# Ministers Reflect
# Helen Liddell

12 January 2023

# Biographical details

## Parliamentary history

1994–2005: MP for Airdrie and Shotts (previously Monklands East)

2010–present: Member of the House of Lords

## Government career

1997–1998: Economic secretary to the Treasury

1998–1999: Minister of state for education and industry, Scottish Office

1999: Minister of state for transport

1999–2001: Minister of state for energy

2001–2003: Secretary of state for Scotland

**Helen Liddell, now Baroness Liddell, was interviewed by Alex Nice and Beatrice Barr on 12 January 2023 for the Institute for Government's Ministers Reflect project.**

Baroness Liddell talks about entering government in 1997, the challenges of running the Scotland Office, and the transition from government to diplomacy.

**Alex Nice (AN): You entered parliament in the by-election for John Smith's seat after his sudden death. What was it like to come into parliament in those circumstances, as well as with the prospect of an imminent Labour government?**

**Helen Liddell (HL):** Well, early in my career I worked for the BBC. I was an economics reporter but, because I knew politics, they sent me down [to London] for the very first devolution bill – the Scotland and Wales Bill [1976–77] – because I knew what was going on and I'd been involved in the [Labour] Party for years and years. That period down here convinced me that I didn't want to be a member of parliament, because it was very, very anti-women and it was a strange life. It was still very, very old fashioned. If the whips wanted to win a vote, they would bring in guys who were actually dying: the whip and the opposition whip and a doctor would go out into an ambulance and check if somebody was still alive. That was not my world. So, to cut a long story short, I then applied to be the general secretary of the Scottish Labour Party because, at that point in the Labour Party, a staff member could not apply for a parliamentary seat. So I thought that was me well covered.

But then, fast forward – I had done quite a few jobs after that – and Neil Kinnock had asked me if I would go with John [Smith] during the 1992 election. I was running a small venture capital company at that time so I took a leave of absence and went on the road with John, who coincidentally represented the seat that I had been born and brought up in. John then died in 1994 and I came under enormous pressure to stand. By this stage, I had a nine year old and a 16 year old and a husband that worked between Scotland and Boston, Massachusetts. So I kept saying, "No, no, no, no, no." Because my name was being mentioned so much, my very good friend, the late Donald Dewar [then-shadow secretary of state for Scotland, later the inaugural first minister of Scotland] suggested I just disappear. So I got the kids in the car and we went off to a part of Scotland that nobody ever goes to. But we had to come back for the funeral. I sat next to a couple of very prominent Tories, one of whom was a Free Presbyterian, and they don't wear black to funerals; they wear bright colours. So of course the cameras kept coming to us. That meant I ended up on television for much of it. But two orations were given, one by Donald Dewar, one by Derry Irvine [then shadow Lord Chancellor], which was about public service. As we were leaving the church, my husband said to me, "You've got to do it." And within about six weeks I was a member of parliament, after a very, very vicious by-election campaign. So that's how I ended up in parliament, having always said no until that eleventh hour. I went in with a majority of about 1600 and, when I left 11 years later, I had a majority of 12,000, so I must have got something right! But with that background, I didn't either (a) have the drive to watch what a minister did or (b), think it was ever going to apply to me. But suddenly I am in parliament. In a year I am on the front bench.

One of the things which I think might be very relevant to the work that you're doing is that we were all sent to Templeton College in Oxford [now Green Templeton College, for ministerial training]. For somebody like me, who had no knowledge about what would be required of me, that was really, really very important. We were talking to former permanent secretaries, who would take us through even bog-standard stuff like taking money to pay for tea, but also how the business worked. Do something like that.

So, long story short, when we won the election, I thought I was going to the Scottish Office, under George Robertson [shadow secretary of state for Scotland 1993–97, secretary of state for defence 1997–99]. But I got the phone call from the prime minister to go to the Treasury as economic secretary; I'm a trained economist.

**AN: That leads on exactly to where we want to go next, which was: what was it like to get that call?**

**HL:** It was a complete surprise.

**AN: What was that first experience like? How did the day unfold?**

**HL:** Well, there is a funny story behind it. When I was shadowing the Scottish Office, I was shadowing education and education always also did sport. But I am known for knowing absolutely nothing about sport. So we met in secret with the permanent secretary at the Scottish Office. Then, of course, we discovered that they had moved the sport portfolio out of the job I was supposed to be doing, because they thought that it would not be a good idea. But then I got the call about going to the Treasury, and of course the person they put into that job in the Scotland office was a very, very prominent sports writer called Brian Wilson, who had lost the sports portfolio! So that was going through my mind. Then, when Tony [Blair] said economic secretary to the Treasury, I was speechless and absolutely over the moon. It's the best job I've ever done. I absolutely loved it and I enjoyed every minute of it. I did the Europe beat as well; I am pro-European and I found the whole thing absolutely fascinating. But I did it too good, because I ended up being promoted away from it. I absolutely loved it.

**Beatrice Barr (BB): I want to ask a bit more about the Treasury in 1997, if that's alright? What was it like entering the Treasury, especially with lots of discussion before the election about what the relationship between a Labour government and the City would be like? What was the atmosphere in the Treasury? And what were the relationships like that you ended up having with the City?**

**HL:** I had actually been around the City quite a bit, because I was part of management at the Scottish Daily Record and Sunday Mail. When [Robert] Maxwell [media proprietor] went off his boat, I came down to London to do crisis management and, as a consequence, I worked very closely with all the investors in Mirror Group. I'd moved around the City quite a lot. And because I had worked at the BBC, I knew my way around the Bank of England as well. I found myself in a position where I initially didn't think I had the knowledge but then, within weeks, I realised I actually did have the knowledge and people knew me and knew that I was reasonably straight. So it worked out quite well.

**BB: What kind of department structures did you inherent? Did you have to set up a private office?**

**HL:** No. The economic secretary did have a private office, but I had quite a fuddy-duddy principle private secretary and I think he found it quite difficult to deal with me. I was doing the Europe beat, and then we had the presidency of the European Union, so it was all very, very full on and I think some people were a little bit sceptical about whether or not the system could cope. And of course they weren't used to Gordon Brown, who takes an interest in everything. I can always remember, before the first budget, him coming in at about seven o'clock at night and saying, "Find me a billion, I need to find a billion now!" And a very senior official who shall remain nameless came in and said, "Look at defence: there's always money in there."

**AN: You said there were doubts about whether the system could cope and whether the Treasury was in a position to deal with the presidency of the European Union or the wider New Labour agenda?**

**HL:** It was all of it. On day two, Gordon announced that he was going to make the Bank of England independent, and I can remember sitting with all the ministers around the table and Eddie George, the governor of the Bank, was there. The Treasury was a no smoking zone, but Eddie was a very heavy smoker and I remember Gordon sending [Labour aide] Sue Nye out to get a packet of cigarettes to calm Eddie down a little bit. But he was just mesmerised: they dreamed of this happening, and suddenly it was happening! I heard a very senior official from behind me saying to his friend, "This is what it feels like to be governed." I have never, ever forgotten that because it was instructive of what had gone before but also of what we needed to concentrate on going forward. We made some mistakes; we set up the Debt Management Office because of independence and we screwed up in the first bond issue. But it was because we'd never done it before – we didn't know that we had to prepare the market for it. But it was pretty exciting.

**AN: And then, after that, you moved pretty quickly between some more senior positions. What was that like, settling into a department, being there for maybe a year and then moving?**

**HL:** Well, I tried to talk the prime minister out of moving me. But we were going into the first Scottish referendum and they wanted me to go to the Scottish Office and run the Scottish Office to free up Donald Dewar to campaign. Then in the middle of it, Princess Diana died, and things were all sort of knocked off. Then I was sent to energy [as energy minister in the Department for Trade and Industry], which I knew quite a bit about because of the Scottish situation. Some of the big issues that we were having to confront there were really very interesting, and I enjoyed that. So then I think Tony got it into his head that I was always being sent to problems, because part of what I had to do in energy was to put together a compensation scheme for miners – the biggest compensation scheme in the world – for miners who had lung disease. Coal mines usually had a big pool so that miners could wash before they went home. When the National Coal Board was clearing up all the old personnel files, they just threw them in the – thankfully empty – pool. And the judge said that if a man smoked, there had to be a deduction from the settlement, so that made it even more complicated. Of course, I represented a mining constituency, Gordon represented a mining constituency, Tony represented a mining constituency, so we had to get this right. So I had to do that, and it worked out; we got it sorted and moved on.

**AN: In moving between these roles and having to pick up new briefs pretty rapidly for some very big issues, did you feel well supported by the civil service? How did they approach you and the new Labour government?**

**HL:** Yes. I knew everybody in the Scottish Office, as it was then, because I had dotted around and because I had been in newspapers, so I knew some of them throughout their careers. Scotland's quite a small place; everybody knows everybody else. So that was quite good. I had some hairy relationships with the teaching unions because we had to reform teaching and the curriculum. So that was a bit scary. But we got there at the end of the day – I'm not saying I would be loved at the end of the day, but we got there. Then, after the referendum, which fortunately we won, I moved over to energy, which was another job I really, really loved – and the Europe stuff as well.

**AN: Could you tell us a bit more about the referendum? I presume that you were very involved in campaigning for yes to devolution? Were you confident what the outcome would be? What was the campaign like?**

**HL:** I wasn't terribly confident because, during the original one in the '70s, quite a lot of people came out of the woodwork and voted against it. And I had been down here covering that referendum, so I knew what the pitfalls were. Then we had the rule that 40% of the total electorate had to vote in favour, which was a problem. So I wasn't completely convinced, but fortunately we got through it. And Donald Dewar was the ideal first minister, because people knew of him as a sort of eccentric, but they trusted him. That was a huge, huge help. And we had a team of people around him. The health minister, Sam Galbraith, was one of the world's most senior neurosurgeons. I remember trying to talk him out of standing for parliament and he said to me, "Helen, I am in my forties and my hands are starting to shake." You or I couldn't see it, but he felt he couldn't do surgery any longer, and the best way to help patients would be by reforming the health service.

**AN: Then you were minister of state in the Scotland Office, so you saw the process of devolution happening. But before that, as you mentioned, you'd been general secretary of Scottish Labour for a long time. How did Scottish Labour and the Scottish Labour party have to change after devolution?**

**HL:** It had to change long before devolution. Because there was so much control in local authorities, the whole focus was there, and they looked at devolution as if it was going destroy the local authorities. You had really powerful characters in local government and there were issues around corruption; when people were in a position where they had absolute power, on all sides, you would get some who would use it to their own advantage. So we had to start repositioning. I was quite a young woman at the time and a lot of them were quite senior guys but fortunately, having been general secretary of the party, they knew I was pretty tough. So I had to sit them down and say, "You've really got to move ahead."

**AN: Did it sometimes feel like it was a bit of a closed club?**

**HL:** Oh yes, very much so. I can remember going to meetings when I was a bit younger, when I was the general secretary, and they'd suddenly shut up when I came through the door. Nobody would speak. But I had anticipated that kind of thing.

**BB: Did that prepare you for being minister?**

**HL:** I don't know, I never really thought about it that way.

**AN: And then in 2001, you become secretary of state for Scotland, after a stint in the Department of Trade and Industry. At the time, devolution was happening, a lot of powers that had previously been exercised at Westminster were now with the Scottish Government. So what did you see as the priorities for your role at that point as secretary of state. What was your key focus?**

**HL:** My key focus was making the office work with the Scottish Parliament and with the Westminster parliament. I still remain of the view that it was counterproductive to have the secretary of state for Scotland, the secretary of state for Wales and the secretary of state for Northern Ireland; we should have had a secretary of state for the devolved areas. The one tripwire there about Scotland, of course, is the separate legal system. So we always had to have an advocate general. But we were terribly under resourced, because our job, in reality, was going to cabinet committees. We'd maybe do eight or nine cabinet committees a day, and there were only three of us, one of whom was the advocate general, who didn't really have much involvement in the political side of things – it was the legal angle that she had to concentrate on. So I am not sure that we've got that model right even now.

**AN: Were there serious discussions about combining offices?**

**HL:** Yes. But there were too many armed camps around that were protecting positions. So my job was trying to find a role for the Scotland Office, as it was then, that added to the government of Scotland. I often used to say to the prime minister, "The job you've given me is holding the jackets when they all fall out." Because it was all Labour people who were falling out with one another and wanting to promote their vision of what they wanted.

I'd actually tried to talk the prime minister out of appointing me. Eventually, when he got me, I was going up to Scotland for a funeral and it wasn't my normal driver. I was going out to Heathrow and the phone rang and it was the prime minister asking me to become secretary of state for Scotland. And I tried to talk him out of it and eventually he said, "Helen, it's the cabinet." With the implication, "If you don't accept it, bye." So I had to say, "Yes, prime minister, I will do it." And then I phoned him the next morning and said, "Sorry, this is going to be a war, but I will do it."

**AN: During that time, you had a Scottish government and civil servants both in Scotland and in Westminster that had to adjust. How do you feel civil servants adapted to the new constraints and the challenges of devolution. Was it a painful process?**

**HL:** I think it was a painful process, particularly in Whitehall. You got the impression that Whitehall civil servants were nervous of it and didn't want to wade in, in case they were going against the wishes of the government. There were some pretty vigorous fights between departments, at ministerial level but also at civil service level. Sometimes I had to sit down with them and say, "You have to do what's right for the government. Sometimes it's not going through the devolution route, sometimes you have to do it from the point of view of the overall state. Because we're all part of the overall state." That didn't go down well with some of my colleagues, but you had to do that.

**AN: At the time when you were secretary of state, there was a Labour government in Scotland, so there wasn't this issue of cohabitation with governments of different parties in Scotland and in Westminster. Do you think Labour took the right approach to Scotland post-devolution? For example, some people have referred to their approach as 'devolve and forget.' What's your view on that?**

**HL:** I think I would fit into that, because people seemed to be nervous about taking Scotland on. They seemed to back off it. Yet the reality of the union is that it should enhance the role of Scotland, not just in Scotland, but adding to the rest of the United Kingdom. And there was a fractured relationship. I can remember one of my colleagues saying, "Helen, your job is holding the jackets, but sometimes you need to wade in." And sometimes I did have to wade in.

**AN: To wade into negotiations between Westminster departments and the Scottish government?**

**HL:** Yes. And because we all knew one another terribly well, people would take short cuts and civil servants would see these short cuts and not realise that we had known each other for 55 years – I can say things to him. The Scotland Office had a tiny, tiny cadre of officials. It was too small to do that kind of work that we needed to do. Because they had to brief us on everything, they were right across the Scottish government and the Westminster government, which was, I thought, beyond them. It was difficult for them to hive that off to other people.

**BB: Moving on to 2003, you gave up your seat to become high commissioner to Australia. What was the transition from a cabinet role to a civil service role in diplomacy like? What was your first day like as a diplomat? What was that change like for you?**

**HL:** Well, when I knew there was a reshuffle coming, I had gone to Tony and said, "I am going to leave parliament at the next election." Because my husband worked for a company in Boston, Massachusetts and because I was in London, he had had to scale down his travel. And my son and daughter were at an age where, frankly, I needed to be around a bit more. I had always said that I'd do ten years; I actually ended up doing 11 because of the way things worked out.

Shortly after that, I got a phone call to go and see Tony and he asked me if I would fancy going to Australia as British High Commissioner. Some of the ways in which the Australian federal government deals with the state governments are actually quite interesting. In fact, the model of the second chamber that's in the Jubilee Room [in the House of Lords] came from Australia. So I had gone to Australia as secretary of state for Scotland, when I was also doing a wee bit in the banking side to help some Treasury issues along, and I got to know them quite well. When I came back and met Tony in a corridor, he said to me, "How was Australia?" And I said, "Look, if I were 20 years younger, I would pack my bags and be away", not knowing that he had lived in Australia until he was six, so he knew all about it. We used to get bits in speeches about magpies and Alastair Campbell [former Downing Street director of communications] would say, "You're not putting that in." And Tony would look at me and I'd say, "Mmhmm." Magpies there are about four times the size of magpies here and in September, in the magpie mating season, kids go to school with ice cream cartons on their heads and you daren't take the dog out for a walk without having a stick to keep the magpies away.

So that's how I ended up going there. It was quite funny, actually, when I went to the Foreign Office, some people really, really didn't want me around. I got a phone call one day from this Aussie MP, and he said to me, "I am Thérèse Rein's husband. I am the shadow foreign minister in Australia and I'm in London. Can I come in for a cup of coffee and get to know one another?" I didn't have an office, not even a desk, in the Foreign Office during my three month training. So I went round everybody and said, "Can I borrow your office?" Because these offices were empty most of the time. Everyone said no. So I couldn't get an office anywhere. Then I met this guy and the only cup of coffee we could get was a plastic cup, and we had to sit on the stairs going up to a more formal part of the Foreign Office. Move on 18 months or two years later and I am at a reception for the new prime minister of Australia, who began the speech by saying, "I can remember being in here with Helen and all we could get for a cup of coffee was a plastic cup and we could only sit on the steps". It was Kevin Rudd. And Peter Ricketts, who was the permanent secretary at the time, came over to me and said, "Is that true?" And I said yes. It was, it really was amazing and I think it taught them a lesson. Because you don't know what's going to happen.

When I went to Australia, because I am used to parliament and it's a Westminster system, I would go and sit in the tearoom and people would pass and say, "I am going off to my faction" or "I am going off to my faction of my faction." So I would find out an awful lot about things. One day I went to a post-budget – they do a big dinner after their budget – and somebody was briefing them. I went in for the brief and it was really boring, and then bell went for a division and I thought, "Here's my chance!" Then somebody said, "Helen you can't go to here", because they saw me leaving. But the very fact that I knew that helped. And the Foreign Office gradually caught on that I could actually work much more closely with senior politicians in Australia, because of the fact that I'd been there and knew what it was like.

**BB: Did it give you a fresh perspective on your experience as a minister, going to another Westminster system and seeing how it works there?**

**HL:** Yes, it did. There are things that we did right and there are things that they did right. But it's very much a mirror of the system.

The one thing that I didn't like was that the speaker of the parliament there is partisan, whereas it's non-partisan here. But they always liked that fact that, if I was in the [parliamentary] gallery, when I was leaving I would always bow to the mace [as is customary in the UK House of Commons]. They loved that, because it was a sign that they were part of a much bigger, much more inclusive parliamentary Westminster system. That, I think, had an effect on them.

**BB: We always conclude with the final three set of questions that we ask everyone. The first one is: what achievement are you most proud of from your time in office, and would you do anything differently?**

**HL:** I think, because of where I come from, and I come from a mining family, sorting out the compensation to miners was the biggest achievement for me. My grandfather died of lung disease and my two uncles died of lung disease; all three of them were miners. My grandfather, when he was dying, gathered all his 11 children around and made them promise that no one would ever again go down a mine. Of course I then become energy minister and had to say, "I am sorry, I can't go down a mine." And Arthur Scargill [then president of the National Union of Mineworkers] had a go at me for that and I just saved up this information until Labour Party conference and used it. I don't think he's spoken to me since. But I think that was one of my biggest achievements.

**BB: And something you'd do differently?**

**HL:** Probably schmoozing more when I was secretary of state. It's a different environment in which to schmooze, because it's all your own people and they've been fighting with one another for 20 or 25 years, so trying to bring them together would have been difficult. So to schmooze the crowd is probably something I would have done differently.

**BB: That's very interesting. What advice would you give to a new minister about how they can be most effective in office?**

**HL:** I think the key thing is to learn your brief and, if you get a chance to learn it before you actually take up the brief, that's very, very powerful. And work out quickly who knows what they're doing and who doesn't know what they're doing. Because there are an awful lot of people around who like to think that they're very powerful and they're very competent, and after a couple of days you can work out who's good and who isn't good. But be friendly to people. I used to go up into the canteen when I was in the Treasury and my private secretary would go absolutely ballistic because I was going up to the canteen. I said, "Well, I want some lunch." I was told we go over to parliament for that, but the canteen was directly above me! But he didn't like that. And quite often the messengers would come and talk to you, and that way you found things out, and they saw that you were not a beast that inhabited a different land. We were all the same. As we say in Scotland, we were all "Jock Tamson's bairns". Everybody is the same.

**BB: Finally, is there anything else that you'd like to reflect on that we haven't covered?**

**HL:** I think the one thing that you might like to look at, at a later stage, is the relationship with Europe and how we fitted in to that. Because it was quite demanding... it was very, very demanding dealing with that as well as dealing with your responsibilities. We're out of the EU but at some point we're going to have to re-establish relationships right across Europe, because it's important for the functioning of our economy and for security reasons. But that needs a serious look at.

**AN: Do you mean that there wasn't sufficient capacity or understanding within the civil service to support ministers on Europe?**

**HL:** It was variable. In the Treasury, I found it very good. Because everybody was speaking the same language: the language of economics. In energy, it was good – I was actually dealing with Neil Kinnock as [EU] Commissioner there. But whenever you went wider, you had to have relationships with [European] ministers. I developed a great relationship with the French, and my French counterpart took me to his constituency; he recognised in me, as I recognised in him, how important that constituency relationship was. But I think there were an awful lot of people who maybe regarded them as the enemy, but who possibly didn't understand that – for example in Italy – they play to a different kind of audience to the one that we play to, which are the people who elect them directly. So all of that comes into it.

**AN: I wonder if I could ask one more question, to take you back to when you were on the opposition front bench, in the mid-nineties. There are possibly parallels with the situation that the opposition front bench are in now, having been out of power for a long time with the prospect of perhaps forming the next government. I wonder what advice you have for Labour MPs about how to prepare for possibly becoming a minister, having been out of government for a long time. What are the steps that you and your colleagues took that you would advise them to take?**

**HL:** We had to get out and about and talk to people that would have a key impact on the job that we were shadowing. It was also very important to have a commonality of message, you know, regardless of what you were doing, or else one could be played off against the other. The strategic reviews that were done were actually very helpful. Jonathan Powell, for example, looked at the whole picture, because he had been a diplomat and he knew how the system worked. That kind of information was really, really, very, very important. And you had very good people doing all of the communications, and you were watched to make sure you were on the right page. If you got something wrong, they wouldn't shout at you, they'd say, "Why did you say that?" And I'd say, "Because I thought that's what you wanted us to say." Then they'd take you through so that you understood what the issue was. It was that core, at the centre, that had information that really guided us, particularly in the run up to the election.

Afterwards, that three months until we got to the summer recess, was absolutely exhausting, because you were just hit with a tsunami of things that needed to be done. Quite a lot of us ended up in silos ; I ended up in a silo. I used to have dinner once a month with my dear friend Tessa Jowell, now no longer with us, and we worked out that, once we became ministers, it was a year between us having dinner, because we couldn't do it. So that networking was lost. You physically did not have the opportunity because you were just so tired. And, of course, with me living in Scotland, it would get to Thursday and I would have to go up to my constituency and do surgeries and try and fit the family in at the same time.

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