

# Reducing the size of the civil service by a fifth at a time of myriad pressures hardly seems designed to achieve the government's goals in a post-Brexit future



While bureaucratic headcount is a crude measure of government capability, [Patrick Diamond](#) explains the reasons why the recent proposal to cut 91,000 civil service jobs is particularly problematic.

Boris Johnson's government recently announced the headline-grabbing target of cutting 91,000 civil service jobs, returning the size of Whitehall to where it was [before the Brexit referendum](#) in 2016: a total staff of 384,000 permanent officials. In the light of growing fiscal pressures, this objective is designed to save the UK £3.5 billion of public expenditure a year.

There are several ways of interpreting the government's announcement. On the one hand, the policy can be viewed as purely presentational: an announcement designed to show voters that at a time when the cost of living is rising and living standards are being dramatically squeezed, ministers are prepared to bear down hard on the costs of the state. Ever since the US President Ronald Reagan declared he would 'drain the swamp' of the bureaucracy in Washington DC following his victory in 1980, politicians have used attacks on the relative size and alleged inefficiency of the civil service to demonstrate they are on the side of hard-pressed voters. Previous UK governments launched Whitehall efficiency drives, notably the Gershon review in 2004 under New Labour, and Francis Maude's programme after 2010 under the Conservative/Liberal Democrat coalition. Each was designed to shore up support among taxpayers apparently resentful of government's alleged largesse.

An alternative perspective is that efforts to cut the size of the UK's permanent bureaucracy are not simply media hype, but affirm the government's substantive post-Brexit competitiveness strategy of drastically shrinking the size of the state. The difficulty, however, is that considerable ambiguity remains to what Brexit actually means in practice for the model of domestic governance pursued by ministers in the Johnson Administration.

One version of Brexit emphasised a radical shrinking of the state, where the UK (and London in particular) would become a model of 'Singapore on Thames', characterised by low taxes and deregulation (the analogy is, of course, misleading not least because Singapore is a regulated economy by Asian standards). According to this vision, financial services would be liberalised, even at the price of EU market access, on the basis that the UK is a global leader in finance. The Queen's Speech announced a flurry of legislation intended to strip away red tape from the economy, including a new financial services and markets bill that encourages trading in cryptocurrencies, while diluting capital requirements for financial institutions. The announcement of a Whitehall recruitment freeze and cutbacks in civil service employment is entirely consistent with the rejuvenation of economic liberalism, making the UK economy more competitive and dynamic having thrown off the 'shackles' of the 'dirigiste' EU. According to this narrative, Brexit will restore the Thatcherite legacy rather than eschewing it.

Yet there was always another – in many respects, diametrically opposing – version of Brexit regularly promulgated by the current government. At the 2019 general election, Boris Johnson's appeal to seats in the 'Red Wall' in the North of England and the Midlands meant emphasizing an end to austerity, using the powers of an interventionist state to 'level-up' the UK economy, not least by ending EU hostility to industrial subsidies. There was an acknowledgement that shifting the locus of policy-making from Brussels to Whitehall in sectors from pharmaceuticals to agriculture would entail growth in central government departments. There would be greater emphasis on investment in public services (particularly the National Health Service) and infrastructure after a decade of austerity. There has also been wide-ranging state intervention by Johnson's government over the last three years in response to emerging challenges: Northern Rail and the Probation Service are both examples of organisations returned to government control following serious failings at the hands of the private sector. Not surprisingly, in the wake of such decisions and the end of austerity, the UK tax burden has reached its highest level for fifty years.

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In truth, Johnson's government has yet to make up its mind as to which model of Brexit it is actually pursuing. Since the Withdrawal Agreement was signed in January 2020, it has proved all too tempting for Ministers to try to have their cake and eat it by posing simultaneously as state interventionists and anti-state deregulators, cutting red tape and bureaucracy while still displaying new-found enthusiasm for big government.

The difficulty is that the rubber is now hitting the road, as acute economic and political pressures mount. The government will have to choose which approach it favours. If it really does pursue radical reductions in civil service headcount, ministers will quickly discover that their ambition to 'level up' the UK and rebalance economic growth becomes unattainable.

Moreover, reducing the policy capacities of the state will make it harder to pursue regulatory divergence from the EU, while demonstrating that tasks once carried out at the EU level are best undertaken at the domestic level. Departments such as DEFRA face huge challenges in overseeing complex regulations that pertain to farming, fishing, and rural communities. BEIS has to forge a blueprint for a developmental state that can foster the industries of the future. The recent backlogs at the Passports Agency alone demonstrate the constant pressures on government services. The experience of managing the pandemic is a further reminder that the state must always retain advanced crisis management capacity.

To be sure, bureaucratic headcount is a crude measure of government capability, while a smaller civil service is not necessarily less effective, as evidence from around the world demonstrates. Yet the arbitrary target of reducing the size of the bureaucracy by a fifth at a time of myriad overlapping pressures on UK government hardly seems designed to ensure the British state can achieve its goals in a post-Brexit future.

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## About the Author



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