

# **Supplying confidence or trouble? The deal between the Democratic Unionist Party and the Conservative Party**

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## **Introduction**

The surprise 2017 General Election result saw one party's difficulty equate to another's gain. The outcome produced a dream scenario for the Democratic Unionist Party (DUP) in Northern Ireland. It offered the opportunity, as monopoly supplier of friends to the Conservatives, for the DUP to name its price for propping up a government stripped of its overall majority in the House of Commons. Support from the DUP's ten MPs offered the Conservatives, on 318 seats, command of the Commons in key votes. Although 326 is the figure most often cited as the number of MPs required to command the 650-seat chamber, the actual figure for the current parliament is 321, when the non-voting status of ten members is taken into account; seven abstentionist Sinn Fein MPs, the Speaker and his two deputies.

A deal between the Conservatives and the DUP was confirmed on 26<sup>th</sup> June, 18 days after the election. Improbably, within 48 hours of the contest, Downing Street had claimed a deal had been reached. This announcement was soon corrected as a 'mistake'. The speed of that claimed agreement would have been at odds with all previous evidence regarding the DUP's propensity to drive a hard bargain. When a genuine deal was finally reached, it was a 'confidence and supply' arrangement. Although there would be no formal coalition, the DUP agreed to support the Conservative government in key votes, such as the Queen's Speech, Budget, Brexit and anti-terrorism legislation. In return, the DUP, well-prepared for its pivotal role, extracted a high financial price from the government, to meet its own economic policy priorities.

## **The content (and non-content) of the deal**

From the outset, the DUP knew what it wanted from the arrangement with the Conservatives. The Party produced a detailed 'shopping list', its Northern Ireland Plan<sup>1</sup>, in advance of the 2015 election, when a hung parliament had been anticipated. The Plan contained 45 items, two-thirds of which were financial. These mainly included proposals to stimulate Northern Ireland's economy, including a reduction in corporation tax, approved in principle by the UK Treasury even prior to the 2017 post-election deal, with the aim of bringing Northern Ireland's rate down towards the 12.5 per cent levied in the Republic of Ireland.

Following the 2017 election, the price agreed for the DUP's parliamentary support was approximately £1 billion in new funding for Northern Ireland, amounting to £550 per head in the region. For the first two years, this figure included £400m for infrastructure projects, £200m to improve health services and £150m for ultra-fast broadband.<sup>2</sup> An extra £100m over the following five years was promised to tackle acute deprivation and £50m to address mental health issues. These sums were on top of the £2.5bn of support offered by the British Government to underwrite the Stormont House and Fresh Start Agreements, reached in 2014 and 2015 respectively to try and preserve Northern Ireland's fractious devolved government.

The post-election deal demonstrated the value of the DUP's ten MPs as effectively £100 million each, potentially rising in the event of Conservative by-election losses or backbench rebellions. The great advantages for the DUP were that the arrangements provided a lot of new money for Northern Ireland, benefited everyone regardless of ideological or religious background and were not conditional upon the restoration of a devolved executive. The additional sums were justified on the basis that the UK government 'recognises the unique circumstances of Northern Ireland's history and the effect that this has had on its economy and people from all parts of the community'.<sup>3</sup> It was left unstated how Northern Ireland's circumstances had become more unique since 8<sup>th</sup> June 2017, to justify the additional finance. Given that more money was already spent per head on Northern Ireland's 1.86m citizens than on any other UK residents (the figure of £10,983 in 2015-16 exceeded the figure per head for England by more than £2,000)<sup>4</sup> the prising of yet more financial assistance by the DUP to maintain a government was unlikely to be popular elsewhere in the UK. The direct transfer of money to Northern Ireland simply bypassed the population-based Barnett Formula.

The DUP could point to additional benefits beyond Northern Ireland accruing to the deal. In its 2017 manifesto,<sup>5</sup> the DUP made clear its opposition to the ending of the triple lock on pensions and opposed any means-testing of winter fuel allowances for pensioners. Conservative plans to end universalism in this arena did not appear in the Queen's Speech and the confidence and supply agreement declared 'that both parties have agreed' to support the maintenance of the status quo on pensions and winter fuel allowances.<sup>6</sup> How much of this can be attributed to the DUP is uncertain. Conservative manifesto plans for the expansion of grammar schools, favoured by the DUP in Northern Ireland, also failed to surface in the government's legislative proposals. Fears of backbench rebellions may have been as influential as the DUP view on issues beyond Northern Ireland.

As the DUP kept its focus economic, what was absent from the deal was any mention of same-sex marriage and abortion, both opposed by the DUP. These featured prominently in media commentary upon the DUP and led to the description of 'coalition of crackpots' for the Conservative-DUP axis from one hostile newspaper, although that label was omitted from its Northern Ireland edition.<sup>7</sup> The DUP has blocked same-sex marriage in five votes on the issue in the Northern Ireland Assembly, using a Petition of Concern which requires cross-community support for a measure. Although the DUP's views attracted much hostility, it might be recalled that more Conservative MPs voted against the legalisation of same-sex marriage than voted in favour when England and Wales moved to change the law. Moreover, opposition to abortion straddles the unionist and nationalist blocs in Northern Ireland, with the DUP and the nationalist Social Democratic and Labour Party (SDLP) most opposed to liberalisation. Most importantly of all though, the DUP's interest lies in preserving prohibitions in Northern Ireland, not imposing its beliefs beyond the region.

### **How risky is the deal for the Conservatives?**

Understandably, the focus for the Conservatives was upon achieving parliamentary capacity to govern. The DUP is likely to prove a solid and reliable voting bloc. Its members do not engage in dissent and rebellion against their party whip. The parliamentary risk comes from the Conservative backbenches not the DUP. The transfer of large sums of money to Northern Ireland is hardly unknown and the sum agreed is a fraction of the cost of the subvention during the Troubles. This notwithstanding, an obvious issue was whether the DUP's ten MPs would act as Oliver Twists, asking for more money in due course.

The DUP might possibly help the Conservatives manage Brexit, although this may be an overly sanguine reading. The DUP favours Brexit and departure from the Single Market and the Customs

Union and opposes special status for Northern Ireland, yet wants a soft border dividing Northern Ireland and the Republic of Ireland. These positions may be mutually exclusive as tariff and regulatory checks are the logical consequence of having one part of the island of Ireland inside the EU Customs Union and the other outside. The DUP's functionality may be in joining forces with the UK and Irish governments in persuading the EU to facilitate continuing access to the EU Customs Union – but this is only in the EU's gift.

Beyond Brexit, the key political concern over the DUP-Conservative deal was whether the Good Friday Agreement's requirement, in Strand 1, for the UK government to exercise 'rigorous impartiality' on behalf of all the people of Northern Ireland was breached by the government's alignment with the majority representative of the Unionist tradition.<sup>8</sup> Impartiality should not be confused with constitutional neutrality. As the Prime Minister emphasised on the morning after the election, there is a clue in her party's title. She leads the Conservative *and Unionist* Party. Impartiality refers to equal treatment within the Union. Assuming the money obtained by the DUP ensures financial benefit across the divide in Northern Ireland, this concern ought to be comfortably accommodated. Strand 2 of the Good Friday Agreement (the all-island dimension) is the element in much greater difficulty, sections rendered redundant because of Brexit.

The rigorous impartiality test can be passed for so long as the DUP's focus remains economic. However, there was a hint, in the final paragraph ('Legacy') of the deal with the Conservatives, of one of the DUP's other concerns which is more partial. The paragraph insisted that conflict legacy bodies must not 'unfairly focus on former members of the armed forces or police'.<sup>9</sup> The DUP perception is that there is a disproportionately high focus upon British state actions during the Northern Ireland Troubles, but this claim is contested by Irish republicans who highlight the very low number of convictions of British forces. The DUP's 2015 Northern Ireland Plan demanded that serving and retired members of the Armed Forces be given protected status and called for a UK wide definition of a victim which excludes perpetrators of violence.

There are other potential controversies, if the DUP veers from the 'cash to the sash' and attempts to address Loyalist cultural concerns evident amongst the Party's support base. Most notably, it remains DUP policy to replace the Parades Commission, the quasi-judicial body which regulates marches in Northern Ireland and has re-routed or restricted some Protestant Orange Order parades. Most DUP members oppose the Parades Commission and the DUP leader, Arlene Foster, views the Commission as dysfunctional. The DUP may also yet demand the removal of the allowances paid to Sinn Fein's abstentionist Westminster MP.

Arguably the biggest risk of all for the Conservatives is that they re-toxify their own brand and become seen again as the 'nasty party', by being propped up by the DUP. Whilst the DUP has expanded its popularity in Northern Ireland and diluted some of its ferocity of yesteryear in favour of pragmatism power, it is seen by some critics, in the more secular rest of the UK, as a religiously fundamentalist and sectarian organisation. Even those cognisant that the DUP agenda is not especially concerned with religious and moral issues in a Westminster context may find distasteful the idea of a Conservative government overtly offering largesse to remain in office.

### **How risk-free is the deal for the DUP?**

For the DUP, operating in the hermetically sealed dual ethnic bloc voting system of Northern Ireland, there is far less electoral risk accruing to a relationship with the Conservatives. The arrangement is readily sellable to the DUP membership, who favour the Conservatives to Labour by seven-to-one,<sup>10</sup> a

situation unlikely to change under a Corbyn Labour leadership. The deal is also likely to be popular more broadly among unionists and there is little in terms of intra-bloc challenge to the DUP. Its haul of 10 Westminster seats was a record for the Party, built upon a ten per cent increase in the share of the vote. The DUP's advance within its unionist constituency was mirrored by Sinn Fein's gains among nationalists and the 'big two' parties now hold all bar one of the Northern Ireland seats at Westminster. The DUP has come under much greater scrutiny since it attained its pivotal position. The focus upon policy differences between Northern Ireland and the rest of the UK has already led to change which the DUP, whilst not overly concerned given its focus upon its own region, would not welcome. The first clear example was the adoption by the government of the Labour backbencher Stella Creasy's demand that women travelling from Northern Ireland to have an abortion (where it is illegal except where the mother's life is at risk) to elsewhere in the UK should have their costs met by the state.

To view the deal with the Conservatives as largely risk-free for the DUP may appear odd given the Party's relatively poor performance in the March 2017 Northern Ireland Assembly election. The DUP lost 10 seats and led Sinn Fein by a margin of only one, with unionism losing its overall majority in the Northern Ireland Assembly. Yet the DUP leader, Arlene Foster, had underestimated the mobilisation of nationalists but had *not* misread the mood of unionism in the Assembly election. The DUP's vote held firm against the Ulster Unionist Party (UUP). The DUP struggled to retain seats partly because the Assembly was being reduced in size from 108 to 90. Representation for each constituency was reduced from six to five Assembly members (MLAs). Most MLAs lost by the DUP were in constituencies where the party was attempting to hold a third seat.

In June 2017, under the first-past-the-post, winner-takes-all, voting system used exclusively for Westminster elections, unionists had to choose a solitary constituency representative for their ethno-national bloc. Seen as the stouter custodian of unionist interests, the DUP vote soared and the UUP vote crumbled. Bereft of Westminster representation (a repeat of 2010-15) the future of the UUP appears uncertain. The DUP thus appears largely insulated from electoral pressure, even if the alliance with the Conservatives does not yield more fruit – and the DUP has the option to walk away. There is the slight risk to the DUP that relations with the Conservatives toxify the DUP and cost the party support. Given its slender one-seat Assembly lead over Sinn Fein, an unpopular alliance could be costly if there was to be yet another Assembly election. Whilst on current electoral evidence there is little prospect of the UUP stealing a swathe of DUP seats, it would only take minor DUP losses for Sinn Fein to become the largest party in the Northern Ireland Assembly, thus providing the First Minister – if there is an Executive and Assembly in place.

### **How does the DUP-Conservative deal affect prospects for devolved government in Northern Ireland?**

The other major concern over the DUP-Conservative deal is whether it diminishes prospects of a return to devolved power-sharing in Northern Ireland. A return to direct rule from Westminster would collapse the delicate institutional machinery constructed in the Good Friday Agreement and maintained (with difficulty and episodic hiatuses) ever since. Confronted by a DUP-Conservative axis at Westminster, Sinn Fein faces a difficult decision whether to return to the Northern Ireland Executive. This collapsed in January 2017, following Martin McGuinness's decision to resign as First Minister, as Sinn Fein protested over 'second-class' treatment. Sinn Fein could return to act as a counterweight to Conservative-DUP dominance at Westminster (where, for the first time ever, there is no Irish nationalist representation) or to spend the money obtained by the DUP from the

Conservative Government. Sinn Fein can hardly oppose money for decongesting Belfast, or challenge the arrival of ultra-fast broadband, or fight the arrival of new hospital wards.

The difficulties for devolution in Northern Ireland precede the DUP-Conservative deal, although that may exacerbate problems. Sinn Fein's leader in Northern Ireland, Michelle O'Neill, declared she would not work alongside Arlene Foster, who was entitled to be First Minister based on the DUP's Assembly mandate. Sinn Fein justified withdrawal from the power-sharing Executive due to various grievances against the DUP. In a non-exhaustive list, these included the botched handling of the overly generous Renewable Heating Incentive Scheme with blame attributed, in advance of an inquiry, to Arlene Foster, Brexit, against which the vast majority of nationalists voted; the continued prohibition of same-sex marriage, and the failure to introduce an Irish Language Act. Foster dismissed Sinn Fein as 'crocodiles', always coming back for more. Now, the DUP may be less interested in returning to devolved government given that the Party can get what it wants at Westminster. If direct rule is introduced, it is unlikely to be with an 'Orange' tinge given the economic and non-sectarian agenda of the DUP thus far, but it is unlikely to be a prospect receiving much favour from nationalists.

## Conclusion

With the parliamentary arithmetic so much in its favour, the DUP could hardly fail to achieve a very good deal from the Conservatives. To maximise its advantage, the DUP kept its focus economic, its price high and the rewards ongoing, via a regular review of the arrangement. To the surprise of the unacquainted, the DUP's economic agenda is somewhat left-of-centre and this approach mattered more in the deal itself than the Party's accompanying strongly right-wing constitutional and social agenda. The sum of DUP parts is authoritarian conservative populism. For the Conservatives, the DUP provides a necessary and helpful ally, one with the parliamentary voting discipline crucial given the government's minority status. The bigger question may yet be not whether the Conservative leadership can satisfy the DUP, as money for Northern Ireland can always be found and devoured, but whether that leadership can prevent disquiet on their own backbenches.

## References

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<sup>3</sup> Ibid., p.2.

<sup>4</sup> Keep, Matthew (2016) 'Public expenditure by country and region', House of Commons Library Briefing Paper, 04033, November, p.5.

<sup>5</sup> Democratic Unionist Party (2017) *Standing Strong for Northern Ireland*, 2017 Westminster Election manifesto, Belfast: Democratic Unionist Party, <http://www.mydup.com/publications/view/2017-westminster-manifesto>

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<sup>7</sup> *Daily Mirror*, 10 June 2017.

<sup>8</sup> HM Government (1998)' The [Belfast] Agreement,  
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<sup>10</sup> Tonge, Jonathan, Braniff, Maire, Hennessey, Thomas, McAuley, James and Whiting, Sophie (2014) *The Democratic Unionist Party: From Protest to Power*, Oxford: Oxford University Press.