



**In conversation with Kenneth Clarke, former Chancellor of the Exchequer,
Member of Parliament for Rushcliffe (Nottinghamshire) 1970-2019**

David Marsh, chairman and co-founder of OMFIF, spoke on 26 November with Kenneth Clarke, chancellor of the exchequer between 1993-97, about the state of British politics, the lead-up to the 12 December general election and Prime Minister Boris Johnson's probable approach to future negotiations with Europe. This is an edited transcript of their conversation, which can be heard in full on the OMFIF website.

David Marsh: I am carrying out a call with Ken Clarke, the veteran Conservative member of parliament who is no longer allowed to call himself a Conservative MP and is retiring from the House of Commons after 49 years, including many exceptional years of government service, including as chancellor of the exchequer after Black Wednesday in 1992.

Kenneth Clarke: I'm still a member of the Conservative party. No one quite knows what having the whip removed means. I think you're right. I'm an independent MP or was until the day I retired. But I'm still a Conservative.

DM: And you're going to vote Conservative?

KC: I'm following the campaign. It depends what people say. I was on the fence a bit. I'm a discontented Conservative, which is perfectly plain. I will make my judgment nearer the time.

DM: Who do you think is going to win? You've made no secret that you're not a huge supporter of Boris Johnson, although you think he's a decent enough chap. But you've given some doubts whether you think he's got the right stuff to be prime minister.

KC: Anybody who forecasts political events of any kind in recent months is sadly deceiving themselves if they feel certain. This election is the most difficult to call of any I've ever known because of the angry, volatile state of public opinion and the divided state of the two principal parties. At the moment, I would go along with a growing consensus that the most likely winner is Boris Johnson. But that's largely because of the collapse of the [Nigel] Farage Brexit Party. The great majority of their voters will go to the Conservative party, which has been seeking to present itself as the Brexit party. So, with that having happened, I go along with the prevailing view. It does look as though Boris will get some sort of a majority.

DM: You became interested in politics at a time when Mr Johnson wasn't even born. And you were Macmillan back in the 1960s. Now, Mr Johnson also claims to be a 'One Nation' Conservative. Do you think he is taking the Conservative party fatally and possibly irreversibly to the right and therefore it's not the same party as when you started supporting it as a young man?

KC: They all tell me he's a 'One Nation' Conservative. And insofar as he has strong views on policy issues, he has been quite liberal in the past with a small 'l'. So, if he does win, he may prove himself to be so. It's not just Boris. I think that the Conservative party has been moving far to the right, just as the Labour party has been taken extraordinarily far to the left. Neither of the major parties resembles what they looked like 10 years ago.

I'm a perfectly orthodox mainstream Conservative. My views are the orthodox views of the Conservative party leadership of the first 60 years of my membership. I joined when Harold Macmillan helped persuade me as a student, when he announced his intention of trying to get Britain into the European Community, running a free market economy with a social conscience. The leadership was the epitome of contemporary Conservatism until the June 2016 referendum. Now, since the referendum, the Conservative party has taken up some extraordinary views. It is difficult to recognise it as the free market, with a social conscience, pro-business, internationalist, pro-European centre-right party that it always was until the fateful day when the referendum came up with this unexpected and unlikely result.

DM: You've voted in the House of Commons more times for Brexit – a soft Brexit – than Mr Johnson, who was actually rebelling himself against Theresa May over a year or so. And yet he's now accusing you of somehow having thwarted Brexit.

You were part of the rebel group of 21 MPs who did rebel against the leadership in the autumn on whether the UK should leave with no deal. Was this the best thing you've ever done in politics – or do you rue what you've done?

KC: I don't regret what I've done. These events have been bizarre, surreal. We all have strong views. But politics is also the art of pragmatism, how to reach consensus with your colleagues. Government has always worked like this in this country. I was against holding a referendum. I made it clear that I wasn't going to change my own lifelong views. I voted against invoking Article 50. It would be in the best interests of the country not to leave the European Union. But after that, I was prepared to minimise the damage, to seek a compromise. I voted for Theresa's withdrawal agreement. I voted for Boris's withdrawal agreement. Theresa's is much the better of the two, but I voted four times for Brexit, paving the way for grown-up negotiations on real long-term issues during the transition period that follows.

Boris went on the Brexiteer side in the referendum as part of building up his support if he could get rid of David Cameron. He and the European Research Group voted against Theresa's deal, partly to get rid of Theresa. In office, he had a majority for his deal. I voted with him. He has worked desperately to ensure that the general election comes before the day we leave. He didn't want to take his deal through and get us out of the EU, in the orthodox way, which he could have done. He called his election. The main thing he wants is the election before we actually leave. It's a rather bizarre state of affairs. He and his team are running as 'people v. parliament'. But it's Boris who's delayed it. He stopped us leaving in March. He stopped us leaving in April. And he stopped his leaving early December, by refusing to carry on with his own deal, when he finally got a majority for it.

DM: A question about Mr Johnson's character. Is it unfair to say he's a man that we might have been thinking about when Groucho Marx said, I'm a man of many principles – and if you don't like the ones I have, here's some more? Does he have any principles at all apart from self-preservation and getting the best opportunistic deal for himself?

KC: You're not going to lead me into making rude remarks. I don't fall out with people like this. What has been driving him was the desire to get himself a majority. He's always wanted to try and give himself real power by getting an election as quickly as possible. He wants the election before the day we actually leave the EU, in case of bumpy ups and downs, and some difficulties breaking out quickly after we leave. He wants to cross that bridge when he's got a majority. That's fairly obviously his strategy at the present time.

DM: You think it's just about likely that he will get this majority that he wants.

KC: Nigel Farage is more responsible for where we are than anybody else. He's the most successful politician of my generation. He's completely changed Britain's idea of what its future role in the world is going to be. But he has difficulty forming these extreme right-wing parties. He is virtually a one-man-party, but he has to have all these candidates. Some of them are fairly bizarre. They fall out with themselves and half of them didn't want to stand. And so he's gone for this strange halfway house of stepping down in the Conservative seats. And that has made it look so ridiculous that the Brexit party is collapsing in the polls. Now, if that actually happens, it means that we go on with the hard-line Leave side, the hard-line Brexiteers, united in one party and the Remainers divided between Labour, Liberals, Scottish Nationalists, and independent Conservatives.

DM: Labour leader Jeremy Corbyn does seem to have managed to reach out to voters who in the past were not attracted by any particular party. And he speaks for many people who feel disadvantaged by modern day society, modern day life. Do you think he's got any chance of becoming the next prime minister?

KC: Not a hope in hell. I like Jeremy. He's a 1960s lefty. I've known him since he came to the house in the early eighties. He was a faithful follower of Tony Benn, a man with whom I got on with very well, but whose political views I thought were quite nightmarish. He's a good old-fashioned, very, very hard-line left-wing Labour supporter. He is very, very left wing on a lot of international affairs. He's a hard-line Brexiteer, hard-line. Eurosceptic – always has been. And he does have followers. He has these young people – today's equivalent of the 60s lefties that I recall – they are rather more pro-European than he is, but some are very left-wing. But they're a small minority of the general public. With Jeremy's views and the stance he's taken the Labour party into, he hasn't a cat in hell's chance, a snowball's chance in Hades, of ever being prime minister. Most people you could bump into in the street have a better chance of being prime minister than Jeremy Corbyn. Now the takeover of the Labour party effectively coincides with these bizarre developments on Brexit and bizarre developments in the Conservative party. This is part of what is potentially a tragedy – a disaster – of the present political crisis.

DM: Somebody will make a film about it, I'm sure one day. But do you think he knows that deep down he knows he hasn't got a chance and he doesn't really mind because he's always been in opposition over his long political life?

KC: He's also naively sincere in sticking to his views. He's put in all his work, leading the party for three or four years. He wants at least to be allowed to fight one election as leader and to propound his views, which he undoubtedly most sincerely believes in. They may be anathema to 'One Nation' Conservatives like me. But that is the way he would have liked the country to go. You're quite right. He never expected to be in power. He sat as a very politically isolated backbencher in the Labour party for years, always voting against his party, whenever an ultra-left wing cause came up. He had to be persuaded to stand for the leadership because the other ultra-left wingers said it was his turn. They'd all waved the flag once. So why didn't he have a go? To his amazement, he found he'd won. Since then, he's taken it very seriously. And I think you're probably right. In his heart of hearts, my guess is that Jeremy knows he couldn't possibly win, but he's prepared to give his views a really good airing, campaigning for the kind of role that he'd like Britain to play, and the kind of economy he'd like Britain to have. And then he'll think that justifies the three or four years he's expended in putting all this effort into it.

DM: So we'll assume that Mr Johnson does get this majority and will push this deal through by 31 January.

KC: There's a fortnight to go yet. A lot of the public could change their minds, or haven't made their minds up yet. The old style of politics with a swing between two big tribal blocs

is all over. Half the population could still change their minds. A lot depends on what happens. Not surprisingly, Boris and the Conservative party are now playing it safe and trying to say nothing in particular.

DM: Let's just assume they're for the sake of the argument and that we do get through to 31 January. I think that's a reason why sterling has been reasonably firm lately against the euro.

KC: Most of the public don't realise that all we are arguing about at the moment is this preliminary withdrawal agreement. The first step enables you to leave, then nothing changes. Nothing dramatic on 1 February or whenever it is, it might be done before then. You start then the serious grown-up negotiations on our future relationships with Europe, with the 60 other countries with whom our EU trade agreements are going to be all over. Things like nuclear safeguarding, anti-terrorism, intelligence-sharing, police, medicines licensing, as well as trade and the economy. Eventually we will produce a new basis for our relationship with Europe. And then we will get around to seeing what we do to get some trading relationships and other ordinary political relationships sorted out with the rest of the world.

DM: Do you think that Mr Johnson may then lead his crew into these negotiations with blindly naive hopes about how easy it is to get a deal through? Would you agree with what [former EU ambassador] Ivan Rogers has been saying: the real hard pounding is about to start and the Conservatives may fall flat on their face because it won't be easy – and we will end up possibly with a hard exit at the end of December 2020, which could be worse than many people are thinking?

KC: I know Ivan Rogers well and I am admirer of his and I broadly agree. But I wouldn't put it quite like that. I agree with him that the hard pounding then begins. Then we start the serious negotiations on what our long-term permanent relationship is going to be. I'm not sure I agree that we will fall flat on our face. I have a strong suspicion that Boris and one or two other members of his government know perfectly well that there's going to be a long, difficult negotiation. They will be rather more pragmatic than their campaigning stance indicates. If Boris is going to be a successful prime minister, and he will want to be if he can get a proper majority, then he's got to start being pro-business. He's got to start associating with normal Conservative values and so on. He can't let himself be surrounded by a lot of fanatical hotheads on the subject of foreigners and Europe. And he might give us all a pleasant surprise by turning to the more sensible course.

He will have to give up this election slogan that he's not going to extend the transition beyond December 2020. Because I think the chances of finishing the negotiations by the end of 2020 are absolutely nil. I don't have as much expertise as people like Ivan Rogers,

diplomats who have absolutely been immersed in this kind of thing for years. But I don't know anybody who has any serious knowledge of the economy and trade policy who thinks it's faintly possible to tie it all up by the end of 2020. We've moved on from other dates. Boris himself stopped us leaving in March and April of 2019 by voting against the deals. Then this December 2020 deadline could start vanishing quite rapidly once we get into the serious talks, if he's got himself a secure majority in the House of Commons.

DM: This man has got form and it would be a surprise if he did actually keep to the deadline. So I think we can afford to be reasonably optimistic on this. Just a final point. You've had a long career of being very close to the European continent. You were well known by the other European finance ministers. You were thought of by the finance ministers and central bankers themselves as one of the rescuers of the old exchange rate mechanism back in 1993. What do you think Britain's relationship, both trading and cultural, with the rest of Europe will be?

KC: Over the past 50 years they've been our principal practical day-to-day allies in the world. Since we've been in the EU, Britain has acquired a big political voice in the world. The main reason to be in the EU was always political. We were one of the three big countries in the European bloc. We were the one of the three that had the closest relationships with the Americans. We were able to speak still with a powerful voice in a world dominated by giants like the US, Russia, China and so on. If we leave the EU we will lose all that on trade and the economy. You can't leave the biggest, richest free trade area in the world, you can't give that all up without damaging your economy, making yourself poorer. So all that is going to affect us. It all depends on what sort of future agreements you get, and what kind of political role we think we're going to strike out when we really put ourselves in the position. I do know from my continental political friends, and a lot of North American ones, that they've given up understanding, trying to understand, what we're up to. They always thought we were a strong, stable democracy. A bit of a model. Most of them think we've gone slightly mad.

DM: But do you think, by a curious paradox, that Britain could become somewhat more European from a relatively low base than it has been over the last 30 or 40 years? We will no longer have Europe to blame for anything. There's a very strong European movement in Britain which has really taken root. A lot of young people are now interested in politics for the first time in a generation. And we will somehow know what we might be missing. It all depends on how Europe itself develops politically and economically. But do you think there's a chance that, from this position of being always the odd man out in the European game, the British may become in a curious way more European over the next 10 years?

KC: We may be more comfortable with the fact that our politics has always been for 1,000 years bound up with the politics of the rest of Europe. Maybe we will get less agitated about that. I'd love to be as optimistic as that question makes you sound. You never know. I had a Conservative candidate not too long ago, a young one in this election, saying he hoped we'd be back in the EU again within 10 years. Let's look on the optimistic side, and I hope that if we do get a Boris Johnson-led government, it might then seek less damaging future arrangements, it might keep most of our arrangements intact. I just think it's hopeless to forecast what the mood of this country will be in a few years' time. And what then might be our relationship with our neighbours? At the moment we're setting out as a rather isolated nation on our own, on a voyage of discovery. And I think all our friends in Europe and everywhere else, the sensible ones with America, will wait to see, when we finally calm down, what exactly it is we think we're doing, and what exactly we have in mind for our future role in events in this ever more dangerous world.

DM: Ultimate question. Kenneth Clark, after these 49 years in the House of Commons: your own future where you might have a bit more surety than about the country as a whole. Some people say, 'I'm leaving the House of Commons in order to take up politics' – are you going to get more involved in politics in different ways, but from a different vantage point? Or are you going to give it all up and just take to bird-watching?

KC: Well, I am a complete political addict. If I continue to have the privilege of using some kind of a platform in the national debate, I will continue to do so. I'm never going to stop my interest in politics. But it's not the beginning of a great new phase in my career. It is retirement. This is age. You have to have the common sense to tell you that now is the time to step down because you can't guarantee you can spend another five years to do the job properly. I regret leaving in the middle of probably the worst, most important national crisis in my political lifetime. I'd love to be able to stay around till the end of it, but if I get a chance commenting or taking part in it, I will. But I'm not sitting here fondly imagining that I'm going to be as politically active as I was before. I shall no doubt be tempted to try to do so from time to time. But this is retirement. I'm moving from being a direct participant, to being a participant every now and again when I get the chance.

DM: We look forward to continuing to hear from you with this vantage point. In a way, it's a shame – it's like a batsman who's deprived of the half-century, leaving on 49, rather than 50. But I'm sure the 50th anniversary will be celebrated in one way or another. Kenneth Clarke, after 49 years in the House of Commons, two years as the Father of the House, many years of service to our country, many thanks for talking to us and look forward to talking again before too long – when you will be retired but not retiring, I'm sure.