

Opposition Leaders need to share power with credible ‘alternative Chancellors’ if they want to win elections

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By Democratic Audit UK

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*The Shadow Chancellor occupies a central coordinating role in Britain’s combative Westminster system, says **Stephen Barber**, who argues that Opposition Leaders need to share their power with credible and competent ‘alternative Chancellors’ if they want to win general elections in the UK, as recent events in UK politics show.*



I would not for one moment suggest this is the principal reason for Labour’s election defeat in May, but Ed Balls’ recent revelations about his time as Shadow Chancellor serve to underline the conclusions of my recent research into the role. Here I show how a close functional relationship with the Leader of the Opposition is an essential component of electoral success for any party aspiring to win office. But more than that, Shadow Chancellor is a key strategic position in Westminster opposition, exercising control over the Shadow Cabinet.

Interviewed by Mary Ridell in [The Telegraph](http://www.telegraph.co.uk). Balls said of his relationship with Miliband that

‘Ed had a core campaign team close to him, and I wasn’t part of that. But I felt he supported me. People didn’t want Ed as Prime Minister, and they didn’t want a Labour government. That includes me. I’m not going to start making excuses or shifting responsibility.’

He confided that he disagreed with the ‘core’ Miliband team over the party’s position on a third runway and its policy to freeze energy prices. He explains that

'Ed and his team wanted it, and I supported it [publicly] and tried to explain it. What I didn't like was the language giving the impression that energy companies are the bad guys. If you allow yourself to be anti-business, or anti-bank or anti-energy company, people think, "Hang on a second, you have to work with these people if you want to govern.'"

His reflections offer further evidence in support of a study of mine that was recently published in the journal *British Politics*. '[Westminster's wingman'? Shadow chancellor as a strategic and coveted political role](#), offers a rare analysis of the job, its powers and holders. In fact, the role of Shadow Chancellor has been largely ignored by academics who are naturally more interested in government than opposition. But it is an important job, sharing strategic control of the Shadow Cabinet with the party leader. Indeed, the fortunes of the Shadow Chancellor and Opposition leader are intertwined which is why so few Shadow Chancellors are reshuffled mid-parliament.

The role also both underlines parliamentary collegiality and undermines concepts of presidentialism in British politics since there necessarily has to be something close to (if not exactly) a 'dual leadership' between Opposition Leader and Shadow Chancellor in exercising power over Shadow Cabinet colleagues. The Shadow Chancellor exercises a central coordinating role and necessarily has to work in partnership with the leader for an opposition to successfully challenge for office. Perhaps the difference between the two is that the Shadow Chancellor's power is more negative, more the power of veto than of proposal. Peter Lilley, who became Shadow Chancellor in 1997 served to emphasise this point when I was able to interview him recently:

'You have to prevent the natural tendency of spending ministers to spend more, something which is exacerbated in opposition when it is 'imaginary' money anyway. But if they make lots of reckless commitments you'll find yourself in an embarrassing position in government and you expose yourself to the government of the day costing your programme and demonstrating it's untenable, so you have to keep them under control.'

Shadow Chancellors are drawn from amongst the most ambitious of parliamentarians and as many as three quarters of post holders can be said to have aspired to the leadership, having stood to lead their party before or since. But, echoing previous research around the real life work experience of party leaderships discussed elsewhere, the professional background of Shadow Chancellors is unlikely to be seen as any direct preparation for the job of heading the Treasury team. Statistically, Shadow Chancellors are more likely to have been lawyers than economists.

The consequence of all this is that the Shadow Chancellor's job is not to influence policy of the day but to attack and weaken the government in the combative traditions of the Westminster System, and to represent a credible alternative Chancellor of the Exchequer to the electorate just as Opposition Leader must present themselves as an alternative Prime Minister. For this reason, the Shadow Chancellor's prestige is located outside of Parliament in the media (again like the leader). As such a Shadow Chancellor in post at an election victory can generally expect to take the keys to Number 11.

Chris Leslie, the current holder, finds himself as an acting Shadow Chancellor to an acting leader in Harriet Harman; an unusual position precipitated by Ed Balls becoming the first Shadow Chancellor to lose his seat at a general election. However well colleagues judge his performance since the election, history suggests he is unlikely to hold onto his brief (whoever wins Labour's leadership when votes are counted in September). New leaders like to appoint their own Shadow Chancellors and only twice in the last three decades has an incoming leader held onto the Shadow Chancellorship. Those were Blair/Brown and Cameron/Osborne – little needs adding about the personal relationships between these men.

Leaders understandably receive a lot more academic attention than other opposition figures but the job of Shadow

Chancellor should not be overlooked. The post is strategic and powerful within the Shadow Cabinet. Holders represent the combative traditions of the Westminster system within Parliament and an alternative Chancellor of the Exchequer, who voters can assess in making their wider assessment of the credibility of a government.

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