Labour-Liberal coalition formed in Scotland
Liberals abandon manifesto pledge for two cabinet posts

By Steve James
15 May 1999

Six days after they were elected, the 129 members of the new Scottish Parliament assembled for the first time in Edinburgh on Wednesday. The opening session was an opportunity for the MSPs to indulge in theatrical gestures and make solemn statements about the historical character of the occasion.

The Holyrood parliament was opened by longstanding Scottish National Party (SNP) leader Winnie Ewing, who informed the breathless MSPs that "the Scottish parliament, adjourned on the twenty-fifth day of March 1707, is hereby reconvened" referring to the previous Scottish legislature, which dissolved itself in favour of voluntary union with England. Apparently overcome by emotion, Lord David Steel, ex-Liberal Democrat leader and parliamentary speaker for the new body, announced that the occasion marked the "beginning of a new sang [song]", another reference to the closing sallies of 1707.

All the MSPs took an oath of allegiance to Queen Elizabeth, although the SNP, Dennis Canavan (Independent) and Tommy Sheridan (Scottish Socialist Party—SSP) did so "under duress", professing that their true allegiance was to the "Scottish people".

But behind the ceremonial theatrics, Labour and the Liberal Democrats—the two parties that will form the first Scottish government—were engaged in a bartering session over the new administration's policies. Labour won the election with 56 seats, but failed to gain an overall majority. The talks were aimed at clearing a path to a coalition with the Liberal Democrats, who took 17 seats in the elections.

Throughout the election the Liberal Democrats insisted that their price for coalition would be the abolition of tuition fees for all university students in Scotland. Labour ruled out any compromise over the fees issue. Other matters up for debate included expanding private financing in social services and local government, the allocation of ministerial positions and the reform of the electoral system for local government.

Disagreements over the imposition of £1,000 annual tuition fees, which represents a significant advance in the privatisation of higher education across the UK, had raised a number of problems for the government. If Labour had consented, it would have meant the Scottish party would have a different policy, and that the Edinburgh parliament was pursuing a different agenda for education to Westminster. More importantly such a retreat would have raised expectations among students, and other sections of workers throughout Britain, that it was possible to reverse Labour's social spending cuts.

During the election, apart from Labour, all the other parties in Scotland called for the abolition of tuition fees. The Liberal Democrats made it the central issue of their campaign. The call for abolition provided virtually the only point of difference between the other parties and Labour—enabling the opposition to posture as defenders of certain limited social gains.

Labour, however, insisted that no deal on fees was possible and threatened the Liberal Democrats that they would form a minority administration. Labour counted on the fact that, like the Greens in Germany, the Liberal Democrats would place ministerial privileges above their pledges to the electorate. They were offered a deal which included cabinet posts and the office of speaker for David Steel, and a number of marginal concessions on high profile, but insignificant issues such as tolls on the bridge to the island of Skye. Labour also appears to have hinted at introducing proportional representation in local government elections in Scotland, which could benefit the Liberal Democrats, in return for them supporting Labour's Donald Dewar
as the new First Minister.

Labour’s estimation proved correct. The Liberals junked their pledge on tuition fees in return for two seats on the executive. As a face-saving agreement, Labour has promised a committee of inquiry into university funding. The results of the three-month review are to go to the Cabinet whose decision Labour claims will be binding on the Liberals—though the Liberal Democrats refute this and say a free vote is still possible.

The Liberals were thus brought on board by the faint whiff of power. The 60 percent of Scottish voters who endorsed parties that oppose tuition fees have now had a rude awakening to the realities of the “new Scottish politics”. As the saying goes: the more things change, the more things stay the same. Not only have the politics of Holyrood followed the template set at Westminster, but the coalition between Labour and the Liberal Democrats there is seen as a possible future model for the whole of Britain.