

DEMOS

The 'culture of churn' for UK Ministers and the price we all pay

RESEARCH BRIEFING

12 JUNE 2009

by

Hugh Cleary and Richard Reeves

DEMOS

- Prime Ministers use their power to reshuffle ministers too often
- British ministers spend too little time in post – average tenure is now down to 1.3 years
- This encourages an unhelpfully short-term approach to policy
- High churn rates also gives expert civil servants too much power relative to elected representatives
- A new convention should be established whereby ministers are appointed for three-year ‘terms’

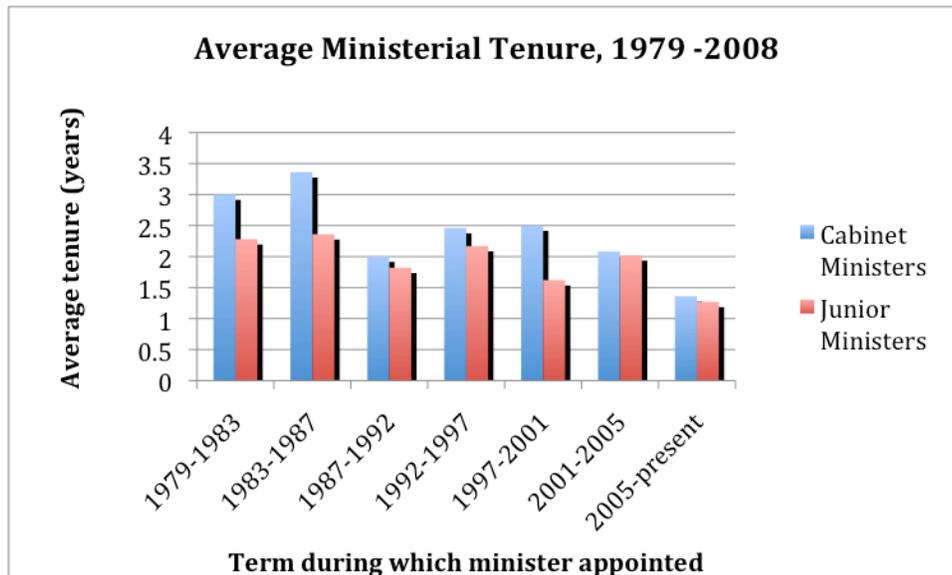
1 THE FACTS: THE MINISTERIAL MERRY-GO-ROUND IS SPEEDING UP

In 1988, 1.3 years into his new job as manager of Manchester United, Alex Ferguson was grappling with a team of unfit alcoholics and the club had won nothing. In 1977, 1.3 years after he founded Microsoft, Bill Gates was still struggling to make his software company financially viable. 1.3 years is generally not long enough for even the most talented of individuals to achieve their potential; yet this is now the average tenure of a minister in the British government in any given post.

Since 2005, ministers have had an average of only 1.3 years to get to know their new policy areas; build relationships within new departments; develop ideas to add value to the department’s work; sell these ideas to their colleagues; and only then set about implementing them. It is therefore hardly surprising that, as Labour MP Nick Raynsford put it to a select committee on public administration in 2007, “the areas where there was ministerial continuity tended to be the areas of greatest strength”.ⁱ

The reduction in average ministerial tenure over the past thirty years is striking (see graph below). Margaret Thatcher’s first two terms in power saw Cabinet ministers remain in position for the majority of a full four-year term, while even

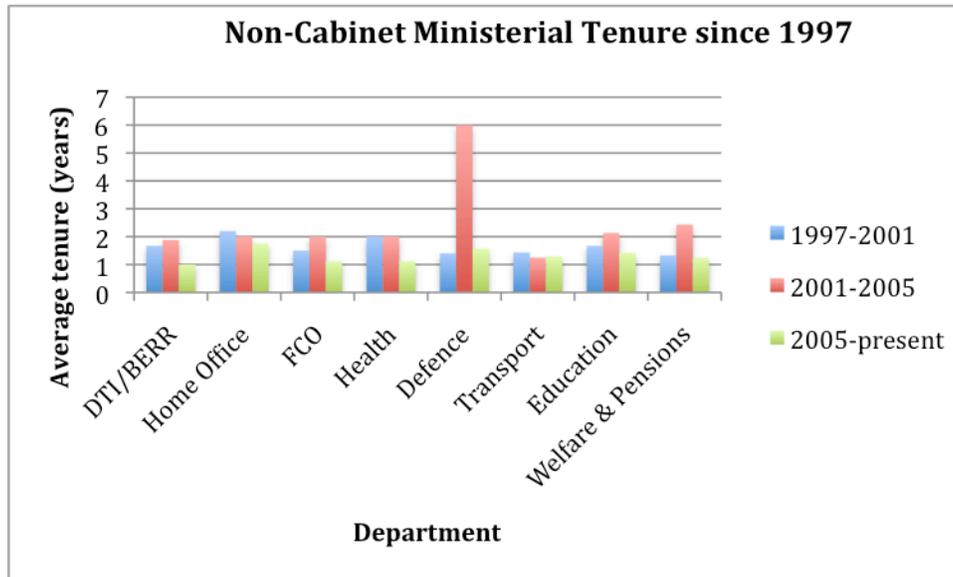
junior ministers were in post for an average of nearly two and a half years. These respective average tenures have since shrunk dramatically.



(Based on 8 large government departmentsⁱⁱ. These figures do not include ministers currently in office, and may therefore slightly understate length of tenure.)

Certain positions and ministers have seen even less continuity than this. Since Labour came to power, eight different politicians have tried their hand at the Housing brief – a fact singled out for particular criticism by Nick Raynsford (who, incidentally, was one of the eight) in the select committee hearings cited above. At Cabinet level, John Reid was responsible for five different ministerial briefs between 1999 and 2007, as well as for two non-portfolio positions.

The churn is just as pronounced in the lower ranks, with Tony McNulty having taken on six different ministerial posts in the period since 2002, and Caroline Flint having served in five departments since 2003. As the graph below shows, junior ministers have been moved from department to department on an almost annual basis since 2005.



(Based on 8 large government departmentsⁱⁱⁱ. The outlier in the Ministry of Defence is based on the tenure of a single non-Cabinet minister.)

Comparisons with the private sector throw government practice into even sharper focus. A survey of the world's top 500 companies revealed an average annual turnover of 16.2% of CEOs (as of 2007^{iv}), meaning that the average duration of CEO tenure in leading private companies is 6.2 years – almost five times the current rate for British ministers in large departments.

In the US, those appointed to Cabinet posts have historically tended to remain in position for the full duration of the four-year presidential term. Under Bill Clinton's presidency, the average tenure of a member of Cabinet was 3.5 years, while under George Bush this fell only very slightly to 3.3 years. President Obama's appointments, too, reveal a philosophy of linking the individual to the department on a long-term basis. The Republican Robert Gates, for example, was retained as Defence Secretary as the best person to do the job, in spite of his political affiliation. Timothy Geithner, the Treasury Secretary, is a former president of the Federal Reserve Bank in New York – also chosen not as a floating member of the Cabinet, but for the skills he brings to a specific post and department. The contrast in the average terms in post for US and British ministers – and, perhaps, in the logic behind ministerial appointments – is stark.

2 DOES IT MATTER?

Does the ministerial merry-go-round damage the quality of British government? The answer is not immediately clear. One possible argument is that high turnover in fact reflects a form of quality control, with under-performing ministers weeded out quickly and efficiently. However, most ministers are moved sideways to other departments rather than fired, which suggests this is not the case.

Nor is experience necessarily a strong indicator of performance. Plenty of inexperienced governments and ministers have proved successful: Tony Blair's administrations are perhaps a case in point. Over a lengthy time horizon, the link between tenure and effectiveness is not straightforward. A trio of political scientists concluded: "Although Attlee's 1945 administration was the least experienced, most commentators see it as an efficient and enterprising government; and though Major's first administration was the most experienced (and his second highly experienced), they were seen as tired and inefficient."^v

The issue is not, then, primarily one of experience – at least not in the sense that ministers need years of government service under their belts in order to be effective. There may be a problem in that the 'professionalisation' of politics means that ministers have little management experience generally, but that issue lies beyond the scope of this paper. Rather, the real damage of ministerial churn is two-fold: first, ministers are moved so frequently that they have little incentive to grapple with difficult policy problems; and second, ministerial shuffling around results in an imbalance of power between elected ministers and unelected civil servants.

3 THE DAMAGE: SHORT-TERMISM

If politicians know they are unlikely to occupy any particular Whitehall seat for long, it may diminish their motivation to tackle entrenched problems and thorny policy issues. In November 1964, Richard Crossman wrote of his recent elevation to Housing Minister: 'One of the things I've largely had to decide is whether I should attempt (because I am not likely to be in the Ministry very long) to reorganize it as

an effective Ministry or whether I should just make the best of it as it is, and improve its public relations'.^{vi} He meant, of course, his own public relations as well.

It is widely understood that the British public's trust in their politicians has declined, even prior the recent scandals over MPs' expense claims. The latest figures are stark: two thirds of the population think MPs act primarily in their own interests.^{vii} This is perhaps too harsh a judgment. Yet it is difficult to argue that good government is the principal priority when ministers are shuffled around like a pack of cards, and very often for transparently political reasons.

This is not to suggest that the UK government is broken. The UK fared reasonably in the most recent major international comparison of public sector efficiency, ranking 7th out of 23 developed countries for efficiency in a report by the European Central Bank in 2003.^{viii} The efficiency of some key government departments and public services is, however, a matter for concern. For instance, a 2008 report by the Office for National Statistics showed that the results of increased public investment in the NHS have at best been mixed: some measures showed productivity to have fallen between 1999 and 2004, while others showed it just breaking even.^{ix} Public perceptions in this area remain overwhelmingly negative: an Ipsos Mori poll in 2006 showed that a large majority (64%) believed that the NHS "has enough money, but too much money is wasted".^x Despite these issues, the rate of ministerial turnover continues to accelerate. While the Department of Health has seen only five Cabinet ministers since 1997 (relatively few, but still an average tenure of under 3 years), the average tenure at junior level has fallen to little more than a year in the period since 2005, in line with other departments.

Sir Richard Mottram, the recently retired senior civil servant, has argued that high turnover has worsened the quality of government, particularly given the lack of extra-parliamentary experience of many MPs. In a speech at the London School of Economics in 2008, he stated that "a number of the most demanding Ministerial portfolios from a delivery perspective are seen as stepping-stones to higher things or good places for sideways moves when a political message of refreshment beckons."^{xi}

For Britain’s career politicians, the majority of ministerial posts are indeed ‘stepping stones’. The rate of churn provides ministers with an incentive to strive for public exposure and a chance to shine in the short-term, thereby encouraging policy gimmicks and headline-grabbing targets. But it offers no incentive for ministers to pursue effective long-term strategies, because they are highly unlikely to be in post long enough to see the strategies through, or to take the credit when the policy bears fruit.

4 THE DAMAGE: POWER IMBALANCES

If policy-setting suffers from excessive ministerial turnover, so too does the democratic process. Short terms in office dilute a minister’s ability to dictate departmental policy in relation to civil servants, who have been in the department longer, and who are often more familiar with the policy area. This is not to imply an insidious campaign on the part of civil servants to siphon off ministerial power; it is more likely that they find themselves obliged to step into the vacuum left by ministers weakened by their lack of knowledge of the policy area, as well as an expectation of rapid onward movement. A large government department requires a degree of stability and consistency in policy-setting in order to function at all. It cannot simply change course every year when a new minister arrives with new ideas – assuming that the minister is in post long enough to formulate them. Civil servants therefore increasingly set the policy agenda, frequently presenting the same policies to one minister after another, and arguably taking on greater responsibility for steering a consistent departmental course.

5 THE SOLUTION: MINISTERIAL ‘TERMS’

The years following Labour’s victory in the 1997 general election saw a new focus on “joined-up government”, designed to improve the productivity of the public sector by addressing the culture of departmentalism in the civil service. Ministers and civil servants were to work for the government, not for a specific department, whose aims

might be at odds with the government's wider programme. Ironically enough, the goal of the new strategy was to address just the short-termism and inefficiency which high ministerial turnover has caused. 'Modern Government', the seminal paper published in 1999, announced: "we will be forward-looking in developing policies to deliver outcomes that matter, not simply reacting to short-term pressures".^{xii}

Labour's desire to avoid 'departmentalitis' was laudable. But the decline in the length of ministerial tenure may ironically have given more power to the mandarins of Whitehall. What is now needed is a new kind of departmentalism – not a return to wasteful competition between departments, but a renewed strengthening of the connection between minister and department. This will longer require tenures to allow ministers time to follow a learning curve, understand the issues faced by the department and its stakeholders, and from this to take on a more active role in setting departmental policy.

Ministers should be expected to serve at least three years any given post. If they are under-performing they should of course be moved; but in this case they should be moved out of government altogether, rather than simply sideways to another position. Ministers who know that they have a minimum tenure of three years are much more likely to acquire the necessary knowledge and expertise to bring about deep reform.

No change in law is required; merely a change in convention. New Zealand parliaments are in this way 'fixed' for three years. The two-term limit on US presidencies lasted from the nation's birth until the extraordinary conditions of the Great Depression and World War II allowed FDR to win four non-consecutive terms; only in 1951 was the constitution changed to prevent this happening again. Many aspects of the UK political system are dictated by convention, from Prime Minister's Questions to Queen's (or King's) Speeches. An incoming Prime Minister could simply set a new precedent for minimum ministerial tenure that could prove as long-standing as these other political conventions.

This is of course more easily said than done. The Prime Minister's ability to allocate ministerial briefs – the power of 'patronage' – is a considerable source of

leverage over ministers. It would be hard for any politician to relinquish this kind of power. It would also lessen the theatrics of British politics; imagine Westminster without the annual round of reshuffle rumours and plotting! But the idea of devolving power is one that politicians frequently endorse; and politics is not a pantomime. Halting the current trend of ministerial churn will require a Party leader with sufficient confidence in his or her own Cabinet to defer a portion of their direct power, to achieve better outcomes for us all.

NOTES & REFERENCES

ⁱ Select Committee on Public Administration, Ninth Report, Published 24 July 2007. Available from:

<http://www.publications.parliament.uk/pa/cm200607/cmselect/cmpublicadm/93/9308.htm>

ⁱⁱ The 8 departments were: The Foreign and Commonwealth Office, Home Office, Health, Department of Work and Pensions, Education, Transport, Defence, and Department for Trade & Industry/Business, Enterprise and Regulatory Reform/Department for Business, Innovation and Skills based on The Guardian's 'Ask Aristotle', available from:

<http://www.guardian.co.uk/politics/page/2007/dec/18/1> and Index page for British Cabinet and Government Membership, available from: <http://www.psr.keele.ac.uk/table/york/Index.html>

ⁱⁱⁱ The 8 departments were: The Foreign and Commonwealth Office, Home Office, Health, Department of Work and Pensions, Education, Transport, Defence, and Department for Trade & Industry/Business, Enterprise and Regulatory Reform/ Business, Innovation and Skills. Statistics based on The Guardian's 'Ask Aristotle', available from:

<http://www.guardian.co.uk/politics/page/2007/dec/18/1> and Index page for British Cabinet and Government Membership, available from: <http://www.psr.keele.ac.uk/table/york/Index.html>

^{iv} 'Global CEO Turnover Rises 10 Percent in Past 12 Months According to New Weber Shandwick Study', Reuters, published 3 March 2008. Available from: <http://www.reuters.com/article/pressRelease/idUS138587+03-Mar-2008+PRN20080303>

^v Berlinski, Samuel, Torunde Rundewan, and Keith Dowding, 'The Length of Ministerial Tenure in the United Kingdom, 1945–97', B.J.Pol.S. 37, pp. 245–26

^{vi} Crossman, Richard, 'Diaries of a Cabinet Minister: Selections, 1964–70', (London: Hamish Hamilton Ltd, 1979).

^{vii} 'Parliament in peril', Mark Easton, published 2 June 09, available from:

<http://www.bbc.co.uk/blogs/thereporters/markeaston>

^{viii} Afonso, Antonio, Ludger Schuknecht, and Vito Tanzi, 'Working Paper no 24: Public Sector Efficiency: An international Comparison', European Central Bank Working Paper series, July 2003, available from:

<http://www.ecb.europa.eu/pub/pdf/scpwps/ecbwp242.pdf>

^{ix} 'The ONS Productivity Handbook', Office for National Statistics, n.d., available from: <http://www.ons.gov.uk/about-statistics/user-guidance/productivity-handbook/psp/index.html>

^x 'Understanding Public and Patient Attitudes to the NHS: Research Review Prepared for the Healthcare Commission', Ipsos MORI, August 2006, available from: <http://www.ipsos-mori.com/assets/polls/2006/pdf/healthcarecommission.pdf>

^{xi} Mottram, Richard, 'Fifteen Years at the Top in the UK Civil Service – Some Reflections', Speech to the MPA Capstone Event, London School of Economics, delivered 6 May 2008, available from:

<http://www.lse.ac.uk/collections/MPA/PDFs/SirRichardMottramtxt.pdf>

^{xii} 'Modernising Government', Presented to Parliament by the Prime Minister and the Minister for the Cabinet Office in March 1999, available from: <http://www.archive.official-documents.co.uk/document/cm43/4310/4310.htm>