



The government after Steve Hilton

## A radical departure

**The loss of David Cameron's closest adviser will trim, but not undo, the government's commitment to remake the state**

**I**N 1996 an advertising man called Steve Hilton was among 165,000 people in a field in Knebworth for a concert by the rock band Oasis. The gig captured a national mood that was classless, brashly hedonistic and eager to vote out a tired Conservative government the following spring. Mr Hilton had other plans. While there, he sent the Tories his idea for a poster depicting Tony Blair, the then Labour Party leader, with glowing demon eyes.

The posters flopped, and Labour trounced the Tories. But the ad man went on to reshape the Conservative Party quite profoundly. In the early years of David Cameron's leadership, Mr Hilton orchestrated the Tories' re-branding as a greener, kinder party. He went on to champion policies that thrilled the right: competition in public services, elected mayors and police commissioners, welfare reform and business deregulation. His behaviour at Knebworth was instructive: he combines the image and cultural sensibilities of a liberal hipster with a fierce conservatism and a Thatcherite's hatred of the state.

Now the radical is off. On March 2nd Mr Hilton announced that he would take a year's sabbatical in California. His wife's job is partly based there, but his frustrations with office are the main reason for leaving. Mr Hilton's restless zeal to reform the state has come up against bureaucratic inertia, political caution and the con-

straints of European law. Will the government become less radical in his absence?

The current pace of change, which Mr Hilton found disappointing, is nonetheless fearsome by almost any other standard. Mr Blair was considered a reformer but only managed modest tweaks in education, delayed tackling welfare and left the management of policing alone. By 2015 most secondary schools will be free of state control, the benefits system will be tighter and police forces will have undergone the biggest overhaul in their history. Not all Mr Cameron's reforms are wise (elected police commissioners are questionable) but only his health-care plan has run into serious trouble.

The government is now moving from policymaking to implementation, which might suggest a lesser role for a bold thinker. But Mr Hilton has been involved in this too. He is uniquely licensed to harangue civil servants on the details of delivery. He has helped radical ministers including Michael Gove, the education secretary, and Iain Duncan Smith, the work and pensions secretary, get their way against what he calls the Whitehall "machine".

Moreover, implementation is increasingly a creative process. Insiders say the government wants to spend the second half of this parliament "stimulating a social response" to the policies it put in place in the first half. This means persuading

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charities and companies to run free schools and welfare-to-work schemes, and prodding non-politicians to run for office. Mr Hilton might have been better at this than the Downing Street technocrats.

Yet he is not the only radical in government. The elegant emollient of Sir Jeremy Heywood, the cabinet secretary, is often mistaken for caution. But the mightiest of all civil-service mandarins makes common cause with Mr Hilton on deregulation, decentralisation and shrinking Whitehall. He is behind the government's plans to reform the civil service, which will be published in May. Bigger roles are also mooted for allies of Mr Hilton, such as Greg Clark, the cities minister, and Rohan Silva, a Downing Street adviser.

### The style counsel

Above all, there is the mutating figure of George Osborne, the chancellor of the exchequer and virtual co-prime minister. He has always been known for political calculation—the hard-headed sceptic who balanced Mr Hilton's raging iconoclasm. But he is increasingly the driver of daring policies. As well as his austerity programme, he is finding extra money for Mr Gove's free schools, shredding planning restrictions and signalling an end to national pay standards in the public sector. On March 6th he hinted that he would scythe labour laws in the way Mr Hilton had demanded since last year.

The difference between Mr Hilton and the likes of Sir Jeremy and Mr Osborne lies in style rather than vision. The departing rebel believes only incendiary personal force can achieve change; the chancellor and cabinet secretary say systems and processes must be put in place. Mr Cameron realised both were required, which is why he gave Mr Hilton the freedom to exhort ••

- and evangelise.

The Conservative Party has never been divided between left and right so much as between establishment types, who seek to manage the British state as it is, and insurgents who want to shake it up. The split between patrician "wets" and Thatcherite "dries" of 30 years ago was along this fault line. Despite being a scion of the establishment, Mr Cameron generally sides with the dry insurgent wing.

The influence of Mr Hilton partly explains this apostasy. But it should persist without him. Confrontation with the gla-

cial bureaucracy of government has had a radicalising effect on Mr Cameron, as it did on Mr Blair. And Mr Osborne, the Tories' election strategist, understands the political utility of possessing radical ideas. He believes that governments must go into elections looking as if they have unfinished business. Austerity cannot be the only song the government has to sing.

At his fiercest, Mr Hilton would talk of "smashing up the machine". His exit is a profound setback for the government's plan to remake and prune the state. It need not be a fatal one. ■