going to university, on buying a house (building on our proposal of a first time buyer’s grant), getting married, having a first child, and so on. It could be increased for those from low-income families or those suffering some other disability.

We could build on the revolutionary move to child-centred play-based learning through the Foundation Phase for three to seven-year-olds and end the ‘learning factory’ approach to learning and child development. We need to replace the Prussian model of rote learning adopted from 1870 onwards – which first tried to destroy our language and has been killing the natural creativity of generations of children ever since – with the kind of holistic and emancipatory vision of education developed by the Grundtvig schools in Denmark (that was such a strong influence on DJ and Noëlle Davies), and the radical pedagogical ideas of R.F. Mackenzie, Paolo Freire, Ivan Illich and John Taylor Gatto. All these place capacity above memory, skill above qualification, and the needs of the child above the needs of the economy.

Building on O.M. Edwards’s original vision for *Urdd Gobaith Cymru* we could also create a National Youth Service offering year-long postings to all 16–18 year olds on leaving school who would in return receive a top-up to their Child Bond. This could be modelled on the highly successful Canadian *Katimavik* programme launched in 1977. *Katimavik* – an Inuit word meaning the place where, at the end of a hunt, people would gather to share their catch and swap stories – comprises service teams of 12 young people, half male and half female, who, supervised by adults, undertake a series of three month projects in different parts of Canada. During their time on the programme, the young people live, work, eat, cook and clean together developing social skills as well as a sense of personal responsibility.

With the public sector playing such a dominant role in our society and economy it cannot and should not be immune from the transformation we seek. Welsh citizens, all of whom pay tax in one form or another, have a right to demand that public services funded by their taxes continually improve. The idea of standardised services provided by

a centralised bureaucracy belongs to the last century. The only alternative offered to this model of State provision so far has been privatisation. But profit-making businesses are not the only option. We should be encouraging experimentation with new forms of not-for-profit, mutual and community-owned providers of public services.

Industrial democracy was one of the main themes of the party in the 1970s. In the wake of the collapse of neo-liberalism it is an idea that has contemporary relevance as we seek a new model of economic governance. An attractive alternative to both the unfettered market and State ownership is the Meidner Plan developed in Sweden in the 1970s, though never implemented. According to the plan, companies with more than 100 employees would have to transfer a portion of their profits (10-30 per cent) in the form of newly issued stock to employee-owned investment funds administered by the trade unions. The cash from the profit would remain within the firm available as equity capital for investment. The voting rights of the shares would go to employee representatives. Over time the employees would own an ever greater share of the company.

Alternatively, we could create a National Solidarity Fund, modelled on the Quebec Solidarity Fund started in 1984. These worker-led venture capital funds now represent more than one third of venture capital in Canada. Established through tax credits to firms and some public seed capital, the funds channel the savings of Canadian workers into small and medium sized companies. The funds are independently managed aim to ensure high returns and diversified risks. Studies have suggested that the value of the tax incentives – worth up to 40 per cent of the funds invested – is paid back to the Government in about three years because of the increase in payroll taxes through jobs created and the reduction in welfare payments.

We also need to find new ways of encouraging the creation and development of new businesses. One proven way of doing this is to reduce business taxes. The socialist case in favour of corporate taxation (at least as far as indigenous businesses are concerned) is a weak one, as redistribution can be achieved much more effectively through progressive income and capital gains tax. What business taxes do achieve are lower levels of investment. A review of international evidence over three decades has pointed to evidence that a reduction in corporate taxes of 10 per cent increases economic growth by 2 per cent.⁹ While we don't currently have the ability to vary corporation taxes we do have the power to vary business rates. I would like to see a Plaid-led government announce that it was going to cut the business rate by 25 per cent a year over four years, cutting it in effect to zero by the end of the term. This would massively reduce the start-up costs and running costs for existing businesses and would give an immediate stimulus for the economy. It will, of course, require savings in the economic development budget and it will take time to work. But work it will.

The transformation of the economy is, of course, the central question in Welsh life. Without improving our economic position we cannot achieve the kind of social, cultural and environmental changes we want to see. In one sense, without independence, no Welsh government can succeed economically. In relative terms we can only fail better. As a recent Cambridge study demonstrated, we will always be at a relative economic disadvantage within the UK because the prioritisation of the City of London and the South East of England sucks in labour and investment and crowds out economic investment.¹⁰ The principal task of a nationalist economic policy has to be to close the wealth gap to such an extent that independence becomes a politically feasible option for a majority of the population. That requires the achievement of sufficient autonomy over taxation and borrowing, industrial policy and financial regulation that we are able to influence the underlying determinants of economic performance. This should not be seen so much as a half-way house but the construction of the bridge to the future. Many will want to go with us only part of the way at the outset. However, if the foundations can be shown to be solid there is no reason why the people of Wales should not choose to complete their historic journey.

The politics of renewal, the renewal of politics

Of course it is not just policy that must change if we are to create the new society, but politics itself. Here I think the Days of May 2007 (and June through July) contain important lessons.

The first insight is that we do still need strong political parties with deep roots in society and well-defined political programmes. Anti-politics – the politics of protest pure and simple – is ultimately incapable of bringing about the national economic and social transformation we desire.

Like most political parties today Plaid Cymru lacks two essential ingredients to a healthy political party: mass membership and a cadre class of intellectuals. The former has been a perennial problem. The party has to rediscover some of its evangelical zeal and send its best orators out on to the road again to win hearts and minds to the cause. As to the latter, as Elwyn Llwyd recently commented, the party that was once top-heavy with PhDs and pamphlets has simply stopped publishing anything of note – with the exception of the ubiquitous blogs and press releases. This has to change. The party needs to find a publisher or else become its own. It needs an e-journal on the lines of the Huffington Post. And it needs its own arm's-length think-tank along the lines of the Bevan Foundation.

The second major insight is that there needs to be a strong prospect of political change. One party remaining in power in perpetuity is corrosive of public trust and interest in

10) *Wales falling behind London*, Western Mail, 29 August 2008.

democracy. For progressives, democracy has to be about the creation of the new. This is how we make material progress, this is how we challenge vested interests and out-dated practices, this is how each new generation gets the opportunity to express its new ideas and insights and turn them into their new reality. Change is the lifeblood of democracy and the motor of human progress.

Thirdly, political pluralism – a product of our partially proportional electoral system – is good for democracy because it requires the agreement of a political programme. While a manifesto is conceived primarily as a platform for the election – essentially a political marketing brochure – a coalition programme is a much more detailed and comprehensive statement of the political direction and commitments of a Government. Because of the carefully and very publicly mediated nature of its founding statement, a Coalition government is arguably more accountable as a consequence. In place of the rather episodic nature of modern Government – consisting of legislation, budgets, reaction to events and the endless round of headline-chasing – coalitions at least have an explicit medium-term political and societal strategy and are much more robust as a result.

But coalitions are not without their potential pitfalls or problems. There is an ever-present danger that through interminable coalition discussions politics becomes diluted into a succession of each party's second-best solutions as the more radical policies to which one or other party object are simply left out of the final draft. Coalition politics could thus become a recipe for inertia because of the need to sustain fragile deals between parties and the need to uphold party unity within each of the parties in the alliances.

There is also the danger that Government becomes as much the outcome of negotiations as of elections and thus becomes 'captured' by the political class. In particular, closed regional lists give a privileged role to the party machine as the gatekeepers of power. With party membership in Wales in total standing at less than 30,000, this means that 99 per cent of the population are excluded from a key stage in the democratic process through what the Italians call *partitocrazia* – the party bureaucrats and power brokers that wield authority with no public accountability at all.

There are three procedural solutions to these problems:

- We could combine representative democracy with direct democracy. The National Assembly was created by a referendum, and there is no reason why plebiscitary referenda could not become a normal element of the Welsh political scene. Far from undermining representative democracy, direct democracy actually enriches it. There are a number of free vote issues, for example the question of presumed consent and organ donation, where the people are at least as well qualified as the

politicians to decide the outcome to a debate. Holding regular plebiscitary referenda – to coincide with elections – will have an invigorating effect on the public's sense of ownership over democratic politics. In particular if the parties disagree about the inclusion of an item in a programme, rather than simply leaving it out, it should be the subject of a plebiscite. This has two advantages. It ensures that the programme doesn't simply become the lowest common denominator of the party programmes, the non-controversial ideas with which everyone agrees. It also gives a central role to the people in key areas of political dispute.

- We need to create 'a Party Forum' – larger and more representative than my party's National Executive Committee but smaller than the National Council (in our case) that ratified the original agreement, to scrutinise and hold Ministers to account on delivery. It is vital to the health of democracy – not to speak of the political fortunes of any Coalition party – that a programme once signed up to is actually delivered. This is much more likely if the political base is kept fully informed of progress and fully involved in any debate on the correct interpretation of a programme commitment (for us, the case of the proposed Welsh language daily newspaper *Y Byd* was a salutary lesson). A party has to carry its activists and core supporters with it on its political journey, or the journey will be a lot shorter than anticipated. This Forum should have the right to recall a Special Conference to consider pulling out of a coalition, a possibility which should concentrate the minds of the party's own Ministers as well as those of our Coalition partners.
- Thirdly, we need to find a way of bringing all the social movements – not just the trade unions – into the work of political parties. The Government of Lula in Brazil has been very adept at maintaining a constant and direct dialogue with the social movements that supported his Presidential bid. Plaid has begun experimenting with Contact Group meetings with leading organisations in the language and environmental movements. This needs to be broadened to other sectors and formalised through observer status with speaking rights for social movement representatives at Conference. Internally, there is a case for the creation of new party sections that could, in turn, be represented at meetings of the Party Forum.

The necessity of change

The innovations outlined above seek to resolve differences between Coalition partners through involving party members and the electorate more closely in the work of the Government. This will not make for 'stable government'. Yet, politics needs levers of destabilisation to open up the possibility of change and to challenge vested interests and entrenched political power. The politics of 'safety first' – Herbert Hoover's slogan in the Great Depression – is the last thing we need when our economy and society are crying out for transformation.

Admittedly, the need for ‘stable government’ was one of the reasons given by my party’s leadership for the ultimate choice of Labour as a coalition partner. Labour Ministers, too, have confided in me their belief that this is the first time, since devolution, that Wales has had a genuinely stable government in the sense of a rock-solid majority and shared political values. In turn these have enabled the administration to plan its policies with a greater degree of political certainty.

Societies – even those undergoing radical social and economic transformation – do sometimes need periods of political stability in order to enact the transformation. In other words, radical politics must run both hot and cold. Nevertheless, political inertia is probably a far greater threat to progress than any amount of instability. As the science fiction visionary Philip K. Dick said once with characteristic acuity:

“...do not assume that order and stability are always good in a society or in a universe. The old, the ossified, must always give way to new life, and the birth of new things. Before new things can happen the old must perish.”¹¹

Does this mean that Wales, like most other democracies, should oscillate between left and right? As a radical I would welcome that about as much as the prospect of time running backwards. For me, one of the more telling arguments in favour of devolution – and indeed, independence – is the banishment of the prospect of a right-wing Government ever running Wales again, at least in its entirety. On a more positive note, many of Plaid’s ablest propagandists – especially Phil Williams – held out the prospect of a self-governing Wales emulating the social achievements of Scandinavia where, in Sweden for example, social democracy reigned unchallenged for two generations.

The problem is that eventually a one-party state will morph into one or other version of dystopia. This is part of what Hegel called the “contradictions of progress”. When they come to be put into practice through the exercise of political power radical or revolutionary ideas become bureaucratic and institutionalised. In other words, they degenerate into their own form of conservatism. As someone who was shouted down as a bolschie youngster by the massed ranks of the Valleys *nomenklatura* I know the truth of which I speak.

Conservatives can sometimes modernise societies that have become stuck, as genuine radicalism has decayed into something of a spent force. But, as we saw during the ‘Thatcher revolution’, the consequences of this kind of modernisation are often fairly brutal. In Wales we are fortunate that the political challenge to Labourism’s power base comes from a competing movement of the Left. The question for the Labour Party is whether it can renew itself in power as a radical, transformational movement. After a decade of total power

11) Philip K. Dick, *How to build up an universe that doesn’t fall apart two days later*, 1978.

and a century of cultural hegemony this will be enormously difficult. The question for Plaid is not whether to challenge Labour for dominance, but when.

Of course, a coalition as unexpected as that between Labour and Plaid has itself had an enlivening effect on Welsh politics. Whether that can last two terms is a question we consider below. When grand coalitions become semi-permanent fixtures of the political scene, as they have been in Austria for most of the post-war period, in order simply to keep other parties out of power, then perhaps they become a historic compromise too far.

Who do we represent?

Like the party system itself, societies contain radical and conservative elements. In this sense a political party that literally seeks to represent everyone, ends up representing no-one. Every party needs an electoral base in the sense of a core constituency whose interests and aspirations it can authentically claim to represent. By definition Labour's popular base for over a century has been organised labour while Plaid's bedrock of support has been among so-called Welsh-identifiers, particularly Welsh speakers.

But the success of a political party is determined by its ability to turn its base into the foundation for a much broader social alliance. For much of the twentieth century Labour enjoyed a position of over-arching political hegemony encompassing most sections of Welsh culture and society. Plaid has achieved something similar – but only within the confines of Welsh-speaking society.

It probably is no accident that Plaid Cymru is probably the last mainland, mainstream political party in the UK to invest in geo-demographic software – the kind of database that allows you to target segments of the electorate according to their socio-economic characteristics. In part, this represents a historic failure by the nationalist movement in Wales to move beyond an ethno-linguistic political identification to embrace a socio-economic approach relevant across Wales.

Labour has had its own very different problems with class. Old Labour saw itself primarily as representing trade union organised workers by default rather than by design, mostly male, mostly in industrial occupations. New Labour attempted to reach out to the middle classes beyond the world of work with a much broader emphasis on 'quality of life'. Both these paths are unacceptable. The first is too narrow to be genuinely transformative. The second, if not exactly excluding the poor and the under-privileged, takes their support as a political given.

In the 21st Century political hegemony is up for grabs. This is partly because parts of the traditional working class vote has detached itself from Labour due to disappointment

with Blair and Brown. But by far the bigger problem is the fact that the traditional working class no longer forms the clear, coherent majority it did in the days of heavy industry. New social groups and new social movements have emerged whose interests are only weakly articulated by the political system. This represents a profound political opportunity for Plaid to build on and break out of its traditional heartland to become a truly pan-Wales party.

So what kind of new social alliance could Plaid knit together that would be capable of winning majoritarian support? Plaid must continue its work of the last thirty years to poach or unpick traditional working class support from Labour. We need to continue to convince those who depend on the public sector for their wage or their benefit that political change need not be a threat to them but an opportunity. But old loyalties die hard, and if we are to build a new dynamic we need to look to new social formations that have less to lose and more to gain from a change of direction; groups that are not defending long-established vested interests but have aspirations for themselves and their families which can be fashioned into a political programme for society.

Broadly speaking there are four essential elements to this potential coalition:

- The ‘precariat’ – workers, especially the young, the old and women, who feel trapped on low wages or no wages and little hope of better prospects. This is the under-class of the socially excluded, unskilled and unorganised.
- The ‘new build’ working class – who have travelled from blue collar to grey, from council tenant to homeowner, from Labour to ‘anything-but’.
- The knowledge class: graduates, managers, researchers, knowledge workers, creatives, and professionals – including incomers – whose own self-development is the road to developing our country. This stratum is highly-educated, restless and frustrated with a Wales that on many parameters is still under-performing. This knowledge class wants to be inspired by a programme of transformation in which they could play a pivotal role as planners, decision-makers and problem-solvers.
- The not-so-petty bourgeoisie: SME owners, family farmers, the self-employed and would-be entrepreneurs.

For any new social coalition to work and to last there has to be some social glue to hold it together. For us the common thread is hope and aspiration. All of the above aspire to achieving a modest prosperity and independence in their lives: owning their own home, perhaps, going back to college to climb the career ladder, or maybe running their own business. The motivation is not merely materialistic, it’s about gaining more autonomy in one’s life; becoming the author of one’s own life story rather than the object of other people’s decisions.

The traditional Left has seen these aspirations as ‘petty-bourgeois’. Indeed, Plaid has long been criticised as a party of petit-bourgeois nationalists, or even more obscurely, as

Poujadist. But the desires for self-improvement, progress, enterprise, advancement and innovation contain within them the seeds of human emancipation. If people's individual energies and personal ambition can be connected together as part of a larger vision, then they can be part of the social and economic transformation we want to bring about. Being the party of the new underclass and the new business class, independent workers and independent thinkers is by no means a contradiction, for all these groups share a common interest: the replacement of the old with the new.

The referendum

Wales has the dubious honour of being a member of that select club of nations that voted themselves out of existence, and came close to doing it twice. As a result, waiting for a referendum result in Wales is the nearest this side of death you will ever come to Purgatory. As we approach yet another referendum, Welsh politics is slowly reorganising itself as a re-enactment of the Russian revolution. In this reincarnation the Cossack Whites are led by Monmouth Conservative MP David Davies opposing any change at all. The Mensheviks are led by Peter Hain saying that we should not risk the revolution/referendum too early, that we have to wait for the right moment when the situation is 'mature', when Wales is at the right stage of historical development – which in most cases actually means they do not want a referendum at all. Meanwhile John Dixon, the Chair of Plaid Cymru, is firmly in the Bolshevik camp, as the following statement excerpt from his blog demonstrates:

“Opinion polls can help to inform that judgement, but they should never be allowed to become the determinant. There is otherwise a risk that we wait until the polls show that the argument has been clearly won before we start to present the case; and I don't understand how anyone would ever expect to decisively win any argument without putting the case.”¹²

Or as Trotsky once put it: the point is not merely “to statistically reflect a majority, but dynamically create it”.

Were we wrong to push for a referendum in 1979 as part of our last agreement with a Labour Government? However painful the experience at the time – and it came close to splitting the party – it was the right decision, as the subsequent experience of Thatcherism discredited the anti-devolutionists. If there had been no 1979, there would have been no 1997.

We are, of course, no longer at Year Zero as far as Welsh democracy is concerned. The groundwork for the future has already been laid. We do not need, nor want some

12) http://borthlas.blogspot.com/2008_09_01_archive.html

collective act of self-immolation to prick the conscience of nation. It would undoubtedly be foolhardy to launch a referendum campaign if we discern a consistent majority against moving forward. But in all other circumstances we would expect the referendum to proceed as planned – preferably held on the same day as the Assembly elections as envisaged by Schedule 6 of the Government of Wales Act 2006. I don't think it can be stressed too strongly at this stage that it is almost inconceivable that my party would pass up the chance of fulfilling our long-cherished dream of a Welsh Parliament if there is a realistic prospect of a Yes vote.

And to 2011...

Three years off it is impossible to make any accurate predictions with regard to this election. But I think it is a fair assumption, given current trends and the state of the world economy, that Labour will suffer losses and that the principal beneficiaries will be Plaid Cymru and the Tories, with the Lib-Dems on stand-still or worse. With a return to Lib-Lab government a dwindling prospect, and a Tory-led administration a non-starter for us, there are only two realistic possibilities (and sub-species thereof):

- The first would be a renewal of the current Coalition – a so-called *One Wales Two*.

With Labour probably suffering its worst ever Assembly result, on the back of a likely trouncing at the forthcoming Westminster election, it will be difficult for them to claim a clear mandate even if they do achieve a plurality of seats. To support Labour once again as a junior partner under these circumstances would be a Big Ask for Plaid, and it is not clear at this stage what Labour could offer in the way of political inducements. One possibility would be a job rotation for the post of First Minister, as was floated by the German Social Democrats after the inconclusive 2005 Bundestag elections, with the Plaid leader taking over for the second half of the term. A second element would be some mechanism whereby Labour would sign up as a party to the implementation of the remaining Richard Commission agenda and whatever comes out of the Calman Commission for Scotland, taking us effectively to a quasi-federal solution if Labour returned to power at Westminster. If the SNP were to win a second successive election and this time formed a majority government, a third element might be to agree to recall the All-Wales Convention automatically in the wake of a Yes vote in a Scottish independence referendum (assuming it hasn't already been held).

Despite its undoubted presentational difficulties, there are some advantages to a continuing red-green alliance. It could continue to build on the kind of Scandinavian-style social democratic agenda heralded by ideas like the Foundation Phase. With the almost certain election of a Conservative administration in Westminster

it could be a progressive bulwark against Tory austerity. This would strengthen support for self-government among Labour supporters, and even some of their politicians, and could lay enormously important foundations for any future independence campaign.

The danger will lie in the failure once again to create the kind of disjuncture that all societies need to advance or address deep-seated problems. In particular in the vitally important economic sphere, *One Wales Two* would need to be based on a thorough-going analysis of Wales' economic problems and a clear and comprehensive strategy to address them. This is the area where the greatest claims were made about the devolution dividend, but where results have been mixed, with a good record on employment growth but precious little progress on closing the wealth gap.

Our five year plan as a party adds another twist to the possible permutations in 2011, as it sets as our aim to become the largest party in the Assembly. Our strategy to achieve this is known as Project 21 as we operate on the assumption that a tally of 21 Plaid seats will drive the Labour Party into second place. This grand historical drama has more than an echo of the long battle by the Italian Communist Party to overtake the Christian Democrats as the dominant party in Italian politics, known as *Il Sorpasso* after the famous Dino Risi film. Under Enrico Berlinguer, the Italian Communists even engaged in a 'historic compromise' with their political opponents in the 1970s to stave off a resurgence of the political Right.

Whether or not we were to achieve a plurality of seats ourselves, the Rainbow Alliance is sure to be resurrected, along with a new arithmetically possible variant – Green-Blue. A nationalist-Tory coalition would still seem counter-intuitive, though the shock factor will probably be greatly diminished by the near-precedent in 2007. In 2007 the incentive for the Tories was the prospect of entering power for the first time in eighteen years. This carrot will not be available next time. However, the political prize to a Cameron Government of gaining political re-affirmation a year after entering Number 10 would still be attractive. In this scenario the Conservatives would enjoy one major advantage over Labour: they would be able to offer major concessions from Whitehall. These could include action on Barnett and the granting of tax powers, the inclusion of Wales in the high-speed rail network, and the devolution of policing and justice.

For us the dilemma we will face is already crystal clear. If they go on forever 'historic compromises' become less historic and more just plain 'compromises'. They risk becoming a form of "political quietism" which Schopenhauer defined as a kind of selflessness, a form of denial of the will to live. By once again postponing the Big Act – forming and leading a Government in our own right – Plaid would risk failing to seize a unique historical moment which may never reappear.

What we will have to do to win

But even to face that dilemma, to have the opportunity to transform Wales, we must first transform the party. The first thing we need is a clear, consistent, emotionally compelling ‘story’ of what it means to support Plaid. A successful ‘narrative’ should be no more than three sentences, so here’s my best effort:

“We are a party of ordinary people all over Wales who care passionately about our land, our people and the future of our country. We want our nation, our young people and our young democracy to succeed. To achieve that success we need a party that will put Wales first”.

What are the key ideas contained within this message?

- **“a party of ordinary people all over Wales”** – we are people like you, not just another party and not a party of one corner of Wales, neither Cardiff Bay nor crachach.
- **“who care passionately”** – that’s the nature of our nationalism, a positive love of Wales and its people.
- **“we want ...to succeed”** – our politics is not the politics of envy or blame, it is the politics of democratic aspiration, for a better quality of life for everyone.
- **“put Wales first”** – the core political message, our only loyalty is to Wales and its people.

The language we use in describing our politics is critical. We need to find ‘words that work’, encapsulating our message in the most direct and positive way possible. As a party the language we use at the moment is technical, abstract, process-obsessed, and emotionally barren policy-speak: pro-devolution, for law-making powers, for a needs-based financial formula. On the other hand, independence has the benefit of clarity and positive connotation. However, until recently we have avoided talking about it.

Another important step is being clear about our political values. As already stated, for our party and for Welsh society, fairness, equality, social justice and economic democracy are central. The belief that economic inequality lies at the heart of many of our social problems is a cornerstone of our politics. Crime, poor health and poor educational attainment would all be improved if we were more equal economically.

In addition to these traditional concerns about material outcomes, the party has always espoused what could be described as post-material values which are more to do with meaning than financial means. In particular, the party has emphasised the role of culture,

identity, place and community in giving meaning to people's lives. In our case it's a progressive mix of nationalism and localism, a pride of place which includes a passionate love of Wales, its land and its people and a more general belief that 'small-is-beautiful'.

A further element in our value system is a deep respect for the environment and for the wellbeing of future generations. Anti-militarism and internationalism are also powerful components in our thinking, as the passionate debate about the St. Athan's military academy attests. A final element would be a passion for creativity, innovation, novelty, performance, individual flair, whether on the rugby field, in business or on the Eisteddfod stage. These different elements correspond to five central narratives in Welsh history and thought:

- **Chwarae Teg** – the fundamental classlessness of Wales and the railing against injustice.
- **Hiraeth** – for a lost golden age, yr heniaith, and traditional Welsh values of community.
- **The rape of the fair country** – iron masters, coal owners, absentee landlords, Aberfan and Tryweryn.
- **Flanders Fields** – Hedd Wyn, the Bombing School, Henry Richard, and the Urdd.
- **The Plucky Individual Succeeding Against All the Odds:** Ifor Bach, Owain Glyndwr, Gareth Edwards, Nye Bevan, and Terry Matthews.

Finally, we need to learn to discuss so-called 'wedge' issues like independence or the Welsh language honestly and without defensiveness. For years we have avoided talking about our long-term constitutional goals for fear of frightening the electorate. Our opponents have, of course, continued to frighten the voters with scare stories that Wales is too poor or too small to survive in the modern world. The effect of our self-imposed vow of silence – the politics of avoidance – has simply been to allow our opponents to define our policy and create negative associations in people's minds. The party's soon-to-be-launched independence initiative will begin to undo this damage. It will point out that independence is politically possible (23 nations have been created in the last two decades); and economically advantageous (the six most prosperous countries in Europe are small, starting with the smallest, Luxembourg which is twice as prosperous as the UK). We will show how a small country in a union with a larger one, such as Wales with England, is almost always at a disadvantage.

We will take on the subsidy myth and point out that the part of the UK with the highest public spending per head is in fact the apex of power. We will take on British nationalism and point out how its last-gasp big-power pretensions have dragged us into needless foreign wars while problems at home have been neglected. We will point out how successive London governments' obsession with the City has damaged manufacturing and brought us to the brink of financial meltdown. We will show how, in an uncertain world, small states have more experience than large countries in dealing

with events over which they have no control and are therefore better at responding to them. We will show how being part of the UK has made us less safe and poorer than we need be in the modern, globalised world.

In other words we must develop the self-confidence anew to debate independence, as our long-term aspiration, with anyone at any time. But we must always remember that for our movement to be successful we must be relevant to the world and to Wales as it is, while pointing to the Wales and world of tomorrow we want to create. Independence, nationalism, the national question – these words may be the frame of our politics – but the canvas must always be the problems of contemporary Wales and the subject, the pressing needs of our people. And on the constitutional question itself, it is important that we re-iterate that, while independence may be our preferred option for Wales’s constitutional future, we are in essence sovereigntists. That is to say, it is the Welsh people who will decide.¹³

With the party now in Government, the biggest political imperative for the next three years is delivery. In the same way as Labour’s first brief year-long foray into Government in the 1920s was in itself unremarkable, but helped build a reputation for competence which was the foundation for the landmark Government of 1945, Plaid’s decision to assume a junior party role was tactically adept in gaining credibility for the party with a wider electorate without assuming full responsibility. However, that first Labour Government only lasted a year while the *One Wales* Government has a full term to serve. Plaid has undoubtedly passed its apprenticeship year with flying colours. But we are now entering a new phase when we must be able to clearly show how we ‘made a difference’. The Rainbow *All-Wales Accord* talked of being judged not by “aspirations but on its achievements”. The same logic applies to *One Wales*, with one exception: the stakes for Wales are higher.

Notes on the Contributors

- **Anthony Barnett** was the founder and first Editor-in-Chief of the global website openDemocracy, from 2001 to 2007. He now edits its British blog OurKingdom. A writer and journalist, he is the author of *Iron Britannia*; *Soviet Freedom*; the optimistically titled, *This Time: our Constitutional Revolution*; and, with Peter Carty, *The Athenian Option*, radical reform of the House of Lords, published in 2008. He is the editor and co-editor of other books including *Power and the Throne*; and *Town and Country* with Roger Scruton. From 1988 to 1995 was the first Director of Charter 88.
- **Nick Bourne** is AM for Mid and West Wales and has led the Conservative Party Group in the National Assembly since August 1999. Following the 2007 election he became Leader of the Opposition and is a member of the Finance Committee. He also represents Wales at meetings of the Conservative Shadow Cabinet in London when devolved Welsh issues are discussed. Born in 1952, he was formerly Professor in Law and a Deputy Principal at Swansea Institute of Higher Education (now Swansea Metropolitan University). He was educated at Aberystwyth University and Trinity College, Cambridge where he was Treasurer of the Cambridge University Conservative Association. He is a Barrister, a member of Gray's Inn and author and editor of 15 legal textbooks. He was a member of the Executive of the 'Just Say No' campaign for the Assembly referendum in 1997 and was later a member of the National Assembly Advisory Group.
- **Adam Price** was first elected as Plaid Cymru MP for the new Westminster seat of Carmarthen East and Dinefwr in 2001. A miner's son, born and brought up in the constituency, he was educated at Amman Valley Comprehensive School, Cardiff University, and at Saarland University in Germany. A founder of the Plaid Cymru student wing, he worked for Menter a Busnes, the Welsh language economic development agency, before launching his own economic consultancy company Newidïem in 1998. In Parliament he is a member of the Culture, Media and Sport Select Committee. He is Plaid Cymru's Director of Elections and, following the May 2007 Assembly election, he played a major role in negotiating the *One Wales* agreement that forms the basis of the Labour and Plaid Cymru coalition government.



- **Rhodri Morgan** has been First Minister since 2000. He was born in 1939 and is a graduate of Oxford and Harvard Universities. Previously Industrial Development Officer for South Glamorgan County Council 1974-80 and Head of the European Commission Office in Wales 1980-87, he was MP for Cardiff West between 1987 and 2001. He will not seek re-election in the May 2011 elections and has indicated a wish to stand down as First Minister well before the elections.
- **Kirsty Williams** has been Liberal Democrat AM for Brecon and Radnor since 1999. Born in 1971 she was educated at St Michael's School, Llanelli, and the Universities of Manchester and Missouri. Before entering politics professionally she worked as a marketing and PR executive. In the Assembly she has chaired the Health and Social Services Committee and is currently a member of the Business and Enterprise and Learning Committees.

