6 The Political Framework

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POLITICAL VICTIMS

The seemingly endless political controversy which surrounds nearly all aspects of the work of the Nationalised Industries (NIs) inevitably gives observers of the scene considerable pause for thought. Surely, so the argument usually goes, there is a better way of conducting affairs? Should it not be possible for governments and the management of the NIs to form a more harmonious relationship? Cannot the management be given clearer guidelines by ministers and then be left ‘to get on with the job’? Do the appointments and salaries of the NI Board Members have to be the subject of widespread political controversy? Cannot the NIs themselves devise some system of ‘co-ordinated rationality’ which could be to the benefit of all, rather than indulge in regular bouts of in-fighting and mutual recrimination? When will the trade unions realise that an efficient and productive NI is to the benefit of all the community, and that no lasting good can come from the maintenance of restrictive practices and an obdurate refusal to recognise the need for change? Is it not possible for the wishes and needs of the NIs’ customers to be given greater consideration? When will the time come when interests such as those of the environmentalists can be integrated more successfully into the NIs’ decision-making processes, without the need for interminable set-piece public inquiries which cost millions of pounds to stage?

Given this complex and politically ‘messy’ policy-making process, it would not be surprising if, in attempting to achieve a consensus on

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policy, the management of an NI felt rather like a blindfolded man trying to unravel a long and tangled piece of string, while at the same time attempting to ride a bicycle along a tight-rope wire! In some cases, there is real confusion on the part of an NI chairman as to what objectives he should be seeking to achieve. Thus the Chairman of British Rail, Sir Peter Parker, asked the government to define for him: ‘What is winning?’ In Sir Peter’s view, there were two prerequisites for a successful relationship between an NI and government:

First, there should be complete trust between the Minister and the Board, in particular the Chairman . . . Secondly there must be agreed objectives – clear, attainable and understandable. Winning should be possible for a nationalised corporation, even if the prizes have not been glittering hitherto. Whatever the secrets of management success may be, they include stimulating incentives, morale and pride of achievement.  

Sir Peter’s prerequisites for ‘winning’ appear rational enough, but to bring the various interests together in an agreement on how the policy-making process should proceed (sometimes known as metapolicymaking) is usually an extremely difficult task, let alone achieving a consensus on concrete objectives. Interests such as government, NI management, trade unions, consumers and pressure groups such as those representing environmentalists, will each have an individual view of what, for it, constitutes ‘winning’. This competition between interests can become so intense that each may transpose Sir Peter’s question of ‘What is winning?’ into the more prosaic and pluralistic ‘How can I win?’ In order to appreciate how these various interests fit into the political framework, we can analyse their relative strengths and weaknesses in the context of NI metapolicymaking. In turn this can tell us more about the strengths and weaknesses of the policy-making system itself.

THE POLITICAL POWER OF THE NATIONALISED INDUSTRIES

Expertise and the Arm’s Length Relationship

The predominant position which the majority of the NIs occupy