# MINORITY REPORT

## Preparing for Multi-party Government

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Compass

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By Frances Foley

**About the author:**

Frances Foley is Deputy Director of Compass.

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**About Compass and this project**

Compass is a platform for a good society, a world that is much more equal, sustainable and democratic. We build networks of ideas, parties and organisations to help make systemic change happen. Our strategic focus is to understand, build, support and accelerate new forms of democratic practice and collaborative action that are taking place in civil society and the economy, and to link those with state reforms and policy. The meeting point of emerging horizontal participation and vertical resources and policy we call 45° Change. Our practical focus is a Progressive Alliance, the coalition of values, policies, parties, activists and voters which can form a new government to break the log jam of old politics and usher in a new politics for a new society.

# Foreword

**Michèle Auga**

'Nonsens statt Konsens!' (nonsense instead of consensus) was a prominent slogan from the political activist and student movement of the 1968 generation in Germany. It brilliantly expressed young people's fatigue with the political system and the grand coalition at the time. It culminated in Willy Brandt's very successful 1969 election campaign message to 'dare more democracy'.

Consensus is still at the heart of the German political system. In stark contrast there is no need for consensus in the cabinet of Her Majesty's Government because the winner takes it all, and all members of the cabinet belong to the same political party. A comparative analysis with Germany might look like a case of comparing apples and oranges, but only at first sight. In both cases the political system coerces the parties into negotiating policies. The difference is only one of timing and which level of the system the act of building a consensus takes place. In the United Kingdom both of the two major parties, the Conservative Party and the Labour Party, have much broader bases that they need to integrate into the process of manifesto writing. In contrast, theirGerman counterparts do not have to worry about disruptive family members, as those have found their home in other parties. Why bother with them? We'll see them either at the negotiating table or, if things go badly, after the election, sitting next to each other on the opposition benches.

Choosing an appropriate electoral system is vital for the governance of a country. The aim of the UK system is to manufacture a majority in order for Parliament to be ruled by a single party. It therefore promotes effective governance. One of the strengths of this kind of majoritarian government is perhaps that it is quick at passing legislation. On the other hand, larger parties gain a disproportionate number of seats, leaving the smaller parties on the margins, where their votes are not taken into account

This paper does not only discuss the strengths and limitations of the majoritarian system, it tries to set out the options for different versions of cross-party working and government – and the advantages these might have for the progressive movement in the UK. Moreover, it offers guidelines on how to gain power without having to change the electoral system.

At the FES we are always interested in enabling the exchange of ideas on best practice between Germany and the UK. This publication is another contribution in the ongoing discussion of how to make democracy fit for the challenges of our time. The ideas offered in this publication are not only helpful in understanding both the German and the British cases; they can be seen as a call for progressives to look at

the tectonic shifts that have started to change their political world. These changes cannot be stopped in the foreseeable future. They need to be managed. Democracy is not static. It needs to be constantly (re)shaped to become fit for the challenges of our time. The many interesting and useful suggestions that you will find in this publication might be a good starting point for a very timely and lively debate. Is it time we dared more democracy?

**Michèle Auga**
**Director**
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# Introduction

The UK party, Westminster and Whitehall system is based on an adversarial model in which two main parties compete for a monopoly of power over the state. From mass parties to the first-past-the-post election system, the adversarial nature of the House of Commons debating chamber to the formal role of Her Majesty's Opposition, the UK's political culture and administration are structured to ensure single party rule in a two-party system.

But such a system increasingly bears less and less resemblance to reality. The 2010 election saw the creation of a full-blown two-party coalition and the domination of Scottish politics by the SNP has changed the structure and nature of our party and political system. Growing support for the Greens, following support for UKIP and then the Brexit Party, speaks to a multi-party reality. The 2015 election saw a narrow Conservative win, followed by a minority government in 2017.

Of course, the 2019 General Election resulted in a big Tory Party victory, but that was in the unique circumstances of a 'get Brexit done' election in which support coalesced around a single issue. If anything, 2019 speaks to the increasing volatility of the electoral system as it splits and polarises around issues of geography and identity. The nuance of the political reality hits up against a binary and adversarial system and culture in ways that slowly erode confidence in our democracy.

Recently we have seen the creation of a cooperation agreement in Scotland between the SNP and the Scottish Greens and in Wales a partnership between Labour and Plaid Cymru. And across the country the number of cross-party coalitions in local government grows apace.

Of course, the Conservative Party is the big winner from the current system. Its vote distribution is incredibly efficient, meaning it requires fewer votes per MP elected than other parties. And given they have in effect fully incorporated UKIP/the Brexit Party and so alienated the DUP, they are in, the words of leading psephologist John Curtice, 'uncoalitionable'.[1]

Meanwhile, on the centre and centre-left, the distribution of seats and votes between Labour, the Lib Dems, the Greens, Plaid Cymru and the SNP means that any hold on state power is likely to be shared, not monopolised. For Labour to win outright requires a swing bigger than 1945 or 1997, when it has only recently seen uplift in the polls after trailing, or being at best neck-and-neck, with the government for almost two years. Of course, support for the Tories could collapse further, but it's unlikely – given the Red Wall and the SNP hold on Scotland – to do so in a way that gives Labour a working majority.

If there is to be a change of government then it is almost certainly going to be a Labour-led administration. The issue is how Labour is to lead. There are in effect two choices.

The first is to go it alone – offer the House a manifesto and dare non-Tory opposition parties to vote it down. This take it-or-leave-it approach will appeal to Labour tribalists and will feel like a 'win-win'. Either Labour gets its policies through or a mixture of the Lib Dems, SNP, Plaid Cymru and Greens vote them down and 'prove' they are in fact 'closet Tories'. Labour would then call a fresh election with a rallying cry of 'it really is just us or them'.

Whether such a strategy works electorally is a matter for debate – but it is doubtful. On the level of dealing with the big-issue complexities of the 21st century, Compass has long argued for the intrinsic case that we need a politics that is red, green and liberal. Complexity can only be met by complexity in a plural future that is negotiated, not imposed. In particular systemic issues such as climate change demand a national consensus for the scale of transition our society and economy require.

But even at a raw electoral level the case for a negotiated and consensual cross-party government makes sense for two reasons. Firstly, if parties intend to campaign tactically and the electorate is to be encouraged to vote tactically, Labour must send warm signals of cooperation and respect to the other centre and centre-left parties. Labour can claim until it is red in the face that 'only a vote for Labour gets a Labour government', but that is neither true nor enforceable. In 80 seats the Lib Dems are second to the Tories, a Labour vote in those seats just helps ensure a Tory win.[2] Few believe Labour will win outright; pretending otherwise just makes Labour look more out of touch and could seal its fate. Accepting a multi-party future and making a virtue of it is a prerequisite for Labour getting back into office in a sustained and transformative way.

Secondly, the big claim levelled to good effect in 2015 is that voting progressive invites a 'coalition of chaos'. This issue, because of the polling numbers and the psephological mountain Labour has to climb, cannot be ducked. If no one believes Labour can win alone then it becomes obvious that a Labour premiership is only viable through working constructively with others – or the chaos charge will stick, because it will be right. Whatever you think of the 2010–15 coalition and its political outcomes, it wasn't chaotic. Neither is the agreement in Scotland between the SNP and the Greens. Neither was the coalition between Labour and the Lib Dems before it in Scotland and more recently in Wales. Labour could be making a virtue of its own positive experience of cross-party working, rather than denying it and opening itself up to the chaos charge.

For this accusation will be made whatever Labour says about working

or not working with other parties, because the numbers don't lie: a coalition of some kind is the only way of getting a non-Tory government. It will be a charge that sticks, because that coalition will indeed be chaotic if it's not thought through and planned in advance.

This publication sets out the options for different versions of minority government, to anticipate and prepare for what might happen. Some are more likely than others but all need to be considered, as none are achievable or workable unless they are planned and negotiated. The public should also, where possible, be introduced to this new way of working, presented as a new and exciting way of doing politics that is more reflective of the public's mood.

It is critical that cross-party working becomes normalised and the structures and culture of our political system eventually transformed from adversarialism to pluralism – from single-party to multi-party rule. But to do that progressives have to win under the current system. And to do that they have to understand the cross-party working options and embrace pluralism now.

In 2010 Labour famously made no preparation for working with others; both the Lib Dems and Tories had. The numbers may have been difficult, but that is not the point. Next time progressive parties, and Labour in particular, need to be ready: they cannot say they haven't been warned.

This report sets out the history and practice of forming non-majoritarian governments, how to prepare for multi-party government, administration formation and the mechanics of government. It then looks at the German model, which has recently operated quickly to construct a red, green and yellow coalition that looks much like a progressive alliance. The reports ends with some conclusions about lessons learned and next steps.

## History and practice

After any UK general election, the sovereign invites the person 'who appears most likely to be able to command the confidence of the House' [of Commons] to serve as prime minister and form a government.[3]

In the past this process was usually straightforward, because the UK Parliament's first-past-the-post electoral system tends to return a majority of seats for one political party, making it obvious who the next prime minister will be and what type of government they will form.

It is far less straightforward after elections that return no overall control for one party in the House of Commons – a 'hung Parliament'. This has already happened twice this century: in 2010, leading to

the Conservative–Liberal Democrat coalition, and in 2017, leading to the Conservative–Democratic Unionist Party (DUP) confidence-and-supply (C&S) agreement. It is also more common in the UK's devolved legislatures, which elect members using different electoral systems.

The history of hung parliaments in the UK has left us with certain precedents and conventions that help to inform the process of government formation after elections. But it is important to remember that these are loose conventions. Beyond the principle that the prime minister should be the person most likely to command the confidence of the House, there are few certainties about how that prime minister should be chosen or the type of government they should form.

As a result, there are many options for how minority or multi-party governments can be formed, their composition and their leadership. These can broadly be condensed into three categories.

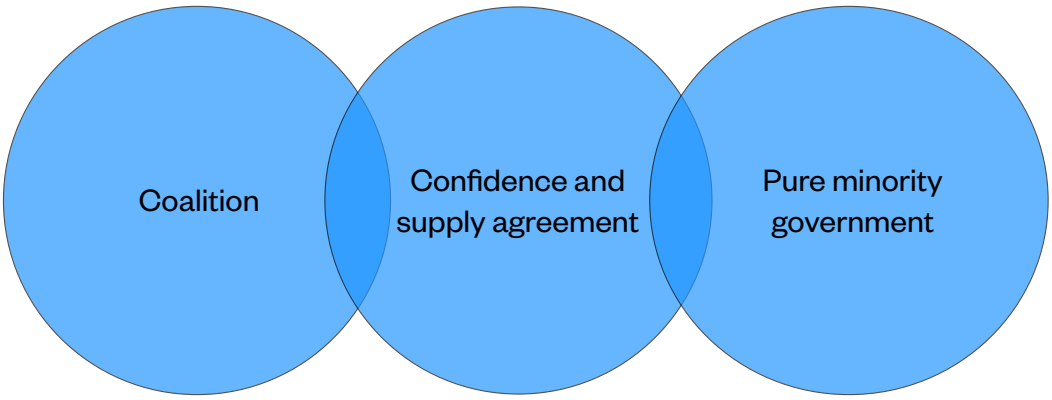


Figure 1. Types of multi-party government

## Coalition

Coalitions are governments formed of at least two political parties. They tend to share an agreed policy agenda and divide cabinet and ministerial posts between representatives of the governing parties.

Outside of wars and major crises formal coalitions are rare in UK government, with the 2010–15 Conservative–Liberal Democrat coalition being the only example since 1945. They tend to be more robust than other forms of minority or multi-party government, with a better chance of surviving the parliamentary term. This is because they are formed through a comprehensive agreement which covers both the government's policy programme and the mechanics through which the coalition will operate, make decisions and settle disputes. The most recent example is the 2010–15 coalition agreement.[4] There is also the unifying effect of collective cabinet responsibility, the principle that all government ministers 'are bound by' and should not publicly contradict the collective decisions of cabinet.[5]

On the other hand, coalitions can lack the flexibility required to adapt priorities later in a Parliament's lifespan, as the government finds it difficult to deviate from the formal agreement made when the coalition formed. Smaller governing parties also find it difficult to maintain their individual political identity within the context of a governing coalition and – as illustrated by the political consequences of the 2010–15 coalition for the Liberal Democrats – can risk serious political defeat.

## Pure minority government

The opposite extreme to coalition is a one-party minority government. This occurs when a government is formed by a minority party in the House of Commons with no formal agreements with other political parties. Instead, the government seeks to ensure confidence in the House on an issue-by-issue, vote-by-vote basis. Harold Wilson led a minority Labour government in the UK from February 1974 until October the same year, when another election returned a small Labour majority. John Major lost his parliamentary majority in December 1996 after a series of by-election defeats and led a minority government until the May 1997 Labour election victory.

Minority governments without any formal agreements with other political parties are precarious and less secure than other forms of government. Having to negotiate a majority in the House on every issue increases the chance of failure on a confidence vote. However, it is easier for the governing party to maintain its political identity and avoid the unwanted consequences of compromise necessitated by coalition or other agreements. It could also be argued that minority government necessitates a more consensual, compromising form of politics. The UK's recent history suggests that minority governments of this kind should be thought of as a temporary solution, rather than a government likely to last the length of a Parliament.

## Confidence and supply agreement

Seen by some as 'the best of both worlds', confidence-and-supply agreements sit between the extremes of coalition and pure minority government.[6] They are agreements made between multiple parties to support a minority government on matters of confidence in the House in exchange for negotiated concessions from the government, usually in the form of policy changes, funding for particular causes or regions, or changes to the mechanics of government. The critical difference between coalitions and C&S agreements is that the latter stops short of formal multi-party government, as government posts are generally occupied by one party and they act without a comprehensive, shared policy agenda.

Facing a motion of no-confidence in the House and lacking a parliamentary majority, in March 1977 the Labour government formed

a C&S agreement with the Liberal Party, known as the Lib–Lab Pact. This took the form of a joint statement from the parties' respective leaders, James Callaghan and David Steel. The agreement pledged the support of the Liberals for the government on matters of confidence in exchange for fairly limited action by the government regarding direct elections to the European Assembly, devolution and housing. The agreement established a consultative committee through which co-operation would be managed, alongside regular meetings between Callaghan and Steel. It stated that the agreement should last until the end of the parliamentary session.[7] In actual fact the arrangement lasted until September 1978, after which Callaghan led a minority government until the 1979 general election.

Following the 2017 General Election in which the Conservatives lost their parliamentary majority, the prime minister Theresa May formed a C&S agreement with the DUP. The agreement pledged the support of the DUP for the minority Conservative government for the duration of the parliamentary session on all motions of confidence, including legislation related to the UK's exit from the European Union and pertaining to national security.[8] The agreement outlined a range of other areas of 'policy agreement' such as pensions, NATO spending, Northern Ireland's agricultural sector and the Good Friday Agreement.[9] The government also agreed to provide the Northern Ireland Executive with an additional £1 billion of financial support over five years, which was to go to infrastructure projects, health and education services, and more.[10] The C&S agreement ceased to work as intended when the DUP failed to support the Brexit withdrawal agreement negotiated by Theresa May's government, though it did pledge to support the government in future no-confidence votes.

C&S agreements are seen by some as the 'best of both worlds' because they offer the government a degree of security, free from the risk of defeat on every confidence issue, while avoiding some of the disadvantages of full coalitions. The governing party does not usually have to share ministerial jobs, they do not have to form a comprehensive, shared policy agenda with other parties, and they maintain flexibility on many issues. Smaller parties do not have to risk total alliance with bigger, governing parties (and the political consequences that can come with such arrangements), but they can assert influence over the government and secure significant concessions, while avoiding even less desirable governments. On the other hand, smaller parties can still struggle to communicate effectively under C&S agreements and often find themselves in a weaker negotiating position than their governing counterparts, as the Liberal Party found between 1977 and 1978.

## Preparing for negotiations

It is common for political leaders to rule out deals of various sorts with

other political parties ahead of elections. It is nevertheless important for parties to prepare for every eventuality. By learning from the UK's history of minority and multi-party governments, and thinking through parties' position towards them, political leaders stand a better chance of forming and managing effective government during a hung parliament.

The first mistake to avoid is to focus solely on the policy implications of post-election negotiations at the expense of other considerations. Which policies are red lines? Which are expendable? Which policies do parties share in common and which will cause conflict? These questions are important, but so are two other areas of consideration: their approach to the negotiations themselves, and how they want a minority or multi-party government to operate. Political leaders should consider all three of these topics to prepare effectively for negotiations.

## The approach to negotiations

There are no fixed rules about how post-election negotiations between political parties should be managed. It is a matter for the parties themselves, with the civil service able to offer logistical support and private, impartial, constitutional advice upon request. It is important for political leaders to consider how they will approach negotiations. They could start to do so by identifying the answer to the following five questions:

1. *Which is the party's preferred model of minority or multi-party government?*

   This will depend on which parties are negotiating and how the parliamentary arithmetic stands following the election. But parties' preferences can be – at least partially – identified beforehand. Keir Starmer has already ruled out a coalition with the SNP, for example, but stopped short of ruling out other arrangements such as C&S agreements.[11] Others have posited that the Liberal Democrats might prefer to enter into a C&S agreement, rather than a full coalition, seeing it as a chance to maintain their own political identity, which they struggled to do between 2010 and 2015.

2. *Who will represent the party in negotiations?*

   Political leaders should pick their negotiating teams early, well in advance of an election, to enable sufficient time to develop their negotiating strategy. In 2010 each party leader appointed four representative MPs to participate in the negotiations. Nick Clegg appointed his team months before the election, while the Conservatives did so during the election campaign.[12] After the 2017 election, Theresa May sent a team of officials – led by the then chief

whip Gavin Williamson – to Belfast to negotiate with the DUP.[13] She also led personal negotiations with the DUP leader, Arlene Foster.

3. *Which parties will they negotiate with and in what order?*

Leaders should be clear, at least with themselves and their teams, which parties they are simply unwilling to negotiate with. They should also consider, of the parties they are willing to negotiate with, in which order they will do so. Before the 2010 election Nick Clegg said that the Liberal Democrats would negotiate first with the party that had the most seats and largest vote share in the House.[14] But this does not reflect an established rule and it should not be assumed this will happen again. It is conceivable, for instance, that parties choose to negotiate first with the party with whom they consider themselves most politically aligned. Leaders should also consider the ordering of negotiations to make an agreement with more than two parties. Preliminary, private negotiations between parties, ahead of elections, could help to clarify the position of each party towards this ordering.

4. *What sort of support will the party want from the civil service?*

The civil service may have contact with opposition parties in the run-up to elections to discuss the parties' plans for government and their approaches to negotiations, should Parliament return without a majority. They can only do so once the prime minister authorises this contact. This can be months in advance of long-scheduled elections, or it can be at the start of a campaign ahead of a snap general election, such as those in 2017 and 2019. In the negotiations themselves, the civil service's role is limited to logistical support (such as providing venues) and impartial, confidential advice on the constitution. In 2010, each negotiating party was allocated one senior civil servant with whom they could liaise to organise the support they required.[15] The parties used this support to varying extents. Political leaders should consider what they will want from the civil service, including any questions they would like to ask senior civil servants about the process, once contact is authorised by the prime minister.

5. *How will internal party approval be required for a proposed deal?*

Parties have different processes for internal approval before confirming a proposed deal to form or support a minority or multi-party government. The Liberal Democrats require two-thirds support for any deal from a special conference of members.[16] Labour must consult the National Executive Committee and Parliamentary Labour Party. On the other hand, the Conservative leaders seem free to agree deals without formal, internal consent.[17] Leaders should be clear about the processes they will have to – or wish to – follow and the implications these will have for negotiations.

If they intend to change those processes, they should do this ahead of any potential election.

## The mechanics of government

Learning from recent examples, smaller parties in coalitions and C&S agreements often regret how the arrangements were managed at least as much as, if not more than, policy compromises they made. Nick Clegg has expressed his regret at not securing more civil service support early into his role as Deputy Prime Minister, which left him at a disadvantage as he struggled to keep up with a 'tsunami of paperwork' fuelling the Whitehall machine.[18] Post-mortems of the 2010–15 coalition have also debated the merit of the Liberal Democrat strategy to spread their ministerial posts thinly across Whitehall departments rather than focusing them on a small number of departments where they could 'own' policy more directly. One of the reasons the 1977–78 Lib–Lab Pact failed was the frustration the Liberals felt at the advantage their Labour counterparts had from the full support and advice of the civil service, while they felt treated more like a standard opposition party than as part of government, outside of privileged information flows and lacking policy support.[19]

A subsequent section of this report details the mechanics of government that parties should manage in order to run an effective minority or multi-party government. But political leaders should have a clear idea of how they think these mechanisms of government should be managed before entering into negotiations. And they should ensure any agreement reflects their beliefs, to avoid repeating the mistakes of previous governments.

## Policy alignment and compromise

Central to any negotiation will, of course, be the areas of policy alignment, compromise and conflict between parties. Political leaders should start by assessing their own agenda. Which small number of policies are red lines without which they will not enter into government? Which are expendable? And how is the rest of their agenda prioritised?

Parties should then do the same for the policy agendas of the other parties with whom they are willing to negotiate. Which policies will they insist upon? Where will they be willing to compromise? Which policies are shared between parties? And which of their policies will simply be unacceptable?

It will be extremely difficult to agree to any policy compromises prior to an election, because the negotiating dynamics will be set by the parliamentary arithmetic post-election. But it would still be useful for leaders to start this conversation beforehand. The more red lines, areas of compromise and alignment that are known, even privately,

ahead of the intense, rushed negotiation process, the more likely an effective government will be formed.

## Forming a government

After preparations are made, the election conducted and a hung parliament is returned, negotiations to form the next government commence. The UK's history of these negotiations demonstrates five crucial insights political leaders should bear in mind.

### There are no rules

As noted above, parties are free to negotiate with whomever they want, however they want, in whatever order they want. The civil service can provide logistical support and confidential, constitutional advice. If parties desire, they can facilitate negotiations, but this is not an expectation.

This means negotiations can stray away from policies and government posts to cover anything parties think important. In 2010 the Liberal Democrats made it clear they would only start formal negotiations with Labour once Gordon Brown announced his intention to resign as prime minister and Labour leader.[20] In 2017 Theresa May's negotiations with the DUP focused not just on policy, but also on direct funding from the UK government to the Northern Ireland Executive, outside of the normal devolved funding arrangements under the Barnett Formula.[21]

The flexibility of negotiations makes preparations by political parties before elections even more important, as they can identify the most effective negotiating strategy and attempt to predict the manoeuvres of other parties.

### There will be pressure to reach an agreement quickly

Professor Robert Hazell has described the UK's 'removal van attitude' towards government formation after elections.[22] Unlike many other countries, there is an expectation in the UK – at least in the media – that a government will be formed immediately after an election.

This is particularly striking when negotiations are required to form a minority or multi-party government. For example, in 2017 negotiations took over 150 days to form a German coalition and 200 days in the Netherlands. In comparison, after the 2010 election in the UK the broad agreement of the Conservative–Liberal Democrat coalition was reached in just five days, while the full agreement was complete one week after the government was formed.[23] Even then, the *Sun*'s headline two days after the election described Brown as a 'squatter holed up in No 10'.

It is important that political leaders remember there is no absolute requirement to reach an agreement rapidly after an election, despite

the pressure that will be applied by media coverage. The Queen's Speech at the start of the parliamentary session can be delayed if more time is required to finalise an agreement, as happened in 2017 to conclude negotiations between the Conservatives and the DUP.[24] Leaders should ensure they take the time to make any future agreements comprehensively – even if an in-principle agreement is struck quickly, to enable a change of government, before a more comprehensive agreement is made.

### The prime minister can resign as soon as it is clear they will not command the confidence of the House

Ahead of the 2010 election civil servants preparing for a hung Parliament stressed how important it was the prime minister should remain in office until it was clear who his successor would be. What happened in reality changed this precedent. As negotiations progressed, and it became clear that Gordon Brown was highly unlikely to form the next government, it also became clear that it was unreasonable to expect Brown to stay in post until the next government could be formed. It was not in Brown's interest to make negotiations easier for the Conservatives and Liberal Democrats. It is also claimed the Queen was prepared to accept Brown's resignation if he thought he was unable to form a government (even before it was clear exactly what the next government would be).[25]

Political leaders should not assume that the incumbent prime minister will remain in post for the duration of the negotiations. If it is clear they will not form the next government, it will likely be in their interests to resign promptly. For opposition leaders, this makes preliminary, private negotiations before elections even more important. They will not be able to set the timeline for negotiations after an election and might find their freedom to negotiate curtailed by the prime minister resigning before they reach a deal.

### The largest party in the Commons will not necessarily form the next government

When no party enjoys a parliamentary majority, commanding the confidence of the House depends on a party's ability to secure a majority through compromise, concession and negotiation. The closer a party is to a majority, the easier that process should be. But a party's political positioning and willingness to compromise with opponents is extremely important.

Recent history demonstrates the advantage that is held by the largest party in the Commons, and it is true that the largest party usually has the first *attempt* at forming the next government. But leaders should not assume the largest party will always form the next government.

Indeed, an incumbent party that has just lost its majority might find itself suffering with poor political momentum and limited scope for compromise compared to their opponents, even if they remain the largest party. This happened after the December 1923 General Election, when Stanley Baldwin's Conservatives won the most seats but fell short of a majority. Despite being the largest party, Baldwin was unable to command the confidence of the House, and in early 1924 Ramsay MacDonald formed the first Labour government with the support of Herbert Asquith's Liberal Party.[26]

### Final agreements can take many forms

A formal agreement, such as the coalition agreement reached in 2010 or the joint statement by the Conservatives and DUP in 2017, is not strictly necessary to form a minority or multi-party government. The coalition agreement was not complete until one week after the government was formed. And in 2017 it was clear a confidence-and-supply arrangement of some kind would underwrite a Conservative minority government for some time before the final agreement was concluded. The 2017 election also provides precedent that the Queen's speech at the start of the parliamentary term can be delayed to provide time for the new government to finalise its policy agenda.

This means that political leaders have every incentive to slow down the process of forming the final, formal agreement to ensure it covers every aspect of the government's agenda and operations the parties consider important. Even if an in-principle agreement is reached in a rush, to enable a government to be formed, all would benefit from the subsequent negotiations being conducted in a slower, more comprehensive manner. This would enable political leaders to consider all policy implications, but it would also allow them to agree the detail of how the minority or multi-party government should be managed – what to do with the mechanics of government.

## The mechanics of government

Once a coalition is formed or a C&S agreement is reached, the fate of that government depends on how well it is managed, just as much as it depends on the policy compromises agreed.

This can be more complicated for coalitions, because multiple parties entering into government requires the normal Whitehall–Westminster machine to be re-engineered to serve dual power bases within a single administration. But handling the mechanics of government is equally important under C&S agreements, when smaller parties take on an ill-defined position somewhere between opposition and government. During the 1977–78 pact the Liberals felt shut out of decision-making and weak in comparison to their Labour counterparts, who were bolstered by the consistent support of the civil service. During the

2017–19 C&S agreement the civil service worked through the same tension, not always knowing what information could be shared – and when – with the DUP.

There is no blueprint for running an effective coalition or C&S arrangement. Doing so depends on the political circumstances of the time. But there are some building blocks governments can put in place to increase their chances of success.

## Decision making

Arguably the most important mechanics of government are the arrangements by which decisions will be made and disputes resolved. These should be explicitly described in the coalition or C&S agreement as the government is formed. They should cover cooperation and decision making at various levels of government.

Starting at the top, an effective multi-party government should be underpinned by a small, powerful decision-making forum between the leaderships of all participating political parties. During the 2010–15 coalition this took the form of the regular 'quad' meetings between the prime minister David Cameron, the deputy prime minister Nick Clegg, the chancellor George Osborne, and the chief secretary to the Treasury Danny Alexander. Clegg has reflected that these meetings, as well as his personal relationship with Cameron, formed 'the central nervous system of Whitehall'.[27] This is equally important under C&S agreements, when agreements can be thrashed out and disputes resolved between the parties leaderships inside and outside government.

Both forms of government should be, and have historically been, supported by formal consultative committees of one form or another. Even if these are less influential on a day-to-day basis than the negotiations between the parties' leaderships, such committees allow stakeholders from both parties (including MPs, members of the House of Lords and key advisers) to have their say in negotiations.

Cabinet decision-making should operate as normal, although the government might choose to suspend collective cabinet responsibility for certain issues where the parties diverge significantly, enabling the government to disagree without risking collapse. This was the case regarding the 2011 alternative vote referendum, which allowed cabinet ministers to campaign on different sides of the issue without risking the stability of the coalition.

Decision-making arrangements should also be made at the ministerial level. In coalition, this needs to include how ministers from different parties within the same department work together. But even under C&S agreements, ministers should know how they are expected to engage their opposite numbers from smaller parties to enable input into the policymaking process.

Critically, all these arrangements should include an understanding of how the government can change its mind. The 2010–15 coalition found itself operating with increasingly little room for manoeuvre as the Parliament progressed. It proved difficult to deviate from the strict lines of the coalition agreement agreed back in 2010, even when circumstances changed. It is therefore important that political leaders include a change-control mechanism within the agreed governance, to give the government the flexibility it will inevitably need.

One further consideration for parties entering into a C&S agreement is the process through which policy is formed before it reaches Parliament. A smaller party, outside government, should expect a privileged position in this process compared to other opposition parties. They should have access to information ahead of other parties, and a well-defined say in the process well ahead of legislation, at least on particular policy areas.

## The civil service

The civil service exists to support the effective administration of government. Under coalition or C&S agreements this includes support to the smaller parties to ensure that relations between each party remain productive.

Clegg's reflections from his time as deputy prime minister demonstrate the importance of the civil service providing adequate support to the leadership of smaller parties. Even if that support is unlikely to rival the apparatus the prime minister has via No 10 Downing St and the Cabinet Office, a more substantial base of power will enable the leaders of smaller parties to negotiate more effectively with their counterparts in bigger parties. This could increase the government's lifespan in the long-term by avoiding too many political defeats for one side.

The role of the civil service is important in C&S agreements, as well as in coalition governments. Smaller parties entering into a C&S agreement should secure privileged access to information and policy advice from the civil service beyond that available to other opposition parties. Even though they are not truly 'in government', such support will prove influential in maintaining a stable minority government and should therefore be seen as within the civil service's remit and a priority for the prime minister. The exact form that support should take is up to negotiating parties to decide in consultation with the head of the civil service, but it would be sensible to consider the 'manpower' smaller parties can draw on across different policy areas.

## Government communications

Government communications are a powerful mechanism at the disposal of governing parties. Downing Street press conferences

and announcements in Parliament are agenda-setting tools, not to mention the large apparatus and human resources of the Government Communication Service in the Cabinet Office and the well-resourced communications teams in each Whitehall department.

Smaller parties in coalition and in C&S agreements risk losing their own identities under the influence of larger governing parties with a stronger hold on the mechanics of communication. All sides of future agreements should agree how government communication will be used to support both parties and mitigate the established political risks of multi-party government. Will the representatives of smaller parties be given policy announcements to make on particular issues? What role will representatives have in Parliament? How will the Government Communication Service's campaigns be decided to balance the priorities of each party? These are questions which must be answered to effectively manage the public voice of multi-party government.

## Everything else

If political leaders agree how decisions are made, the role of the civil service, and how government communications will be conducted, they will be well on their way to running an effective minority or multi-party government. But they should remember the lesson, noted above, that there are no rules in determining the shape of such a government. All other mechanics of government are equally 'up for grabs'.

For instance, as well as becoming deputy prime minister, Nick Clegg chose to chair the powerful Home Affairs Cabinet Committee to increase his oversight of domestic public policy.[28] The coalition also agreed that a Liberal Democrat would chair or act as deputy for every cabinet committee.

Future negotiations could include changes to the structure of departments, the make-up and leadership of parliamentary committees, the apparatus of the centre of government, or the intergovernmental partnerships which govern collaboration between UK, devolved and local government. Parties could demand changes to key processes, such as how the government sets the budget or conducts spending reviews.

Leaders should not assume that C&S agreements will stop short of demanding changes to the mechanics of government or even sharing governmental posts. There is nothing to stop smaller parties requesting changes to the way government works or that their representatives are appointed into key ministerial or other positions, even if they are not entering into a formal coalition.

# Multi-party governance: the view from Germany

The disadvantages of the UK's single-party governance come into stark relief when compared with neighbouring systems. Germany's voting system regularly returns multi-party coalitions of different stripes. The German public are so used to coalition governments that the cryptic names for the multi-coloured configurations – traffic light, kiwi, Jamaica, tiger-duck – are in common use.

The recent German election has given rise to the formation of a three-way national government, the first in the country's history. Most significantly for UK progressives, after decades of conservative dominance at the national level, the new German government is set to be progressive majority, with the Social Democrats (SPD) taking up the chancellor's office and the Greens and FDP (the Liberals) gaining control of other key departments. So what might progressives in Britain learn from our German neighbours about gaining power with help from others?

## Other parties have power

Firstly, the SPD at the start of this year shared something important with the British Labour Party: they had a huge electoral challenge ahead of them. Coming from behind in the final months of the race, the party surged into poll position at just the right time. As late as June 2021, three months out from polling day, the SPD were languishing in third position on 15%, behind the Greens and the CDU. But in a dramatic turnaround they climbed 10 points in the polls to finish on just over 25%. The effect of this much-better-than-anticipated outcome was that for a long time during the election period, the SPD – used to being one of the two leading parties – was forced to consider its position and gain humility.

While the Greens peaked too early, trading places with the struggling social democrats (finishing on just under 15%, down from a high of 25% back in the summer) their early confidence nevertheless set the scene for their decisive role in the election. The SPD was forced to take the Greens seriously as an electoral force; indeed for a while they looked like its best route into government. And despite falling from the heights of their power, the Greens came away with their best-ever result in a national election, putting them in pole position for the early coalition negotiations.

The third coalition party, the FDP, also charted a slow but steady rise from early polls of 6% up to a comfortable 11.5%, making them the electoral kingmakers alongside the Greens. They polled the best of all parties amongst first time voters, just as the Greens were the biggest hit among young people. This firm electoral footing gave both smaller parties the confidence to do something unprecedented: in a sign of the changing times, the FDP and the Greens entered into conversation

with one another first, before engaging with the SPD. This was seen as pragmatic, allowing the smaller parties to set out their stalls in advance of the three-way melee. But the symbolism escaped no-one. These two smaller parties with very little in common were sending a message that they would no longer be seen as second order.

This provides the first lesson for Labour in the UK: recognise and respect the power of other parties. It is vital if the government is to survive. The SPD and new Chancellor Olaf Scholz must perform a careful balancing act in keeping all three parties on side. The Greens and the FDP will be especially sensitive to any sign of arrogance from the social democrats. Knowing that their share of the vote combined was higher than the SPD should arm them with the assurance – and the arithmetic weight in parliament – to stand their ground. But they too must exercise caution, aware that, while the kingmakers, they are still ultimately reliant on the king.

## Internal alliance building

The second lesson for UK progressives is a simple one: co-operation begins at home. The SPD's late surge has been attributed by some commentators to their consistency. According to them, the SPD didn't win the election, the others (the CDU and the Greens) lost it. This in turn can be traced back to a well-documented political truism: united parties do better. Long-time SPD observers noted that the party presented an unusually united front from the beginning of the campaign, with figures on the left of the party falling in behind Scholz, a known and trusted establishment candidate, having served most recently under Merkel. There were few public conflicts and, with a campaign slogan of 'Respekt', an outward appearance of party coherence.

Internal unity gives the party a firm foundation but it is not easily achieved, as UK progressives know only too well. It may feel to them that a multi-party system would just result in endless negotiation and compromise, first internal, then external. This is challenging for a party used to campaigning with the robustness and certainty incentivised by a first-past-the-post system. Yet whilst the Rubik's cube of multi-party systems might not immediately appeal, UK progressives might want to consider that a proportional system may make it easier for factions to enter into alliances with one another. It is likely that under PR the big blocs of Labour and Conservatives would splinter, at least to some extent, as smaller factions try their luck alone in the new electoral landscape. This has even been attempted under first-past-the-post in recent years – for example with the Brexit Party and Change UK – as the two largest parties struggle to contain all the factions jostling for internal control. The partial disintegration of the major parties might make it easier for distinct ideological groups to have their own space and enter into alliances on the basis of mutual gain. Of course, this would only heighten the need for shrewd and ongoing alliance-building for all parties.

## Pluralism in practice

The final lesson to be drawn from our German counterparts is about the process of negotiation itself. Knowing that a coalition was nigh-on certain from the start meant that all parties kept a firm eye on one another's manifestos and priorities with a view to possible coalition negotiations from the beginning. The delicate dance of the national debates, whereby smaller parties try to differentiate themselves from their larger allies whilst also not alienating them, is engaging political theatre. But it also serves to illustrate a fundamental point about German politics: that pluralism – for good or for ill – cannot be denied, and no one party can entirely disavow others and go it alone. So while the Greens pressed the SPD on their climate pledges and the SPD ramped up their record in government to highlight the Greens' inexperience, both knew that post-election they were hoping to be in conversation about their common ground.

The final coalition agreement is carefully balanced. The new government is keen to emphasise areas of overlap such as commitment to climate policy, economic prosperity and recovery from Covid-19, and has even coined a new slogan to point to its shared agenda: '*Mehr Fortschritt wagen*' ('dare more progress'). Behind the scenes most commentators recognise the hurdles this traffic light coalition confronts: another winter of Covid crisis, with deepening divides among the population about state intervention; a housing crisis; and the complex and urgent challenges of climate action. And yet, for now, the three parties' spokespeople can stand together and represent their country as the new faces of government.

Shoring them up as they do so is the key recognition underwriting all pluralist approaches to government. The crises facing Germany and the world are complex, nuanced and often interconnected. Despite their different traditions and cultures, the traffic lights of red, orange and green have all attempted answers to their political problems. These must now be interwoven into a fabric strong enough to hold the new German government – and German society – together.

While this may seem naive to the negotiators thrashing out the agreements in the early hours, there is hope to be gleaned from the process itself. Democracy is about balancing priorities, shifting power and reaching often precarious compromises. Multi-party systems make this process more visible, more necessary and more valued. As the first three-way German government enters its first rocky weeks, this is an idea that should keep them negotiating and moving forward to make the *'Fortschritt'* of their founding slogan. And for us in the UK, we should reflect on what this grinding process has already achieved. Progressives are in power with a firm basis to govern, a mandate for modernisation and a coalition agreement with radical climate action as its cornerstone. Could it be worth working with others after all?

# Conclusion: lessons in effective multi-party governance

With multi-party governments looking ever more likely, parties should prepare well in advance to avoid being caught out by a hung parliament. In doing so, they can draw on the lessons of history, which provides four important considerations.

Firstly, leaders should understand that this process is fundamentally uncertain. Multi-party government has historically been the exception, not the rule. As such, unlike some aspects of British governance, there are few rules – and only loose precedents by which they can orientate themselves. This means that all party negotiators must be clear-headed in advance about what they are looking to gain from the process, what their core demands are, and what their approach to negotiations will be.

Secondly, this uncertainty means that preparation for the process should begin as soon as possible, ideally well before the election period. The relative power of parties will largely be determined by parliamentary arithmetic. But those parties that are well-prepared in advance of an election will feel confident about entering into negotiations as soon as a hung parliament is announced. This work covers both internal strategising, as well as external relationship building. While the results of an election cannot be easily predicted, the trust-building that happens between and in the run-up to elections might prove decisive in the aftermath.

Thirdly, these preparations must include not only policy discussions, but also how the negotiations themselves will run – and even how they wish to operate once in power. The process of preparing internally for the possibility of multi-party governance means that parties will feel more united, more agile and more confident in their strategy. This work also presents an opportunity to manage the expectations of all stakeholders in the party – potential MPs, party officials and party members – so they are not blindsided when the coalition agreements are announced. Thinking through the approach to government – the need for compromise, concession and conciliation – might also help parties be more thoughtful when making promises at elections.

Finally, there is the sensitive question of public expectations. Since our political culture still assumes single-party governance, much of this preparation – working out different party constellations, conversations about compromise, trade-offs and red lines – is counter-cultural. And yet the political turmoil of the last few years has made multi-party governance an increasingly likely prospect, indeed more reflective of the public mood.

Parties are therefore faced with a choice: they can continue to talk

the language of first-past-the-post and create manifestos with a view to parliamentary majorities. Or they can choose to face current realities square-on – and seek to make a virtue of them. Particularly for opposition parties, for whom coalitions present the most viable path to power, denying this electoral fact makes them look in denial.

For Labour most of all, there is a real challenge to be faced. If they continue to talk of majorities strong enough to carry out their political mission, they risk looking out of touch – even delusional. They cannot hide from the massive electoral battle they are facing – and everyone can see the numbers. The Tories will always try to stick Labour with the 'coalition of chaos' line, because they know that reaching out to other parties is Labour's only credible way of forming the next government. But here Labour could choose to call their bluff. If they can point to the public pluralism, to the effective coalitions of the past and perhaps most importantly the stable, successful multi-party governments of our closest neighbours, from Germany to Finland, Ireland to Sweden – then perhaps they can face these accusations head on.

Progressive parties can point to all that can be achieved when negotiation and discussion are baked into the political process. They can present themselves as mature and modern, against a government whose majority has arguably led to complacency and corruption. It will be a challenge to turn around the culture of majoritarian rule. But if Labour and the other progressive parties can begin to argue proactively in favour of multi-party systems, identifying their clear benefits against single-party rule, they will parry attempts to paint them as weaker and, crucially, begin to shore up the cross-party trust needed to make it a real success. Both electoral reality and the prospect of political power push and pull progressives towards a pluralist system. Do they have the courage to speak up for it?

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