Devolution to Scotland and Wales: From the Failure of 1979 to the Success of 1997

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Résumé :
The referendums of 1 March 1979 in Scotland and Wales were the result of a concession made by the Labour government of James Callaghan to the opponents of devolution within Labour itself. They were a political expedient used by a government confronted with divisions within its parliamentary party caused by its own devolution proposals for Scotland and Wales, and weakened also by disastrous economic circumstances. If one adds to this the strikes of January 1979, which paralysed public services in Britain, the failure of the devolution project hardly comes as a surprise.
The circumstances in which the referendums of September 1997 were held, by contrast, were much more favourable to the Labour government in place. First of all, the Labour Party had just won the general election in May and could rely on a large majority of seats in the Commons. Furthermore the initiative came from the party leadership, and the government had settled for pre-legislative referendums, which featured among the party's manifesto commitments for the 1997 general election. And indeed eighteen years after the first referendums on devolution, the majority of the people who voted, in Wales as in Scotland, this time approved of the devolution proposals made by the government.
Did the 1997 referendums reflect a new approach to democracy centred on giving the public greater access to the decision-making process? Could the failure of devolution in 1979 and the success of the 1997 referendums be partly explained by a different approach on the part of the two Labour governments involved, essentially pragmatic in the first instance, and more ideological in the second? And therefore, in the same way that one can argue with the benefit of hindsight that the failure of 1979 was predictable, was the success of the government scheme in 1997 a foregone conclusion?

Introduction

Referendums are not part of the British constitutional tradition. The British constitution, which is based on the principle of parliamentary sovereignty, does not strictly speaking recognize any source of authority other than the British Parliament. Referendums, on the other hand, allow for direct participation of the public in the decision-making process. They are instances of direct democracy, and can thus be seen as instances of popular sovereignty at work, thereby calling into

question the absolute character of British parliamentary sovereignty and legitimising the principle of popular sovereignty.[1]

Before the referendums of 1979 on devolution, which were held in Scotland and in Wales only, there had been two previous referendums: the first was held in Northern Ireland in 1973 and asked whether the people of Northern Ireland wanted to remain in the United Kingdom or leave the UK and be joined with the Republic of Ireland. Two years later the referendum on EEC membership was this time held across the United Kingdom and asked people whether they wanted the UK to stay in the European Community or not. Although there were four referendums in the 1970s, referendums had still not become common practice in Britain as evidenced by the fact that it was not until the late 1990s – September 1997 indeed – that the next series of referendums took place, all of them on one aspect of the programme of constitutional reform of the newly-elected Labour government.

In recent years, in the context of mounting criticism against the limits of the Western model of representative democracy and of the demand for more transparency and better accountability from governments as well as greater public participation in the policy- and decision-making processes, pressure for Western democracies to reform has built up. This has led to referendums being used more often as there is a growing consensus that contentious issues especially are issues on which the people should decide. Indeed in the case of the UK the question of joining the euro zone could be one such contentious issue.

In his book entitled *Strategies for Self-Government*, published in 1996, i.e. before the 1997 referendums, James Mitchell explained that referendums were often "institutions of last resort"[2] and that it was mostly divisions within the government, or the party in government, or within Parliament, which could lead a government to opt for the organisation of a referendum. This was certainly the case for the 1975 referendum on EEC membership and for both referendums on devolution in Scotland and in Wales in 1979. Indeed the 1979 referendums were the results of a concession made by the Government to anti-devolutionists within the deeply divided Labour Party. In other words, referendums were used in this case as a political expedient. In 1997, however, the devolution referendums were initiated by the leadership of the Labour Party.

Can we infer then that the 1997 referendums inaugurated a new democratic approach aimed at giving the public greater access to the decision-making process, which was at the core of the ambitious programme of devolution of powers to which the Labour Party had committed itself in its manifesto for the 1997 general election[3]? Could the failure of devolution in 1979 and the success of

[1] DALTON, Russell J.et al, " Democratic Publics and Democratic Institutions", *In* CAIN, Bruce E., DALTON, Russell J., SCARROW, Susan E. (eds), *Democracy Transformed? Expanding Political Opportunities in Advanced Industrial Democracies*, Oxford, Oxford University Press, ISBN 978-0-19-929161-9, 2006, p. 254.
[2] MITCHELL, James, *Strategies for Self-Government*, Edinburgh, Polygon, 1995, p. 137.
[3] After all, there were two similar referendums in 1998 held for one in London and for the other in Northern Ireland, the first on the government's proposals for a Greater London Authority, and the second on the Good

the 1997 referendums be at least partly explained by a different approach on the part of the respective Labour governments, pragmatic in the first instance – a "last resort institution" – and more ideological in the second, showing concern about renewing democracy? And therefore, in the same way that one can argue with the benefit of hindsight that the failure of 1979 was predictable, could the positive outcome of the 1997 referendums also have been anticipated?

In actual fact, it only takes a brief look at the 1997 results in Wales to realise that things could have gone wrong for the Labour Government, and indeed an analysis of the circumstances in which the Labour Party opted for the idea of a pre-legislative referendum on devolution in 1996 will show that the pragmatic/ideological dichotomy is not appropriate here.

This article will therefore focus first on the factors which made circumstances radically different in 1997 for Tony Blair's Government from what they had been in the 1970s for the Labour Government of James Callaghan, before examining the reasons why the 1997 referendums were not a foregone conclusion.

I. 1979 – 1997: Contrasting circumstances for the governments in place

The political and economic circumstances

In 1979 the referendums were held at the end of the government's term in office – a general election was due to take place before the autumn of 1979 at the latest. Although it is not unusual for any government to become unpopular over the second half of its term in office, the Labour Government of Harold Wilson had indeed had a difficult start, having to rule the country without a majority of votes in the Commons after the general election of February 1974, and with a majority of only 4 seats after the second general election in October of the same year. As a result, the Labour Party had to rely on the support of the Liberals[4] and of the Scottish and Welsh Nationalists to ensure that its political programme was adopted by the Commons. On the economic front, Harold Wilson's and James Callaghan's governments were both confronted with high rates of inflation and rising unemployment, leading to the 1976 sterling crisis and the appeal to the International Monetary Fund for a £2.3bn loan. Inflation was brought down gradually, from a peak at 26.9% in 1975 to below 10% in 1978, but the pay restraints which had been agreed upon by the trade unions as the price to be paid for reducing inflation, were no longer accepted by the unions by the summer of 1978 when the Government made known its decision to restrain pay rises to below 5% for the forthcoming year. The Government's determination to take sanctions

Friday Agreement , and then again one in 2004 in the north east of England on whether or not the North East Region should have an elected assembly.

[4] James Callaghan's Government indeed negotiated an agreement with the Liberals in March 1977. This agreement, better known as the Lib-Lab pact, lapsed in July 1978.

against companies which offered rises above the 5% limit was indeed to bring about the 'Winter of Discontent', when strikes affecting the private sector first, in December 1978, soon spread to the public sector thereby paralysing public services in January 1979.

The political circumstances in which the 1997 referendums in Scotland and in Wales were held, were by contrast favourable to the new Labour government. The Labour Party had indeed just been elected back into office a few months earlier, after 18 years of Conservative government. On the evidence of the general election results both Scotland and Wales had suffered from a democratic deficit during this period, since at each general election since 1979 a large majority of the voters in Scotland and in Wales (up to three quarters in 1987 and 1992 in Scotland and 70% in Wales) had voted for a party other than the Conservative Party. On 1 May 1997, Labour won the election not only in Scotland and in Wales, but also in England. Besides, the 1997 election victory was a landslide and gave Labour an overall majority of 179 seats in the Commons. By the time the two referendums were held in Scotland and in Wales, in September 1997, the Labour Government was therefore still enjoying a honeymoon period with the electorate.

It is also worth underlining the fact that the Thatcher years had a positive impact on the Home Rule movements both in Scotland and in Wales, as the 1980s were characterised on the one hand by the devastating effects of the economic and social policies imposed by Margaret Thatcher's governments, and on the other hand by the erosion of local democracy and the spread of the much-resented quangos.[5] In Scotland the Campaign for a Scottish Assembly, launched on the day of the first anniversary of the 1979 referendum, gathered momentum from the beginning of Margaret Thatcher's third term in office, with the publication in July 1988 of the *Claim of Right for Scotland*, and the setting-up a year later of the Scottish Constitutional Convention which played such a decisive role in the devolution debate. In fact, Margaret Thatcher's determination to force through unpopular reforms in Scotland, in spite of the terrible results obtained by her party north of the border in the 1987 general election (henceforth known as the "Doomsday Scenario"), brought the constitutional question back on to the political agenda in Scotland. In Wales, it was the miners' strike of 1984-85 which acted as a catalyst, bringing together people from all over Wales – regardless of linguistic and regional differences – in a common front against the Conservative government.

Two different roads to devolution

The devolution process which led to the establishment of the new Scottish Parliament in 1999 can be described as being both a double process: first, top-down, in the sense that the new Parliament only came into existence through an

[5] Quangos are Quasi-autonomous non-Governmental organisations nominated and financed by the government to perform public service functions; unlike local authorities they are not elected and therefore not directly accountable to the public.

Act of Parliament being voted at Westminster following a Bill introduced by the party in government; second, bottom-up, if one considers the role played by Scotland's civil society. Most notably the Scottish Trades Union Congress, women's groups, the churches, etc. maintained the debate on devolution alive throughout the 1980s and 1990s, after the failed attempt of 1979, and then helped to shape the devolution settlement in the Scottish Constitutional Convention. It is agreed that this contributed to a large extent to the fact that the people of Scotland overwhelmingly gave their support to the devolution project in the referendum of September 1997. The constitutional question in Scotland had dominated the political debate since the late 1980s, and the Scottish Referendum Survey 1997 showed indeed that a lot of people in Scotland had made up their minds about devolution and therefore knew how they were going to vote in the referendum long before the campaign actually started.

In the case of Wales, the situation was radically different because civil society was not involved in the political debate, mainly as a result of Labour's hegemonic domination of Welsh politics.[6] Besides, the trauma of the internecine disputes exposed when the Government of James Callaghan tried to force devolution onto the statute books in the late 1970s was still very vivid when devolution returned to the political agenda in the late 1980s, so that the main concern of the devolutionists was to make Welsh Labour commit itself to a Welsh Assembly. This explains to a large extent how the idea of setting up a Welsh Constitutional Convention suggested by the Wales TUC in 1992, was dropped once the main objective of getting Welsh Labour to endorse to devolution was achieved. Richard Wyn Jones thus argues that "although the rhetoric of civil society was deployed in Wales, this was done in an essentially instrumental manner simply as a way of influencing Labour"[7], before explaining that in the aftermath of the referendum of 1997 civil society organisations in Wales were invited by the government to participate in the shaping of the Assembly through their membership of the National Assembly Advisory Group, which led him to conclude that "while Welsh society was not the precursor of devolution, it may yet be among its progeny."[8]

In the 1970s, by contrast, the devolution proposals made by the Labour government were the result of a top-down process, and indeed in the case of Scotland they were clearly imposed by the central party in London onto Scottish Labour, as evidenced by the special meeting of the Executive of the Scottish Council of Labour held in Glasgow in Dalintober Street in September 1974, which was aimed at making the party in Scotland endorse the government's devolution plans.

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[6] Labour's hegemony in Wales had remained virtually intact ever since the 1920s, apart from a short period immediately after the Carmarthen by-election of 1966 (and also Rhondda West in 1967 and Caerphilly in 1968), when it seemed that Plaid Cymru could perhaps make a breakthrough and in the end challenge Labour's position in its Valley strongholds. See PATERSON, Lindsay, WYN JONES, Richard, "Does civil society drive constitutional change?", In TAYLOR, Bridget, THOMSON, Katarina (eds), *Scotland and Wales: Nations Again*?, Cardiff, University of Wales Press, 1999, ISBN 0-7083-1506-2, pp. 181-2.
[7] PATERSON, Lindsay, WYN JONES, Richard, *op.cit.*, p.182.
[8] *Ibid.*, p.183.

The referendum campaigns

The general lack of information provided by the Government accounts partly for the failure of the 1979 referendums. Contrary to what had happened in the case of the referendum of 1975 on membership of the EEC, in 1979 there was no nationwide distribution of leaflets explaining what the Government's proposals were about, and how they would affect people's lives. Yet, the 1979 referendums consulted the populations of Scotland and of Wales on the implementation of a law voted by the British Parliament. The question put to the people of Scotland and of Wales was not simply "Are you in favour of the establishment of a Scottish / Welsh Assembly?", which would have focused on the principle of implementing devolution, but it was indeed "Do you want the provisions of the *Scotland Act* / *Wales Act* to be put into effect?", which in actual fact supposed that people should know reasonably well what the provisions contained in the two statutes were. The 1997 referendums[9] were radically different in character in that they were pre-legislative consultations. In other words, the people of Scotland and the people of Wales were this time consulted on the outlines of the future legislation as set out in the two White Papers published in July 1997 (respectively *Scotland's Parliament* and *A Voice for Wales*).

The Welsh Election Survey 1979 showed that at the time of the first referendum on devolution many of the people interviewed had no clear idea of the position of the Labour Government and of Welsh Labour MPs on the question: in 1979 barely half the people interviewed thought that the Government was "mainly in favour of devolution", and the proportion of people who thought that Labour MPs were pro-devolution was lower still (fewer than 2 to 5).[10] In 1997, by contrast, the population was well informed about the Government's devolution proposals. In Scotland, for example a free booklet was available summarising the contents of the White Paper and even a free video was also available on demand. Besides the media devoted several programmes to explaining what powers the Scottish Parliament would have, how it would work, etc. The Scottish Referendum Survey 1997 showed that there was no confusion among respondents as to what the position of the Labour Government was on devolution. The Referendum Surveys carried out in Scotland and Wales in 1997 also included a few questions[11] aimed at

[9] Voters were asked to choose between two statements: 'I agree that there should be a Scottish Parliament/a Welsh Assembly' and 'I disagree that there should be a Scottish Parliament/Welsh Assembly'. In Scotland the referendum included a second question on tax-varying powers, so voters also had to choose one of the two following statements: 'I agree that a Scottish Parliament should have tax-varying powers' or 'I disagree that a Scottish Parliament should have tax-varying powers'.

[10] TAYLOR, Bridget, THOMSON, Katharina, *op.cit.*, p.105.

[11] The respondents were asked questions on 1) whether the electoral system used in the elections to the devolved institutions would be proportional, 2) whether the assembly/parliament would have the power to vary the basic rate of income tax, 3) whether passports would be needed to travel between Wales/Scotland and England, 4) whether a reduction in the number of Welsh MPs and Scottish MPs was planned, 5) whether the assembly/parliament would have the power to introduce the death penalty in Wales/Scotland, 6) whether the

testing the respondents' knowledge of the government's devolution proposals: the results of these quizzes clearly showed that the respondents knew quite a lot about the proposals for a Welsh Assembly or a Scottish Parliament. Furthermore there was almost no difference between 'Yes' voters and 'No' voters concerning the knowledge they had about the government's plans. In other words, it was not the case that those who had voted 'No' were not well-informed and that on the contrary those who had voted 'Yes' were.

In the 1979 referendum campaigns both in Scotland and in Wales there was a multiplicity of groups campaigning for a 'Yes' vote, which itself resulted in a lack of cohesion; In Scotland three groups called for a 'Yes' vote, *Yes for Scotland*, *Labour Movement Yes*, and *Alliance for an Assembly*, while in Wales there were the *Wales for Assembly* campaign and a joint Labour-Wales TUC 'Yes' campaign.In both Scotland and Wales, the 'Yes' camp was divided and poorly organised while the 'No' camp, dominated by the Conservative Party, was both well funded, well organised and also had powerful arguments. Besides, the Labour Party, though in government, and therefore the promoter of the devolution proposals, was so divided on the issue of devolution that alongside the 'Yes' campaigns run by Labour in Scotland and Wales, there were also a *Labour Vote No* campaign in Scotland and a *Labour No Assembly* campaign in Wales. This resulted from the fact that during the debates on the *Scotland Bill* and the *Wales Bill* in the Commons, the Government had agreed to let Labour MPs campaign for a 'No' vote if they wished to do so, as part of the compromise made to secure the votes of those opposed to the Government's devolution proposals. The failure of the party in government to speak with one voice undoubtedly contributed to creating a sense of confusion among Labour supporters, not to mention the Scottish and Welsh population at large.

But the confusion was not limited to the messages coming from the Labour Party: in Scotland, while the Conservative Party campaigned officially for a 'No' vote, there were within the party some devolutionists, like Sir Alick Buchanan-Smith, who campaigned for a 'Yes' vote in the *Alliance for an Assembly*. [12] Besides, there were also leading figures of the party who, while claiming that they were in favour of devolution in principle, still called for 'No' vote in the referendum on the ground that the *Scotland Act* could not be implemented as it was. Thus, Sir Alec Douglas-Home, who had been considered as a devolutionist ever since he had chaired the Conservative constitutional committee set up by Edward Heath in July 1968, made a speech in Edinburgh in February 1979 in which he argued that voting 'No' in the referendum did not necessarily mean that one was opposed to devolution in principle, and called for a 'No' vote because in his opinion the proposals made by the Labour Government were flawed.

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assembly/parliament would control the way the Welsh/Scottish Office's budget was spent, 7) whether the UK government would make all decisions about defence. TAYLOR, Bridget, THOMSON, Katharina, *op.cit.*, p.189.

[12] The *Alliance for an Assembly* was launched in November 1978 by Sir Alick Buchanan-Smith and Russell Johnston, respectively Conservative and Liberal MPs.

It is also worth noting that the campaigns for a 'No' vote were launched before the 'Yes' campaigns, with the result that the arguments against devolution were presented to the public before the arguments in favour and consequently they came to dominate the debate. Thus *Scotland Says No*, officially launched on 30 November 1978, that is to say just after the date of the referendum was announced in the Queen's Speech, was in reality the continuation of the *Scotland is British* campaign set up in November 1977 to oppose the passing of the *Scotland and Wales Bill*. The *Labour Movement Yes* campaign, however, which was chaired by Gordon Brown, was deliberately launched in February 1979 only, as Labour was anxious not to bore the electorate by starting to call for a 'Yes' vote too early. Besides, the polls carried out in Scotland at the beginning of the campaign, which indicated that there seemed to be a comfortable majority willing to vote 'Yes', may have induced some complacency within the ranks of the Yes campaigners.

In any case, the main weakness in the Yes camp was by far the lack of interparty cooperation, which made the population feel that there was more that divided the supporters of a 'Yes' vote than united them. In 1997, by contrast, the Labour Party, the Liberal Democrats and the SNP all campaigned together in the *Scotland FORward* campaign for a 'Yes, Yes' vote. *Scotland FORward* was officially launched in June 1997, but in fact the pro-devolution campaign in Scotland had started before the 1997 general election. Thus the *Partnership for a Parliament*, which included around twenty pro-devolution organisations, among which Charter 88 and the STUC, was set up in early April 1997, so that the devolutionists were active already during the general election campaign. It is important to note also that *Scotland FORward* was chaired by Nigel Smith, a businessman previously involved in the Home Rule movement in Scotland, and more importantly someone who was not associated with any single political party. The 'No' campaign, *Think Twice*, was launched in August 1997 only, that is to say five weeks after the *Scotland Forward* campaign, and it suffered from being identified with the Conservative Party, whose unpopularity in Scotland had been confirmed at the general election of May, when the party failed to get a single candidate elected in Scotland.

In Wales also there were only two campaigns: *Yes for* Wales (which claimed to be non partisan but was initiated by senior Labour Party members, and included the Liberal-Democrats as well as Plaid Cymru) and *Just Say* No. The difficulty for the *Yes for Wales* campaign, however, unlike its Scottish counterpart, lay in mobilizing public opinion. Its ambition was not unlike that of the Scottish Constitutional Convention but it was only set up nine months before the referendum (in December 1996) and officially launched in February 1997. The *Just Say No* campaign was not launched until the second half of July 1997. It was dominated by the Conservative Party, but also included several Labour anti-devolution veterans, among whom Carys Pugh and Betty Bowen.

The 1997 referendum campaigns both in Scotland and in Wales were remarkable because of the unprecedented cooperation between the political parties in favour of constitutional reform. Although this cooperation was more

explicit in Scotland, the picture in Wales of the three leaders of the Labour Party, of Plaid Cymru and of the Liberal-Democrats, respectively Ron Davies, Dafydd Wigley and Richard Livsey, joining hands in celebration at the count in Cardiff, on 19 September, can be seen at least as laying the foundations of cooperation and coordination.

Public opinion and devolution

While the *Scotland Bill* was being debated at Westminster, and especially during the last stages of the Bill, which received the Royal Assent in July 1978, support for the Scottish Assembly in Scotland was high: it was never under 60%, and peaked even at 80%. By January 1979, support was still around 60%, but it declined dramatically over the second half of February. A poll carried out by MORI on the eve of the referendum (27-28 February) showed the population of Scotland evenly split (50-50).[13] Among the factors which could explain such a dramatic change in public opinion was the impact of the winter of discontent, and of the strikes which had paralysed the public sector. In this context, devolution became less of a priority for many Scots. Besides, the System Three monthly poll for February 1979 showed the Labour Party at its lowest in Scotland for a year. In 1997, by contrast, opinion polls carried out throughout the referendum campaign showed consistent support of three to one on the first question and of two to one on the second. Furthermore, whereas in 1979 there had been a marked division between social groups on the support for an Assembly, in the sense that on the whole the middle-class voted 'No', in 1997, a majority of the middle-class voted 'Yes'. Indeed Conservative Party supporters were the only social group which voted 'No', and even then some of them voted 'Yes', as the Scottish Referendum Survey 1997 has shown.

In terms of expectations, in Scotland half of the people interviewed felt that devolution would improve the standard of living of the population at large, while in Wales only 25% shared that view. In the same way, just over three quarters of the Scots interviewed thought that devolution would give people a greater say on the governance of Scotland, compared to half of the people interviewed in Wales.

With the benefit of hindsight, it seems hardly surprising that the attempts made by the Labour Government at implementing devolution to Scotland and to Wales in the late 1970s should have failed, though the circumstances in Scotland were different from what they were in Wales. In the case of Scotland, the Government's devolution plans failed because of a specific condition attached to the referendum procedure, notably the 40% rule which required that the provisions

[13] A System Three poll carried out between 23 and 25 February also showed a sharp decline since the beginning of the year in the proportion of people in favour of the Assembly: 52% of the people interviewed claimed that they intended to vote 'Yes', while 48% intended to vote 'No', compared with 64% and 36% respectively in January.

of the *Scotland Act* be approved by at least 40% of the registered voters. In the end, 51.6% of the voters said 'Yes' to a Scottish Assembly, but on a turnout of 63.8%, they represented only 32.5% of the registered voters.[14] In actual fact, if one considers the people who abstained it appears that a third of the population (1,230,937) voted 'Yes', another third (1,153,502) voted 'No' while the last third (1,362,783) did not take part in the vote. In Wales, however, the devolution proposals were clearly and massively rejected with a two to four majority against the Assembly: 20.3% of the people who took part in the referendum voted 'Yes' (i.e 11.8% of the registered voters) while 79.7% voted 'No' (46.5% of the registered voters).

In other words, the referendum results in Scotland in 1979 could be interpreted as a timid 'Yes' to the devolution proposals made by a Labour government which seemed to many to be at the end of its tether, while the results in Wales amounted to a resounding 'No'. Eighteen years later, however, the memory of the doom-laden referendums of 1979 was overshadowed by the success of the devolution referendums in Scotland and in Wales in September 1997, that is to say three months only after Labour's general election victory. One may wonder then to what extent the Labour government was taking any risks as to the outcome of the referendums. After all, devolution to Scotland and Wales was a manifesto commitment, and with its victory at the general election in May, the Labour Party, which had now become *New Labour*, had been given a public mandate to implement its political programme, including its reform of the constitution.

II. *New Labour*'s devolution project : a risk-free enterprise?

In September 1997, the devolution project of Tony Blair's *New Labour* received public approval both in Scotland and in Wales, in the form of a resounding 'Yes' in Scotland, where 74.3%[15] of the people (1,775,045) who voted said that they 'agreed that there should be a Scottish Parliament'. In Wales however 50.3% only (559,419) agreed that there should be a Welsh Assembly and 49.7% (552,698) disagreed, which made the Welsh results sound more like a timid 'Yes', especially if one bears in mind that just over half (50.1%) of the electorate took part in the referendum. The Welsh results leave therefore no doubt as to the fact that the things could indeed have gone wrong, in Wales if not in Scotland.

Referendums as double-edged "institutions"

The referendums of 1979 were clearly a double-edged expedient in the sense that they enabled the Labour Government to secure the support of the

[14] 48.4% of the people who cast a vote, that is to say 30.8% of the registered voters, said 'No' to the Assembly.
[15] 25.7% (641,000) voted 'No' on the first question. On the second question, 63.5% (1,512,889) agreed that the Scottish Parliament should be granted some tax-varying powers and, while 36.5% (870,263) disagreed.

reluctant Labour MPs and thus to get the Scotland Bill and the Wales Bill adopted by the House of Commons, but at the same time the decision to hold referendums itself exposed the weakness of the Government and exacerbated the divisions within the party on the merits of the Government's devolution proposals.[16] The Government was taking considerable risks, since not only was the implementation of the provisions of the Scotland Act 1978 and of the Wales Act 1978 conditional to the referendum results but Labour MPs were free to campaign for a No vote if that was what they wished.

In 1997, the idea of holding pre-legislative referendums came from the leadership of the Labour Party – in other words it was not imposed by anti-devolutionists from within the party. Indeed by 1997, both the Labour Party in Scotland and the Labour Party in Wales were in favour of devolution. If one bears in mind the statement of the late Labour leader John Smith at the Scottish Labour Party Conference in Dundee in May 1994, that devolution was indeed "the settled will of the people", one would be tempted to conclude that the referendum of 1997 at least in Scotland was anything but a political expedient and that it was far more an indication of the confidence of the newly-elected Labour Government.

Yet the announcement itself of the decision to hold referendums turned out to be quite controversial both in Scotland and in Wales. It was on 26 June 1996 in Edinburgh that Tony Blair, then leader of the Labour Party and not yet Prime Minister, announced that the Labour Party would organize a pre-legislative referendum in Scotland if it won the general election. On this occasion, the leader of the Labour Party was accompanied by the then Shadow Secretary of State for Scotland, George Robertson, who was also the leader of the Labour Party in Scotland. It appeared however that the Scottish Labour MP in charge of constitutional matters and Shadow minister, John McAllion, had not been informed of the decision, let alone consulted, and that the Liberal Democrats, Labour's partners in the Scottish Constitutional Convention, had not been consulted either. As a result, John McAllion resigned, as well as Lord Ewing, who was co-chairman, with the Liberal-Democrat Sir David Steel, of the Scottish Constitutional Convention. The following day Tony Blair announced that a referendum would also be held in Wales, though this one would contain one question only. The fact that two days before the announcement was made in Wales, the Shadow Secretary of State for Wales, Ron Davies, had publicly denied that there would be a referendum in Wales proved that he had not been consulted either.

The idea itself of holding a referendum in advance of introducing legislation on devolution was a contentious issue within Labour for several reasons. First of all both in Scotland and in Wales, it revived memories of the 1979 fiasco, and as such it was seen as a dangerous strategy, and especially in the case of the Scottish referendum introducing a second question on tax-varying powers. The initial reaction of many among the Labour Party members in Scotland was

[16] The 1979 referendums on devolution were indeed imposed from within the party through an amendment tabled by Leo Abse, Labour MP for Pontypool in Wales.

therefore that the referendum was an obstacle on the road to devolution. Moreover, it played into the hands of Labour's main rival in Scotland, as it enabled the SNP to criticize Labour for making a U-turn on the question of the referendum. Indeed the SNP had been campaigning since the early 1990s[17] for a multi-option referendum including three constitutional options for Scotland: the *status quo*, devolution and independence. The Labour Party, however, had consistently opposed the idea of a referendum arguing that, by voting for Labour, the people of Scotland expressed their support for devolution, and that therefore there was not need for a referendum on their preferred constitutional option to be held. The Nationalists therefore claimed that Labour's U-turn on the referendum issue cast doubt on its commitment to devolution.

The Executive of the Scottish Labour Party, however, finally voted in favour of the referendum by 20 votes to 4 after it had been promised to be consulted on the phrasing of the referendum questions; but later in the summer, on 30 August 1996, at a meeting in Perth, it suggested organising two referendums rather than one: a pre-legislative one with two questions, one on the principle of devolution and the other on the tax-varying powers, and a second one to be held once the Scottish Parliament was in place in order to decide whether or not the new Parliament should make use of the tax-varying powers. This decision was immediately derided in the Scottish press: *Scotland on Sunday* had a headline that read "Oh no, it's two referendums", and the *Scotsman* talked about "the road to ridicule". The idea was abandoned a week later. As David McCrone explains:

> At one stage, it looked as if there might have to be five hurdles to a Scottish parliament with tax-varying powers: voting 'yes' to Labour in a general election; 'yes' in a referendum on a Scottish parliament; 'yes' to it having tax-varying powers; 'yes' in an election to as Scottish parliament; and 'yes' in a further referendum to activate this power.[18]

The Scottish Labour Party's proposal for two referendums was also a source of embarrassment for the Scottish Liberal Democrats, who were Labour's partners in the Scottish Constitutional Convention. They were opposed to the idea of a referendum arguing that people expressed their views on the constitutional future of Scotland at general elections and that therefore there was no need for a referendum on devolution.

So why hold a referendum at all? The decision came partly in reaction to the Tartan Tax campaign launched by the newly-appointed Conservative Secretary of State for Scotland, Michael Forsyth, in July 1995. Indeed the decision by the Labour leadership to organise a referendum in Scotland including a question on the tax-varying powers was an indication of the success of the Tartan Tax campaign

[17] Margaret Ewing, leader of the SNP parliamentary group in the Commons, had even introduced a Bill in March 1988 calling for a four-option referendum (status quo, devolution, federalism and independence); the demand for a multi-option referendum only became official party policy after Alex Salmond became leader of the party in September 1990, however.
[18] McCRONE, David, "The Scottish and Welsh Referendum Campaigns", *In* TAYLOR, Bridget, THOMSON, Katharina (eds), *op.cit.*, p.20.

aimed at scaring Scottish voters into voting 'No' in the referendum. It was welcomed by the English media, which saw it as a means to strengthen the case for devolution by obtaining the support of the population before legislating, while the Scottish media saw it mostly as jeopardising the whole devolution project, or at least as possibly leading to the setting-up of a toothless parliament, if the Scottish people voted 'No' on the second question.

In Wales, the referendum announcement caught the Welsh Labour Party by surprise. There was also a widespread feeling that the whole idea of the referendum was imposed upon them because Labour was worried about the effects of the Tartan Tax campaign. The Welsh Labour Party, while accepting it, was very much aware of the difficult task lying ahead in order to rally the population behind the Government's project. The party in Wales could indeed not rely like their Scottish colleagues on the work of a Welsh equivalent of the Scottish Constitutional Convention; devolution to Wales had not been a central issue in the political debate as the creation of a Scottish Parliament had been in Scotland.

The choice of holding the referendum in Scotland a week ahead of the referendum in Wales in itself confirmed the idea that the outcome of the referendum in Wales was far from being considered by the Labour leadership as a foregone conclusion. Indeed the Welsh Referendum Survey of 1997 showed that if the turnout had been higher in Wales, the chance is that the percentage of 'No' votes would have exceeded that of 'Yes' votes. In Wales, throughout the referendum campaign, the proportion of people interviewed for opinion polls who said that they had not yet decided whether they were going to vote 'Yes' or 'No' in the referendum varied between 26 and 36%, which was a much higher percentage than in Scotland, though one must be careful about these figures, because, unlike in Scotland, there were no regular polls in Wales from a consistent source.

Was Devolution a political expedient in the 1970s and not in the 1990s?

Labour's commitment to devolution in the mid-1970s was without any doubt the direct consequence of the rise of the SNP in Scotland and of *Plaid Cymru* in Wales. The publication of the White Paper entitled "Democracy and Devolution: proposals for Scotland and Wales" on 17 September 1974, that is to say the day before the Prime Minister announced the date of the October general election, was no coincidence. Harold Wilson undoubtedly committed himself more seriously to devolution in the hope of securing his party's victory at the election. Scottish and Welsh votes were needed indeed for Labour to win any UK general election. James Callaghan, whose government was eventually brought down because of the devolution issue, admitted in his memoirs : "The attempt at devolution was important for its own sake, but I am bound to admit that it had other incidental advantages"; and the retired PM went on to explain that although the lengthy debates in Parliament, which he himself described as being "carried on by a handful of zealots", and were "full of uncertainties" for the Government, yet they

created a diversion, as they "helped to distract parliamentary attention from a morbid preoccupation with the state of the economy" at the same time as they "secured for the Government the support of the Welsh and Scottish Nationalist Parties, as well as of the Liberals." [19]

To what extent were circumstances more favourable in 1997? It was really after the 1987 general election that the Labour Party in Scotland came under more and more pressure to support devolution, and eventually committed itself to taking part in the Scottish Constitutional Convention created in 1989. This happened in the context of the attacks made by the SNP on the Labour Party in Scotland which in spite of having 50 MPs – the "feeble fifty" as the Nationalists sarcastically called them – could not deliver devolution to Scotland, while the Conservatives had no mandate to govern in Scotland. It is worth adding here that, in spite of the slight progress made by the Conservative Party in Scotland at the 1992 general election, its popularity in the polls declined steadily thereafter and the SNP became the second party in Scotland from 1995 onwards. Pressure also came from within the party itself, from the neo-nationalists who had founded the Scottish Labour Action group at the 1988 Scottish conference of the Labour Party and who wanted the Labour Party to adopt a clear position on the issue of Scotland's right to self-government and advocate devolution as a means to protect the Scots from Thatcherism.

From the moment when Tony Blair became leader of the Labour Party in 1994, however, the party had to come to terms with a dilemma: after four consecutive general election defeats, it needed to win the votes of Middle England in order to get back into government, which implied that it must ensure that its political programme would be palatable to the voters of Middle England, but at the same time it could not afford to lose the votes of its Scottish and Welsh electorates, hence the commitment to devolution. In 1997 therefore, a lot was at stake for the Labour Party. Besides, devolution to Scotland was very much the legacy of John Smith, and this can explain to a large extent Tony Blair's less than whole-hearted commitment to it. After all, in his first speech as Labour leader at the Scottish party conference in 1993, John Smith had spoken of his ambition to attend as Labour Prime Minister of the United Kingdom the opening day of the Scottish Parliament. Tony Blair on becoming leader of the Labour Party could not have disposed of this legacy without being accused of disrespect for the memory of John Smith.

The depth and the sincerity of Tony Blair's commitment to devolution, and indeed not just Tony Blair's but also the commitment of several other senior Labour Party members, can perhaps be better measured by looking at the contradictory statements made by them in the mid-1990s, so at a time when the Labour Party – now converted to devolution to Scotland and to Wales – was in opposition and was preparing the ground for its return to office in London. The Labour leadership while explaining that its devolution proposals were an integral

[19] CALLAGHAN, James, *Time and Change*, Collins/ Fontana, p. 509-510.

part of its programme of constitutional reform, often found itself minimizing the scope of its proposals by more or less saying that the UK would still be the same post devolution.

One can quote in particular the blunder made by Tony Blair on the very day the Scottish Labour manifesto was launched on 4 April 1997, during an interview by John Penman for the *Scotsman*, on the plane taking the Labour leader to Glasgow, when asked by the journalist if as Prime Minister, he might try to stop the Scottish Parliament using its power to raise taxes if the devolved institution voted in favour of using this power. As leader of the Labour Party, he had indeed promised not to increase income tax once he became Prime Minister. Tony Blair then made the mistake of drawing a parallel between the Scottish Parliament and an English parish council and declared:

> "Powers which are constitutionally there, they… can be used but the Scottish Labour Party has no plans to raise income tax rates… but, no, of course, a Scottish Parliament once the power is given, it's like a…the smallest English parish council, it's got the right to exercise."[20]

The Scottish media and the Nationalists unsurprisingly made the most of this blunder arguing that what the PM had said was that the Scottish Parliament would not have more powers than a parish council in England, in other words, hardly any at all.

Again, in an interview for the *Herald*, two days before the referendum in Scotland, on the same question of the tax-varying powers granted to the Scottish Parliament, Tony Blair declared: "The Labour Party has made it clear that we are bound by our commitment to the whole of the UK not to raise the basic rate or top rate of tax. That is our position."[21] Such declarations minimized considerably the scope of the devolution arrangements proposed by the Labour Government.

Conclusion

In the end, the result of the referendum in Scotland was undoubtedly partly due to the success of the historic cross-party cooperation during the campaign, but it was also due to the fact that the Scots had long made up their minds about the constitutional question and wanted a Parliament in Scotland. It is also agreed that the overwhelming approval by the people of Scotland of the Government's devolution proposals had a positive impact on the result of the referendum held a week later in Wales, which was a close victory, however, for the Government. In other words, the Labour Government benefited from the fact that, as John Smith had said, devolution was "the settled will of the people of Scotland".

[20] Quoted in the S*cotsman*, 4-5 April 1997.
[21] *Herald*, 9 September 1997.