

Clear Blue Water? The Conservative Party's Approach to Social Policy Since 1945

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The Conservative Party and the Welfare State Since 1945

'Vote for change', the Conservatives' (highly prescient) campaign slogan for the 2010 General Election, appears at first sight to be an unlikely catchphrase for a Party that has historically been associated with order, tradition, hierarchy and institutional arrangements that have stood the test of time. However, this embrace of change becomes more understandable when one recognises that the Party's longevity and unparalleled electoral success has resulted from its willingness to modify both its principles and policies in the light of new circumstances. As Rodney Lowe (2005) remarks, echoing the influential 18th century philosopher Edmund Burke, traditional Conservative philosophy is based on 'conserving what is best in the old while adapting constantly to the new' (p.25). One of the consequences of this 'adaptive' mindset is that it can lead to the charge that the Party has no settled convictions or principled policy prescriptions (Green, 2002). During the course of their history the Conservatives have, as Marquand (2010) observes, 'changed sides - sometimes more than once - on virtually all the great questions dividing the political nation. They have been for protection and for free trade, for fiscal orthodoxy and for Keynesian economics, for local democracy and for relentless centralisation, for appeasing Hitler and for resisting him, for entry into the European Community and for keeping Europe at arm's length.' (p.24).

The thorny question of what the Conservative Party stands for will be explored briefly in the opening section of this paper. This discussion will form the backcloth to a three-part examination of the Conservative approach to the welfare state. Attention will be focused, firstly, on the emergence and development of Modern 'One Nation' Conservatism from the 1950s until the end of the Douglas-Home government in 1964. Secondly, the neo-liberal turn in the Conservative approach to the welfare state which surfaced briefly in the early years of the Heath government and came to fruition during the Thatcher (1979-1990) and Major (1990-1997) eras will be considered. Thirdly, the impact of David Cameron's 'progressive' Conservative ideas on his party's approach to social welfare will be explored. The concluding section of the chapter will consider briefly whether a common thread can be detected in the Conservative approach to the welfare state since the Second World War.

Conservatism and the Conservative Party

Although all political parties are likely to change and adapt over time it is arguably more difficult to provide a clear cut summary of core Conservative convictions and approaches than say, for example, those of the Labour Party (though see McKibbin, 2010: Pugh, 2010). This is linked to the fact that the Conservatives have over time sought to 'represent' the diverse interests of the aristocracy, industrialists and growing numbers of middle and working class voters. Moreover, the Party has always been reluctant to provide a distinctive vision of what it regards as the good society (Charnley, 2009). Indeed, those who attempt to devise 'ideological' blueprints of this kind are regarded as misguided on the grounds that they will often overlook their own fallibilities and shortcomings and under-estimate the negative consequences of rapid social change. Conservatives prefer to work with what they perceive as the grain of a slowly evolving society.

It is possible, however, to identify what might be termed as underlying Conservative 'dispositions' (Oakeshott, 1975: Norton, 1996: Letwin, 2002; 2008). These would include, for example, a commitment to personal freedom and responsibility, support for the family, paternalism, patriotism, order, voluntary action, property rights, inequality as opposed to equality, and the free market. However, the relative importance which Conservatives attach to these dispositions is relatively fluid. Some have, for example, been much more committed to the paternalist strand in Conservative thinking while others have been more supportive of its libertarian 'tradition'. (Greenleaf, 1983). Moreover, as Green (2002) reminds us, it is not unusual for Conservatives to 'hold both libertarian and paternalist views at the same time, with the outlook depending less on clearly stated principles than on the particular issue or realm of activity that was being addressed' (p.260).

Pragmatic adaptation, rather than deep-rooted 'ideology', has also been the hallmark of Conservative policy making when in government (Blake, 1998). Although philosophical differences between those Conservatives who adhere to a minimal view of the state as opposed to those who are more willing to countenance greater degrees of government action (see McGowan, 2007, pp.99-133) should not be underestimated, interventionism has tended to be justified on the basis of contingent factors rather than doctrine. For example, Conservative support for increased government intervention during the inter-war period (1918-39) was driven by the perceived need to adjust to prevailing economic and social conditions (not least the challenge posed by organised labour (see Gilbert, 1970: Macnicol, 1998) rather than a deep rooted ideological conversion to the merits of collective action of this kind. As Francis (1996) points out, during the 1930s 'the National government was remarkably interventionist in the economic sphere, pursuing cheap money policies to encourage investment, creating public corporations and marketing boards to aid industrial efficiency' (p.60). There were also significant developments in the area of social policy. During Neville Chamberlain's tenure at the Ministry of Health (1924-29), for instance, there were a plethora of initiatives and reforms in areas such as old age pensions, unemployment insurance, housing and public health (see Harris, 2004: Fraser, 2009).

Modern 'One Nation' Conservatism 1945-1964

In turning to developments in the Conservative Party's approach towards the welfare state in the post-1945 era, there has been a lively debate over the question of whether Conservatives continued with a strategy of pragmatic adaptation or whether a more fundamental ideological shift occurred (Raison, 1990: Hickson (ed) 2005).

Although the Conservative Party promised to maintain 'a high and stable level of employment' and introduce 'a comprehensive health service covering the whole range of medical treatment from the general practitioner to the specialist' (Dale, 2000, p.63) in their General Election manifesto of 1945 they failed to persuade a majority of the electorate that they were no longer the Party of privilege or that they were truly committed to the welfare state and the creation of a fairer society. Labour's electoral victory provided those on the 'progressive' wing of the Conservative Party with an opportunity to press the case for a more enlightened policy agenda which would lead to a better balance between individualism and collectivism as well as the market and the state. Churchill, who continued to lead the Party, responded to the call for a clearer statement of modern Conservative aims and principles by appointing a committee under the chairmanship of R.A. Butler to examine industrial policy. This gave rise to *The Industrial Charter* (Conservative and Unionist Central Office, 1947) which many commentators have come to regard as 'one of the most pivotal statements' of post-war Conservatism (Taylor, 2002, p.85). Although the Charter reaffirmed the Party's commitment to free enterprise and limited regulation of industry, it also sought to reassure a sceptical public that the Party was committed to full employment and the fostering of harmonious relationships with the trade unions. These themes were reiterated in *The Right Road for Britain* (Conservative and Unionist Central Office, 1949), which was drafted by Quintin Hogg (1947), whose influential book *The Case for Conservatism* had appeared two years earlier. *The Right Road* also confirmed that the modern Conservatives were supportive of the 'new social services' and would endeavour 'to maintain the range and scope' of such provision and the prevailing 'rates of benefit' (p.42). Significantly, however, there were strong signals that the Conservative approach to social policy would differ from Labour's. Concern was expressed about the escalating cost of the NHS, the creation of 'enormous and unwieldy multilateral schools' and the 'shameful' levels of waste and extravagance to be found in the public sector (p.42).

Following the Conservative's narrow defeat in the 1950 General Election a further attempt to develop the Party's welfare policy was undertaken by the newly formed One Nation Group (Walsha, 2000, 2003: Seawright, 2005). In their influential booklet, *One Nation. A Tory Approach to Social Problems* (Macleod and Maude, 1950), the ONG attempted to formulate a distinctive Conservative welfare agenda which would prioritize economic stability above costly egalitarian social spending, selectivity over universality and minimal rather than optimal levels of state provision. This embrace of a more modest form of welfare collectivism was seen as being

perfectly compatible with traditional Conservative concerns such as sound finance, efficiency, lower taxation, thrift, self-reliance, voluntarism and charitable endeavour.

Although the contributors to *One Nation* were concerned primarily with sketching out the broad parameters of the Modern Conservative approach to the welfare state, illustrations of specific policy initiatives were also provided. In the case of housing, for example, a large and expanded private sector was to play a major role in the construction of competitively priced homes for sale or rent, while local authorities would be expected to focus on slum clearance and 'the abatement of overcrowding' (p.36). The need to curb the growing level of 'unnecessary' demand for health care was to be resolved by better systems of prioritizing need and the imposition of user charges.

These concerted efforts to counter the idea that the Conservatives were 'ideologically' opposed to the welfare state did not, however, lead to a strategic focus on welfare issues in the Conservative electoral campaign of 1951. Although the Party's commitment to the welfare state was reaffirmed, it was the theme of 'setting the people free' which the Conservatives chose to highlight (Francis, 1996; Jefferys, 1997). In his electoral address, Churchill maintained that it was only a stable Conservative government 'not biased by privilege or interest or cramped by doctrinal prejudices or inflamed by the passions of class warfare' that would be able to foster enterprise, increase the availability of consumer goods, 'halt the rising cost of living', and prune [government] waste and extravagance' (reprinted in Dale 2000, pp.95-9). One of the reasons why the Conservatives attached such importance to improving the supply of consumer goods was to persuade women voters that they were the only that would end rationing and bring an end to the age of austerity (see Zweiniger-Bargielowska, 1996, 2000; Francis, 1997).

The Conservatives' ambitious proposals for a rapid expansion in house building was also intended to draw attention to the inadequacies of Labour's 'partisan' forms of social policy and the corresponding need for greater private sector involvement. As Jones (2000) points out, 'The perception of Labour failures in housing gave Conservative policy-makers the opportunity to showcase free enterprise, which they argued would provide more houses more quickly and more efficiently. The promise to build 3000,000 houses a year was therefore seen within the party as central to the revival of popular support for market values in post-war Britain' (p.117).

The depth of Conservative support for the welfare state was put to the test in the immediate aftermath of their narrow General election victory in 1951. In the face of international pressure on sterling occasioned by a balance of payments 'crisis', the newly appointed chancellor, R.A.Butler, sought to cut imports, tighten monetary policy and review public spending (Boxer, 1996). In terms of social policy, this resulted in the introduction of selective NHS charges and the paring back of the school building programme. Significantly, however, there was no appetite for the major forms of retrenchment that had occurred at the end of the First World War - the infamous 'Geddes axe' (see Bridgen and Lowe, 1998; Harris, 2004).

During what proved to be Churchill's final term in office (1951-55), the Conservatives sought to make an 'accommodation' with Labour's post-war welfare initiatives. This involved an acceptance of the institutional framework that Labour had created but changing its role and purpose to ensure that it dovetailed with broader Conservative ideals. This accommodative strategy was based on recognition that key parts of the welfare state, such as the NHS, had proved popular with Conservative supporters and voters. Moreover, a number of influential ministers such as Butler, Macmillan, Macleod and Eccles were convinced that a distinctively Conservative approach to social policy could be developed (Dutton, 1991: Garnett and Hickson, 2009). Conservative support for the welfare state and the mixed economy also formed part of a wider political imperative, namely, the generation of 'a broad popular consensus around a new "humanized capitalism" in order to fight the Cold War with as unified and solid a front as possible.' (Jones, 1996, p.252).

The Conservative approach to the welfare state placed greater emphasis on both targeting and user charges as well as tighter expenditure controls (Raison, 1990). It was recognised that the pace of change should be of a gradual kind in order to retain public support. For example, Butler's decision to authorize a review of NHS spending (the Guillebaud Report, Cmd.9663, 1956) rather than the totality of social service expenditure reflected his fear that a more comprehensive undertaking would revive public unease about the shallowness of Conservative support for the welfare state (Glennister, 2007, p.87).

At the 1955 General Election the new Conservative leader, Anthony Eden emphasized that the Party's 'Modern' approach to the welfare state was categorically different from the 'egalitarian uniformity' promoted by the Labour opposition. Under the Conservatives citizens would be provided with greater opportunities and enhanced choice.

'We denounce the Labour Party's desire to use the social services, which we all helped to create, as an instrument for levelling down. We regard social security not as a substitute for family thrift, but as a necessary basis or supplement to it. We think of the national health service as a means, not of preventing anyone from paying anything for a service, but of ensuring that proper attention and treatment are denied to no one. We believe that equality of opportunity is to be achieved, not by sending every boy and girl to exactly the same kind of school, but by seeing that every child gets the schooling most suited to his or her aptitudes. We see a sensible housing policy in terms, not of on hopeless Council waiting list, but of adequate and appropriate provision both for letting and for sale' (*United for Peace and Progress, the Conservative and Unionist Party's General Election Manifesto 1955*. Reprinted in Dale, 2000, p.119).

Eden's embrace of a modern One Nation Conservatism (which involved striking a delicate balance between the Party's long standing commitment to low taxation and price stability and 'new' social imperatives, such as the maintenance of full employment and support for the welfare state - see Carlton, 2010) was even more

deeply held by his successor Harold Macmillan (1957-63). In practice, however, it was always going to be difficult for the Conservatives to maintain economic stability without recourse to price or wage controls, tax increases or reductions in social expenditure (Rollings, 1996: Whiteside, 1996). Indeed, a special Cabinet Committee on the Social Services was appointed in 1956 in response to heightened Treasury concerns about the growing cost of the welfare state. Despite the best efforts of Treasury officials to secure support for a range of policy options designed to restrain the growth of such expenditure including increased NHS charges, raising the school entry age to six and increasing the price of school meals, the Committee were able to rebuff these suggestions by stressing the importance of viewing welfare expenditure as a form of long-term investment rather than consumption (Lowe, 1989). The growing willingness of the Modern Conservatives to protect social spending even in the face of Treasury demands for greater economies did, however, give rise to intra-party tensions as evidenced by the resignation of the Chancellor of the Exchequer, Peter Thorneycroft, in 1958 after he failed to secure Cabinet agreement for a raft of expenditure cuts (see on this issue, Rollings, 1996). Macmillan's General Election victory in 1959 seemed to signify that the public had been persuaded that the Conservative's Modern 'One Nation' strategy could deliver both higher living standards and enhanced social security. However, this electoral popularity proved short-lived as Macmillan was confronted with economic difficulties on the home front, a French veto on Britain's application to join the Common Market and the highly damaging Profumo affair in 1963. The party's narrow election defeat in 1964 under Macmillan's successor Douglas-Home signalled that the high point of Modern Conservatism had passed.

The 'Neo-Liberal' Turn in Conservative Social Policy

Concerns about the efficacy of the modern Conservative approach in relation to both economic and social policy intensified during the Party's time in opposition from 1964 to 1970. This period was marked by continued economic turbulence and growing fears about the adverse social impact of alternative 'lifestyles' and values. Such conditions proved fertile ground for 'instinctive' anti-collectivists within the party and beyond. Enoch Powell (1969) had begun to map out a more limited role for government in economic and social policy while the 'neo-liberal' ideas of Hayek and Friedman were having increasing influence in policy circles both in Britain and the United States (Critchlow, 2007: Regnery, 2008). The Institute of Economic Affairs, which had been established in 1955 (Cockett, 1995), played a major role in bringing these ideas to public attention through the publication of a series of pamphlets on topics such as state pensions (Seldon, 1957) and choice in health care (Lees, 1961).

The Party's General Election manifesto of 1970 - *A Better Tomorrow* (Conservative Party, 1970) reflected this growing neo-liberal influence with calls for lower direct taxes, a reduction in trade union power and a tougher approach to issues of law and order. Following Heath's unexpected electoral victory, efforts were made to put some of these ideas into practice. On the economic front, attempts were made to curb trade

union power and reduce government subsidies to 'lame duck' industries, while judicious forms of selectivity were introduced in the areas of housing and social security. However, the fact that the government proved willing to return to a more interventionist strategy when faced with inflationary pressures and rising levels of unemployment suggests that the neo-liberal turn was not as deep-rooted as some might have assumed. Indeed, in certain areas of social policy such as education, plans to increase, rather than reduce, government spending were put in train (Timmins, 2001; Lowe, 2005).

It was not until after the fall of the Heath government in 1974 that neo-liberal ideas really took hold within party circles. The key playmaker in this process was Keith Joseph. Converted to the merits of monetarism by influential neo-liberals such as Alfred Sherman, Peter Bauer, Ralph Harris and Alan Walters, Joseph argued that the pursuit of 'true' Conservatism necessitated the outright rejection of the interventionist strategy that both Labour and Conservative governments had followed since 1945. Significantly, he now judged that his earlier support for the welfare state had been misplaced. Instead of providing people with security and opportunity, the welfare state had created an undesirable dependency culture. Joseph established the Centre for Policy Studies (CPS) in 1974 as an institutional base for the dissemination of his revisionist agenda.

Adverse publicity following a controversial speech delivered by Joseph (see Sherman, 2005) in Edgbaston in 1974, in which he had criticised young single mothers for undermining the human stock of the nation, led him to pass up the opportunity to stand as the 'anti-collectivist' candidate in the Party's leadership contest in 1975. This paved the way for the vice chair of the CPS, Margaret Thatcher, to take up the baton. After defeating Heath in the first ballot, and four new challengers in a second contest, Thatcher became leader of the Conservative Party and subsequently Prime Minister after securing victory for her Party in the General Election of 1979.

While some have questioned whether Heath government actually deviated from the Modern Conservative approach forged by Eden and Macmillan (see Lowe, 1996), few would question Mrs. Thatcher's desire to abandon this strategy. Thatcher believed that Modern Conservatism was barely distinguishable from the democratic 'socialist' path forged by successive post-war Labour governments. In her view Britain had lost its economic dynamism and, in consequence, a culture of decline and dependency had been allowed to take hold. If Britain was to regain its global influence a change in direction was required. A more confrontational stance was, for example, deemed necessary in relation to the 'politicised' trade unions: an approach which culminated in a bitter confrontation with the miners in 1984-5 (Milne, 2004). The control of inflation was now to take precedence over full employment and state support for ailing industries was to be abandoned. The welfare state was deemed to have become both dysfunctional and costly. Instead of providing basic security for those in need it was now deemed to be undermining the economic and social fabric of the nation.

This dramatic change of direction led some paternalist One Nation Conservatives such as Pym (1984) and Gilmour (1992) to argue that Thatcher had abandoned the central 'tenets' of Conservatism in pursuit of an avowedly neo-liberal agenda. Certainly, the emergence and growing use of the term 'Thatcherism' supports this viewpoint. However, Thatcher's desire to reverse Britain's decline by radical means was not indicative of a non-Conservative disposition. On the contrary, Thatcher proved to be a firm supporter of the nation state, the family, voluntarism and free enterprise. Thatcher's conservative dispositions were particularly to the fore in relation to social issues. She supported capital punishment, tighter controls on immigration and 'disapproved of those so lazy, feckless or lacking in self-respect that they were content to live in subsidised housing or on benefits' (Campbell, 2003, p.248. See also, Vinen, 2009). Although Thatcher had strong convictions she was a pragmatist who recognised that many of the changes she sought to bring about would take time to achieve.

This 'pragmatic' mindset led Thatcher to pursue incremental, rather than radical, welfare reform during her first term in office. This reflected the priority that was to be accorded to economic concerns, the lack of viable blueprints for welfare reform and the fact that a number of her ministers such as Gilmour, Pym, Prior and Walker remained resistant to any idea of root and branch reform. Indeed, it was not until preferment was given to 'true believers' such as Cecil Parkinson, Norman Tebbit and Nigel Lawson that more far reaching reforms were given detailed consideration.

It would be misleading, however, to underplay the change of direction that occurred in social policy in the first term of the Thatcher government from 1979 to 1983. There were significant expenditure cuts in the fields of education, social security and housing. Although Thatcher exempted the NHS from these cost-cutting measures because of what American policy analysts would term as its 'third rail' (untouchable) status, little was done to redress the historic under-funding of the service (Webster, 2002).

Although only a limited number of 'structural' reforms of the welfare state were contemplated at this time, they were all in accord with the neo-liberal ideals of the new government. The sale of council houses is particularly noteworthy in this regard. By persuading aspirational working class Labour voters to join the ranks of the property owning middle classes there was the concomitant possibility that their political allegiance might shift 'rightwards' (Campbell, 2003). Although this measure proved popular (some 500,000 tenants had bought their own homes by 1983), other prospective reforms such as the introduction of education vouchers and private health insurance remained on the drawing board as a result of concerns within the Cabinet and beyond (Lawson, 1992). Indeed, it seemed at one stage that the steep rise in unemployment coupled with serious inner city disturbances in areas such as Brixton, Toxteth and Moss Side would scupper any possibility of a second Thatcher government. As it transpired, however, the Conservatives, bolstered by a recovery in the world economy, military success in the Falkland Islands and a divided opposition succeeded in increasing their Commons majority from 43 (1979) to 144 seats, albeit

with a slightly reduced share of the popular vote.

Given that economic reform remained the central focus of the second Thatcher government (1983-87), major reform of the welfare state was put on hold. However, the ideological attack on the welfare state was maintained thereby softening up the public for the subsequent and more far reaching third term reforms. The main focus during this second phase of Thatcherism was on controlling social spending and increasing efficiency including the importation of managerial methods from the private sector, which it was hoped would 'persuade' service providers to focus more sharply on the quality and cost of the services they were providing to welfare 'consumers' (Timmins, 2001; Glennerster, 2007).

It was only after further electoral success in 1987 that the Conservative government finally pressed ahead with more significant welfare reforms. Interestingly, the Party's General Election manifesto (Conservative Party, 1987) only hinted at the radical restructuring that was to come. While this might have reflected a desire to avoid stirring up any unnecessary voter unease prior to the election, it is entirely plausible to suggest that it was post-poll developments which proved to be the catalyst for change. For example, further criticism of the government's stewardship of the NHS in the immediate post-election period led Mrs. Thatcher to announce, quite unexpectedly, a wide-ranging review of the service.

The pattern of change favoured by the third term Thatcher government with regard to the welfare state was not outright abolition or privatization. Instead, publicly funded services were to be retained but delivered in radically different ways by diverse providers in an effort to increase efficiency and constrain costs. In the NHS this led, for example, to hospitals (operating as self-governing Trusts) entering into service agreements with budget holding District Health Authorities. A number of GP fund holders were also provided with the financial autonomy to commission services from a broader range of providers. The Conservatives also introduced significant reforms in the area of education. Under the 1988 *Education Act* a ten-subject National Curriculum was introduced as well as a system of national testing at the ages of 7, 11, 14 and 16 to ensure that all pupils reached a satisfactory standard in relation to knowledge, skills and understanding. This legislation also allowed schools to opt out of local authority control and become part of a new grant maintained sector. Those schools that remained under the auspices of the local authority were given greater autonomy over the use of their budget and in the appointment of staff. Privately sponsored (but predominantly state funded) City Technology Colleges were also established in educationally disadvantaged neighbourhoods where the comprehensive system was deemed to have failed.

At the end of the Thatcher era, which came about suddenly following a 'successful' leadership challenge from Michael Heseltine in 1990, the key institutions of the welfare state remained intact if somewhat battered. However, the broader 'transformative' role of the welfare state, which had formed part of Labour's post-war strategy, had been fatally undermined. The public were now being encouraged to regard the welfare state as a multi-faceted deliverer of consumer services rather than

as an integral part of the social fabric of the nation designed to promote equality and solidarity and provide security for all.

Although Thatcher's successor, John Major (who went on to win the 1992 General Election with more votes than any party in British political history), proved adept at abandoning some of the most unpopular policies of his predecessor, such as the Community Charge or Poll Tax, he showed no desire to re-set the prevailing political compass. Unlike Mrs. Thatcher who gave 'the impression that the public services were inherently second-class, and that most people should aspire to opt out of them, by sending their children to private schools, and using private doctors in preference to the National Health Service' (Bogdanor, 2010, p.176), Major (2000) displayed a greater degree of personal affection for the welfare state. Nevertheless, he remained committed to the idea that private sector mechanisms such as performance-related pay, competition, audit and inspection could enhance the performance of service providers. Citizens Charters (first introduced in 1991), which obligated service providers to devise independently monitored performance targets, respond promptly to user complaints and provide redress where necessary, formed an integral part of this process.

Major's attempt to consolidating Thatcher's third term reforms proved far from straightforward. Shortly after his General Election victory he was forced to preside over a humiliating withdrawal from the Exchange Rate Mechanism (see Jefferys, 2002). He also faced growing professional opposition to some of the other Thatcher reforms. In education, for example, teachers refused to participate in the national testing of pupils.

Major's commitment to the Thatcher 'revolution' was confirmed in the Party's General Election manifesto of 1997 (Conservative Central Office, 1997). The virtues of the free market, a smaller state, low taxes, privatization, deregulation, shareholding, restrained public spending, trade union reform and a tough law and order policy were once again extolled. Unfortunately, from Major's perspective, the British public appeared to have lost faith in this Conservative vision of the 'good' society. The Conservatives lost 182 seats securing just under 31% of the popular vote as 'New' Labour swept to power.

David Cameron's 'Progressive' Conservatism

On what proved to be a long and difficult road to electoral recovery it was not until David Cameron's was elected as Conservative leader in 2005 that the Party moved towards the political 'centre' and modified its approach to the welfare state.

Cameron was determined to counter the popular belief that the Conservatives were a cold and unfeeling Party that remained indifferent to the plight of the poor and hostile towards groups such as single mothers, who were seen as posing a threat to the family and traditional social values (See Fielding, 2009; Willetts, 2009).

Cameron was not the first post-Thatcher Party leader to recognise the importance of softening the Party's approach towards those experiencing poverty and disadvantage. Both William Hague (1997-2001) and Iain Duncan Smith (2001-2003) had shown an interest in the compassionate conservative doctrine that had underpinned the early period of the Republican Presidency of George W. Bush (Olasky, 2000: Ashbee, 2003: Norman and Gnash, 2006). As Montgomery (2004) explains, 'compassionate conservatism has two complementary sides: one seeking to modify conservatism, the other side seeking to modify society's idea of compassion' (p.7). In terms of the former, the idea that Conservatives were inherently uncaring and unwilling to provide government funds for the poor was contested. In terms of the latter, the need to move beyond the provision of unconditional state financial support for the poor towards a more holistic approach, in which voluntary organisations and faith groups would be accorded major roles in developing 'independence-building' behaviours' amongst those in need (p.7), was emphasised. Crucially, this involved a *modification* not a *rejection* of state involvement in tackling issues such as poverty. Henceforth, the anti-poverty function of the 'state' was to be restricted primarily to the provision of funds and support for 'civic' initiatives in this sphere as opposed to direct service provision (see Letwin, 2002).

New Labour provided David Cameron with a ready made example of how a political party can re-brand itself to appeal to a wider cross-section of voters (Page, 2009). For Cameron this required the adoption of a positive rather than negative agenda particularly on social issues. As Norton (2009) explains, 'the party was seen as being against things, be it European integration, immigrants or gay sex.' For Cameron, it was important to be *for* things, such as 'the National Health Service - keeping and improving it was identified as a top priority; to be *for* the family (rather than being against, or appearing to be against, certain family units); and to be *for* equality on issues such as gay rights' (pp.39-40).

Cameron recognized not least because of New Labour's drift away from socialist ideals (see Page, 2007), that it was now possible for the Conservatives to portray themselves as a 'progressive' party. The embrace of progressivism would serve two purposes. First, it would help in the 'detoxification' process by reminding the electorate that the Conservatives were no longer a party of reaction but in favour of the radical individualism that had given rise to what might be described as the 'budding liberal consensus on social issues' (Lilla, 2010). Second, by equating progressivism with modernism and the future (see Murray, 2009) as opposed to statism and egalitarianism, Cameron was able to portray New Labour as the party wedded to a backward looking repressive centralism. Progressivism was now to be equated with the creation of a cohesive and tolerant society, an enabling state, a flourishing civil society, increased levels of individual responsibility and less extreme forms of inequality (see Hickson, 2008: Garnett, 2010).

In the initial phase of 'progressive' repositioning, Cameron saw little need to focus explicitly on economic policy. Given New Labour's embrace of the market and competition as well as its reputation for economic competency, Cameron decided to

focus on the social fabric of society. Tellingly, it was acknowledged that although the neo-liberal economic reforms of the Thatcher era were necessary for economic regeneration, the adverse *social* consequences that accompanied such rapid change had indeed been overlooked. The Social Justice Policy Group (SJPG), headed by Iain Duncan Smith, was given the task of refashioning the Conservative's approach to poverty and social justice. Working under the umbrella of the Centre for Social Justice (which Duncan Smith had established in 2004), the Social Justice Policy Group produced three influential reports. The first report identified the five interconnected 'pathways' into poverty (worklessness and economic dependency, family breakdown, addictions, education failure and indebtedness - Centre for Social Justice, 2006). The second focussed on the 'integrated and long term' policy initiatives which could be used to tackle the 'costs' of social disadvantage (Centre for Social Justice, 2007, p.7). The final report examined some specific policy measures designed to repair Britain's 'broken' benefits system which was said to have de-incentivised work, penalised pro-social behaviour such as marriage and stable cohabitation and deterred personal saving and home ownership (Centre for Social Justice, 2009).

More broadly, the 'Progressive' Conservatives now believe that the antipathy displayed by anti-collectivists such as Hayek (see Hickson, 2010) and Powell (see Garnett and Hickson, 2009), towards the concept of social justice was misplaced. According to David Willetts (1992), who formerly regarded the concept as 'slippery' (p.112), 'social justice can be a good word which captures the idea that the distribution of opportunities in life are not simply determined by the market' (see Seawright, 2005, p.85). By linking progressive Conservatism with the notion of social justice, David Cameron distanced himself from the non-interventionist, anti-collectivist ideas which had come to prominence in both US Republican and 'Thatcherite' Conservative political circles in the 1980s. While progressive Conservatives accept that many of the 'social problems' affecting British society such as family breakdown, drug addiction, and welfare dependency result from poor personal choices or irresponsible behaviour, they believe that government has an important role to play in combating these issues provided that it does not repeat some of the mistaken policy responses of the past. This embrace of social justice does *not* mean, however, that contemporary Conservatives have been persuaded of the benefits of interventionist state solutions to issues such as poverty or educational disadvantage. In terms of the former, Willetts (2002) argues that while increasing the incomes of the poor is not unimportant it is insufficient in itself to tackle the deeper dimensions of poverty. 'What if a family that does receive extra money is unable to let their children out to play because there are drug users' syringes on the stairwell outside the flat? And what if their children are unable to learn because of an endlessly changing cast of supply teachers at the local school? And what if they come from a broken home without stability and love? Conservatives understand that that is poverty, too' (p.59).

Utilising the insights and resources of the whole community rather than just the state is seen as the key to repairing what the Conservatives have termed the 'broken' society (See Driver 2009: Kirby, 2009). As the Party's 2010 General Election manifesto *Invitation to Join the Government of Britain* (Conservative Party, 2010) makes clear the attack on poverty and inequality and the promotion of equal opportunities requires 'a new approach: social responsibility not state control; the Big Society, not big government' (p.35). This emphasis on both personal and social responsibility involves 'redistributing power from the state to society' and from the 'centre to local communities' thereby providing citizens 'with the opportunity to take more control over their lives' (p.37). All adults are to be encouraged to become members of an active neighbourhood group which, along with charities and social enterprises, will be able to apply for funding from a newly established Big Society Bank.

This emphasis on 'much higher levels of personal, professional, civic and corporate responsibility' (p.37) is not intended to signal a major retrenchment in the level of state support in key areas such as health and education. However, significant changes in the delivery of these publicly funded services are envisaged. For example Academy schools are to be expanded along the lines of the US Charter schools and the Swedish free school movement (see Hultin, 2009). It is envisaged that these publicly funded, independently run schools with their smaller class sizes and higher standards of discipline will give rise to better educational outcomes for poorer children. Encouraging state welfare employees in fields such as social work and nursing to establish themselves as self directed, non-profit making, public funded providers is also intended to enhance service quality and professional autonomy.

The formal coalition that the Conservative's entered into with the Liberal Democrats following the 'inconclusive' General Election of 2010 provided David Cameron with a golden opportunity to lay claim to the progressive territory that New Labour had attempted to colonise during its thirteen years in office. The post-election accord set out in *The Coalition: Our Programme for Government* (Cabinet Office, 2010) with its emphasis on freedom, fairness and responsibility, retains many of the key welfare initiatives of the Conservatives' own manifesto (Conservative Party, 2010).

It remains to be seen whether a distinctive 'progressive' approach to welfare, which aims in particular to protect the poor, will emerge over time or whether, particularly in the light of adverse economic conditions and unforeseen events, a more overtly neo-liberal approach outlook will take hold. Certainly, there are signs that the Coalition's desire to bring about a rapid reduction in the level of government debt largely through public expenditure cuts may herald a return to the neo-liberal agenda of the 1980s and 90s. The Conservatives' antipathy towards 'big government,' which is shared by a number of 'Orange book' Liberal Democrats (Marshall and Laws, eds, 2004), is likely to lead to cuts in state provision which will reduce the living standards of, and opportunities afforded to, low income groups. Leading Conservatives now sense that the adverse economic outlook has provided them with a unique opportunity to implement radical changes in the welfare state which both the Thatcher and Major governments shied away from.

Conclusion: Clear Blue Water? Conservative Social Policy and the Welfare State Since 1945

There have been significant changes in Conservative approaches to the welfare state over the post-war period. Following, electoral defeat in 1945 the Conservatives came to a somewhat uneasy accommodation with the welfare state. Given the breadth of public support for Labour's reforms in areas such as health and social security, Conservative modernisers (such as the One Nation Group) were able to persuade the Party that the adoption of what might be termed a 'reluctant' collectivist' welfare strategy (George and Wilding, 1976) posed little threat to traditional Conservative ideals.

By the 1970s, however, this new accord was beginning to unravel in the face of recurrent economic difficulties and the burgeoning cost of the welfare state. Although the Heath government (1970-74) appeared to be willing at first to adopt a more adversarial position with regard to the welfare state, it was not until the Premiership of Margaret Thatcher that concerted attempts were made to re-fashion the welfare state so that it would complement rather than challenge 'traditional' Conservative dispositions. Although Thatcher presided over a marked growth in poverty and inequality, she did not dismantle the welfare state. However, her 'cultural' onslaught on what were perceived as the 'socialist' elements of the welfare state as well as the notion of public service was arguably more successful. The fact that the public has come to accept that it is 'natural' or inevitable to engage with the welfare state as a discerning consumer rather than as a solidaristic citizen can be linked directly to the influence of the Thatcher era.

Under David Cameron's 'Progressive' form of Conservatism the Party has adopted a more liberal approach towards the poor and those pursuing 'non-traditional' lifestyles. Whilst recognising that the state still has a role to play in funding and, in some cases, providing welfare services, greater emphasis is now being placed on the part that individuals and communities can play in meeting their own welfare needs. This latest attempt to refashion the Conservative approach towards the welfare state is yet another illustration of the way in which the Party continues to adapt to changing economic and social circumstances.

Conservative 'support' for the welfare state has waxed and waned since the Second World War depending to some extent on the relative strength of underlying paternalist or libertarian 'dispositions.' However the degree of hostility or acceptance displayed towards the welfare state at any particular point in time tends to be linked to fine calculations as to whether it was operating in ways which bolstered or threatened deeply held Conservative beliefs such as freedom, responsibility, inequality, voluntarism and the family. It always has to be remembered that the over-riding objective of the Party's social (and economic) strategy has always been to ensure the preservation of a society fit for Tories to live in (see Turner, 1995).

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