# Fabian Reviewer

## ONE YEAR IN

The quarterly magazine of the Fabian Society Volume 123 no 3 £4.95

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## The Politics of Climate Change Second edition

## Anthony Giddens

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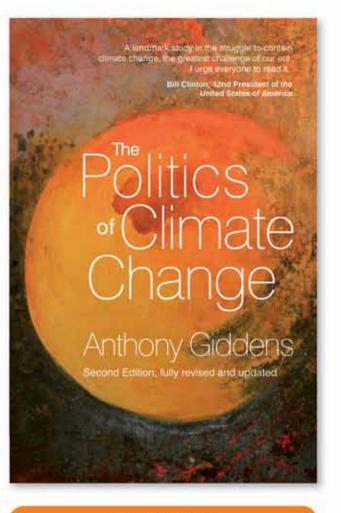
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Political action and intervention on local, national and international levels are going to have a decisive effect on whether or not we can limit global warming as well as how we adapt to that already occurring. However, at the moment, argues Giddens, we do not have a systematic politics of climate change. Politics-as-usual won't allow us to deal with the problems we face, while the recipes of the main challenger to orthodox politics, the green movement, are flawed at source. Giddens introduces a range of new concepts and proposals to fill in the gap, and examines in depth the connections between climate change and energy security.



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## Mind the opinion gap

Received wisdom in Westminster and Fleet Street often misreads the public mood and underestimates the political opportunities for the left

August's riots exposed Britain's deep divisions on attitudes to law and order. Liberal-minded, Guardian-reading types recoiled at the long sentences handed down by magistrates. Meanwhile majority public opinion wanted even tougher justice. Was this just the intellectual left being hopelessly out-of-touch, as usual?

On crime perhaps, but not more widely. Most of the time mainstream opinion is not instinctively right-wing. In the last edition of *Fabian Review* we introduced the concept of the 'Daily Mail collectivist' – a large group of Conservative supporters who oppose deep cuts to the welfare state. To that I'd add the 'Daily Mail egalitarian' – centrist, middle-income voters facing up to the financial squeeze, who see the huge gulf opening up between themselves and the very rich.

Mainstream progressive values are too often sidelined by the groupthink of Fleet Street and Westminster, where the right-leaning commentariat tries hard to ascribe its own views to the population at large. The debate on the 50p tax rate is a fine example. Too many in the media act as if earning £150,000 was an imminent proposition for most of their audience, when in truth the new top-rate of income tax kicks in at six times the median wage.

Some of this is just political roughand-tumble, but the herd mentality of the Westminster world has consequences too. Inside the London 'beltway' Ed Balls's fiscal plans have been cast as dangerous denial, even though they are solidly in the centre of international economic thinking and British public opinion. As the economy sickens, George Osborne himself may come to regret how successful he was in persuading the establishment that on fiscal policy there was no alternative.

The bubble finally burst this summer for another truth the British political classes held to be self-evident: the power of Rupert Murdoch and News International. *The Sun*'s 1992 election day headline was New Labour's foundation myth. Triangulating to the Murdoch press became an instinctive part of Labour's political practice in government.

For a short window at least the spell is broken. The left must seize the moment and speak directly to the

instincts of middle-of-the-road opinion, not some caricature formed from the right's attempt to reflect and shape the public mood in its image.

That does not mean Labour can ignore some of the hard truths the polls and focus groups throw up on public order, immigration and welfare. But where public opinion is closer to the left than it is to the new establishment orthodoxy, Labour needs to use that to its advantage – by finding language that cuts through to people, resonates with their sense of fairness and is hard to emulate from the right.

The left must not simply follow opinion but read it well enough to accentuate people's progressive instincts so they come to encompass a broader political agenda. Ed Miliband has made a good start by talking about the 'squeezed middle', which could be the way in to a new egalitarian politics. Re-articulating the public's appetite for universal welfare institutions would be a powerful follow-up, for this is the area where the beliefs of the coalition's MPs and their voters part company in most obvious fashion.

Andrew Harrop

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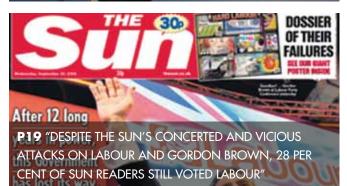
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As Ed Miliband celebrates his first year as leader, the *Fabian Review* asks what he needs to do across the next 12 months to make Labour the party offering the winning formula in 2015

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FABIAN SOCIETY

#### FABIAN REVIEW

Fabian Review is the quarterly journal of the Fabian Society. Like all publications of the Fabian Society, it represents not the collective view of the Society, but only the views of the individual writers. The responsibility of the Society is limited to approving its publications as worthy of consideration within the Labour movement. Editor: Tom Hampson Assistant Editor: Ed Wallis

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FABIAN SOCIETY 11 Dartmouth Street London SW1H 9BN Telephone 020 7227 4900 Fax 020 7976 7153 info@fabian-society.org.uk www.fabians.org.uk

General Secretary: Andrew Harrop

RESEARCH Research Director: Tim Horton Researcher: Natan Doran

PUBLICATIONS Editorial Director: Tom Hampson Editorial Manager: Ed Wallis

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FABIAN WOMEN'S NETWORK Seema Malhotra

fabianwomen@fabian-society.org.uk

## Labour's critical year ahead

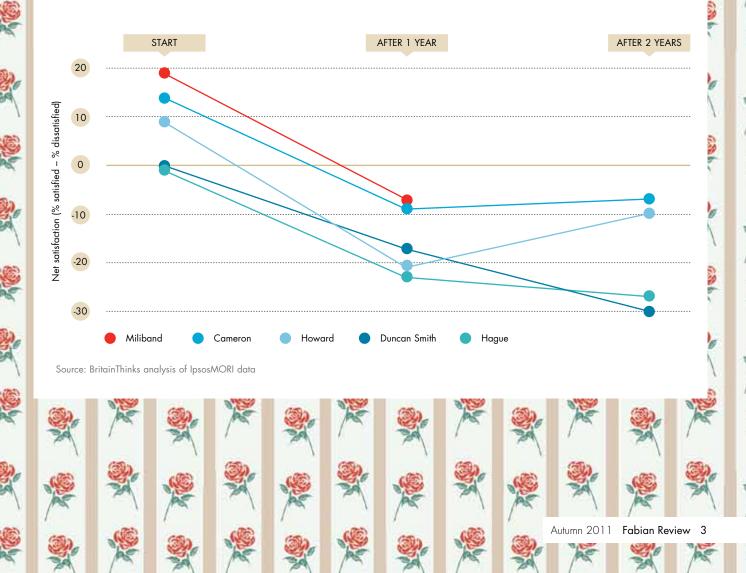
No matter their popularity when they first take on the role, since Tony Blair became prime minister public satisfaction with the leaders of the opposition has taken a very similar trajectory during their first year in the job. Net satisfaction with William Hague fell by 22 points, lain Duncan Smith by 17, Michael Howard by 30 points, and David Cameron by 23 points. Indeed, looking back at trackers since

1978 you see a very similar story for Neil Kinnock, Michael Foot (albeit from a much lower starting point) and even Margaret Thatcher. In the year or so since he took over, Ed Miliband's favourability has dropped from +9 to -7, right in line with the best of them.

The differences that matter emerge in year two. While Hague and Duncan Smith continued their freefall, Cameron ticked up and his **BritainThinks** performance gradually recovered over the following three years until he was eventually back in positive territory ahead of the 2010 election. Howard, who came closest of Blair's three rivals, also saw an upturn in his satisfaction ratings, but these fell away again as the 2005 election approached. Ed's task for this year is to make sure his line follows the

Cameron-Howard path through his

second year.









Deborah Mattinson and Ben Shimshon are Founder Directors of



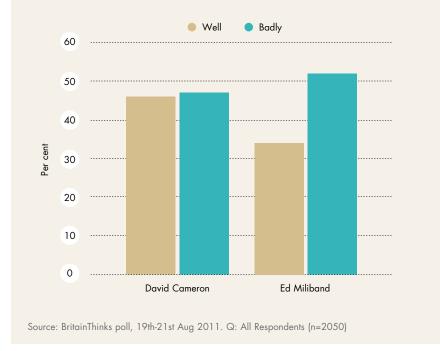
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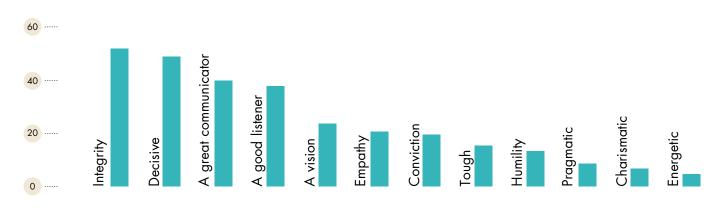
There's all to play for. But while Labour may be leading in the polls, our focus groups show that this is much more a reflection of disquiet about the future and dissatisfaction with the Government's performance than it is a clear preference for Labour's policies or, for that matter, its leader. In fact, knowledge of either is exceedingly low.

Asked who is doing better as a leader, our poll shows that David Cameron currently enjoys a clear lead, despite Labour being ahead in the polls.

Q. Thinking about what you have heard recently, and setting aside your party preferences, how well do you think each of the following is doing as a leader?



## Q. Of the characteristics below, which do you think are most important for a good leader?



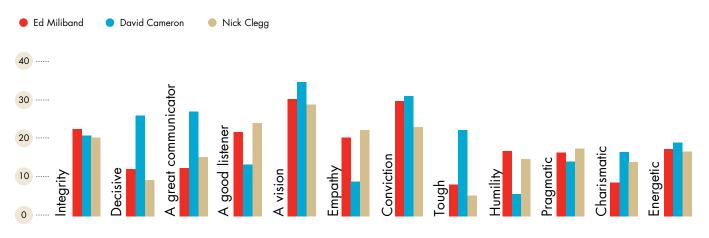
Source: BritainThinks poll, 19th-21st Aug 2011. All Respondents (n=2050)

YouGov's regular tracker on the characteristics of the three party leaders is striking for its lack of clarity on Ed Miliband. For the past three months, over 60 per cent have said that they either don't know what Ed's qualities are, or that none of those qualities listed applies to Ed. In our own poll, testing a broader set of leadership qualities, 60 per cent also said either 'don't know' or 'none of these'. Swing voters in our focus groups are telling us that Ed needs to

Ed Miliband's strengths, in comparison to Cameron's, are concentrated around his qualities as a listener, and as someone who is empathetic and displays humility

define himself as a leader and fast – the worst that could happen now would be for this current uncertainty about who Ed is to be replaced by certainty that he possesses none of the most relevant qualities in a leader.

So what do the public look for in a leader? As part of BritainThinks' forthcoming study on leadership in business, politics and civil society, we asked members of the public to select the three most important from a long list of 'leader characteristics'. The results show that the most valued qualities are integrity, decisiveness, being a great communicator and being a good listener.



## Q. Which three characteristics do you think apply most to each of the individuals below?

Source: BritainThinks poll, 19th-21st Aug 2011. All selecting at least one attribute. All Respondents (n=820-1230)

Interestingly, the pecking order has shifted significantly since we were conducting similar polls towards the end of Blair's premiership. Back in 2006/7 'listening' was the top quality that the public sought in a politician. The primacy of integrity reflects the long-term loss of trust which was compounded by the MPs' expenses scandal. Meanwhile, our focus groups tell us that the new premium on decisiveness and communication reflects the public hunger for clarity as we navigate the economic situation.

Given these leadership criteria, how does Ed Miliband measure up? While it's a high bar for politicians, capturing 'integrity' offers the possibility of huge electoral dividends, not least because a party leader who was widely recognised to have integrity would stand out from the pack. At the moment though, they're all much of a muchness: of those who thought some of the characteristics applied (and at least 40 per cent did not for each politician), 23 per cent would place integrity amongst Ed's main qualities, while 21 per cent would say Cameron has integrity.

Cameron, however, has a clear lead on decisiveness and on being a great communicator. Ed Miliband's strengths, in comparison to Cameron's, are concentrated around his qualities as a listener, and as someone who is empathetic and displays humility. These are all attractive qualities, but right now, in tough times, Cameron's sort of leadership – focused around decisiveness, toughness, and clarity of vision – seem more relevant.

Looking at the data, Ed Miliband seems to be playing (and mainly winning) on Nick Clegg's turf at the moment, but he is not yet squaring up to Cameron's strengths:

Our focus groups show that Ed has an instinctive ability to get on the right side of things, especially where the issue is about 'fairness at the top'. His handling of the phone-hacking scandal showed that he's attuned to the way people in the country are thinking about the issue. The problem is that the behaviour of the wealthiest, while it aggravates and niggles, just isn't what motivates voters at the ballot box. While they do get worked up about bankers' bonuses, and while the News of the World's activities of course plumbed new depths, voters are looking for leadership on the big issues facing their lives at the moment: their economic difficulties, crime and criminality, and an overarching concern that many, especially young people, are facing a future which looks increasingly threatening and uncertain.

In the coming year, it will be these issues that map out the electoral battleground. And, crucially, it is Ed's performance on these issues that will enable him to show the leadership that people are looking for nowadays. History tells us that the next year will be critical to success – and that everything is up for grabs.

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## THE FABIAN INTERVIEW: CHUKA UMUNNA

## "Don't believe the hype"

As a leading light of Labour's talented 'Class of 2010', Chuka Umunna is often billed as a Prime Minister in waiting. The hype's a distraction from the real task ahead he tells **Mary Riddell**: readying Labour for "a completely new era"





*Mary Riddell is a columnist for the* Daily Telegraph

Behind Chuka Umunna's door hangs an ice hockey shirt in the colours of the Streatham Redskins, a team based in his constituency. The lettering on the back reads 'Umunna 1', a position that accords with the political elevation predicted for the Shadow Minister for Small Business and Enterprise. Tipped to be Britain's first black Prime Minister, Umunna has been described – sometimes seriously, occasionally mockingly – as the British Barack Obama.

While Umunna dismisses this label, it is possible to imagine that he also finds it faintly beguiling. "I just think it's crazy. It's madness. I'm me, and [though] it's incredibly flattering to be compared to [Obama], I'd much rather be viewed as me and not through the prism of somebody else's personality."

For now, being Chuka involves, in addition to his business brief, acting as sounding board, confidant and cheerleader to his "mate", Ed Miliband, whom he served until recently as Parliamentary Private Secretary. Unkind whispers from the right that his switch to a junior shadow ministerial role was an effective demotion were, as Umunna stresses, wholly misplaced.

"Even before Ed went on this [leadership] journey, we were mates, and we still are mates. We still speak regularly, and text. That has been a constant regardless of what position I've been in. Frankly, the reason for the move is that Ed wanted to use [me] more. Although we broke a convention by my sitting on the Treasury Select Committee (a role Umunna performed with some aplomb), which is quite unprecedented, he wanted to make more use of my voice and give me some policy area to make a splash on."

The ripples of the Umunna effect have spread as far as Washington, where he spent part of the summer forging, on Miliband's behalf, closer ties with the Obama administration. While the prospects of the leader's friend and protégé are flourishing, it is unclear whether Miliband's Labour renaissance can boast such meteoric potential. Would Umunna agree that the themes, however promising, developed by the leader have yet to become a coherent story likely to draw voters back to Labour?

His reply, an analysis of the new challenges of combining social justice and economic competence, appears to skirt the question. Why, I ask again, is the message not yet resonating with voters? "I disagree with you. Ed, alone among the party leaders, is asking questions which relate to people's tangible issues, struggles and the things that cause them daily stress. When he started talking about the squeezed middle, he was rubbished for doing so. Now it's common parlance.

"When he started talking about the erosion of the British promise, No 10 recognised that as powerful because they know he's tapping into what people are feeling. They're pessimistic about the prospects of their kids doing better than them, and about keeping or getting a job ... or owning a home."

Would he at least acknowledge that Labour has some considerable distance to go? At this party conference, exactly one year on from the leadership results, people will be watching to see whether the winner really has got what it takes. Would Umunna agree that Ed Miliband must now look like a Prime Minister-in-waiting?

"I think he does look like a Prime Minister-in-waiting in many respects." The finished article? "Well, I don't think any politician is ever the finished article because you're always progressing and learning and changing. That applies to someone like Bill Clinton as much as it does to one of my very best mates and a fantastic colleague, Rachel Reeves (like Umunna, a member of the newly-elected class of 2010.)"

No politician, he adds, is a "static proposition", give or take Margaret Thatcher, "a very static lady … I think over the summer we reached a moment where Ed really was introduced to the British public." While Miliband's standing was undoubtedly enhanced by his deft handling of the phone hacking scandal, Umunna gives as much weight to the riots. "Some of the political right were agitating to set up the unrest in August as a scenario in which a Labour leader could be accused of justifying violence and unrest [by blaming looting on the cuts.]"

"Ed inherited a party in very difficult circumstances. People said we would fall apart in internecine warfare, that the Parliamentary Labour Party would be irrevocably divided and that, under Ed, we would veer to some crazy far left stance. None of that has happened"

In addition, he stresses, fairly, that Miliband led the way in insisting that a commission must be set up to interrogate the causes. In personal as in policy terms, Umunna is an unadulterated fan. "The thing about Ed is that he's just a thoroughly honest and decent guy. There's nothing phoney about Ed."

Does a leader need a touch, if not of phoniness, then of the showman charisma that David Cameron is capable of deploying? "Never mind Cameron. People value authenticity. They don't like a fraud. I don't think anyone would accuse Ed of trying to pull the wool over anyone's eyes, and that shines through."

What, I ask, are Miliband's faults? Umunna pauses for a long time before laughing a little incredulously. "Ed's faults? I'm not going to list the faults. I don't think anyone's a perfect politician. I know I'm certainly not."

He is, however, a – and perhaps the – star performer in a talented intake. In a Britain that still lacks the large, prosperous and high-flying black American middle class that produced Obama, Umunna is a distinctive figure. His maternal grandfather, Sir Helenus Milmo, was a Cambridgeeducated High Court judge and Cold War spycatcher who belonged to M15 during the war and helped prosecute the Nuremberg Trials.

"We lost him in 1988 when I was nine or 10, but yes, I spent time with him. I think he was a Tory, or rather I know he wasn't a party member but that he voted Conservative." Umunna's Nigerian father married Milmo's Anglo-Irish daughter after "arriving in this country in the mid-Sixties carrying a suitcase on his head. He had to borrow the fare to get from Liverpool to London, and he worked his way up from washing cars and cleaning plates to running a successful import-export company. It was a real rags to riches story."

Despite his father's early death – he was killed instantly in a car crash when his son was 13 – Umunna's background was one of privilege. He studied English and French law in Manchester and Dijon and worked as an employment lawyer for bluechip firms before becoming a political commentator and then a Labour candidate in Streatham, where he grew up.

"I'd be a complete fraud to suggest I've had the same obstacles as many other people who share my heritage," he says. That ambiguity of roots seems reflected in his political profile. During the riots, where other senior figures, such as David Lammy and Diane Abbott, spoke from the standpoint of local MPs, Umunna seemed to take a more dispassionate view. Despite representing a constituency where youth violence is rife and chairing the London Gangs Forum, his chief focus appeared to be the economic impact of disorder.

Despite his "strong interest" in youth crime, he declines to share in protests that many of the sentences handed down were disproportionate and counter-productive. It was, he says, "important there was strong, robust message given … Kenneth Clarke has said that 75 per cent of those over 18 had previous convictions. So … it's not surprising they should be given exemplary sentences. To the extent that [any of] it was unfair or disproportionate, that's why we have the appeals system."

The first year of Ed Miliband's incumbency has, he allows, been problematic. "It hasn't always been easy. His job has been harder than that of any recent leader of the opposition. When Tony Blair took over, it was 15 or 16 years since Labour was in power. He didn't have to deal with the proximity of government. The same applies to David Cameron. Ed inherited a party in very difficult circumstances. People said we would fall apart in internecine warfare, that the Parliamentary Labour Party would be irrevocably divided and that, under Ed, we would veer to some crazy far left stance. None of that has happened."

In addition, the images from the day Ed took over included the bravely-masked devastation of his brother and the dismay of those who once backed David and who now serve Ed. "But I think we all recognised that the Labour Party is bigger than us." That, I suggest, is a very bland assessment of the fall-out.

"It's true that it was difficult and emotional ... I wouldn't deny it was a difficult time immediately after the leadership [results.] Labour is not some cold-hearted animal," he says, recalling the Rochdale debacle when Gordon Brown levelled his racism charge at a Labour voter. "Most of us knew then that we were going to lose [the election], but the Labour Party, like a big family, kind of hugged Gordon close."

If so, then Mr Brown has subsequently been deemed much less huggable by erstwhile loyalists. Hanging over conference is the Alistair Darling memoir, in which Brown's oldest cabinet friend and ally tears him to shreds. Then there are the allegations that Labour colluded in Libyan torture and, as the final ghostly apparition to stalk Liverpool, the news that Tony Blair is godfather to Rupert Murdoch's daughter.

"[Blair] is not a big figure for the people we represent. They worry about what they're paying at Tesco, and their kids' tuition fees and EMA [the abolished education maintenance allowance]." So is Blair, in his view, now relegated to ancient history? "Tony Blair is an important figure in our history. I don't see eye to eye with him on everything. There are quite a few things we can learn from him as a political operator but we can't live in the past. People outside the [inner circle] bubble are in the future game.

"People want to know what you are going to do, going forward. Frankly, I'm not that miffed about this historical stuff ... You've got to learn from history and mistakes, but let's not live in the past." So much for the Blair legacy. But consigning Alistair Darling to mothballs is, I suggest, not so easy. Not only is Darling one of the most popular figures in the party and someone who is liked and trusted by many shadow cabinet members. In addition, the ink is barely dry on a book that depicts the top echelons of the party as a hybrid of the Borgias and the Addams family.

Does Umunna agree with Darling's unflattering portrait of Gordon Brown? "History will be kind to him. It will recognise that he was a major player in preventing a global recession becoming a global depression. That will probably be his epitaph. But he reached the apex of Labour at a time when there was no Facebook, no YouTube, no Twitter. He had a skill set appropriate for one time, but times changed, and it would be absurd to deny that was very difficult for him."

However kind history may be to the former PM, has Darling not been rather unkind? "That's a matter for Alistair and Gordon, really. I haven't read it ... The people we represent aren't interested in the past," he repeats. If the Miliband accession marked Year Zero, then a fresh era is going to require new blood. The decision that the leader can henceforth pick his shadow team has, according to some, opened the way for Miliband to shed some of Labour's old guard, who lived through the Blair/Brown wars, and promote new talent.

Does Umunna foresee a reshuffle, and is he hoping for a shadow cabinet seat? "One thing I've learned in politics is that you have to keep your feet firmly on the ground and not believe the hype. If you lose your humility, you've lost [your grip.]

"[But] I actually think there's huge benefit in having people with experience mixed in with people who are new and coming in from outside the bubble." If Umunna hopes for rapid preferment, and his response – however modestly couched – suggests that he does, then he will bring to the table the more conciliatory approach that Miliband has introduced into a warring party.

One of the big conference issues is likely to be the unions, whose block vote and strike threats pose potential problems for the leader. It is clear that confrontation is, if possible, to be avoided. "I hate the [derogatory] way people talk about the union movement. Today I spoke to ASLEF members. These people are often depicted as obstacles to reform [as if they] stand in the way of progress, but without them southern England would come to a halt. I told them they are central and vital to the [reform] mission.

"Ed is exactly the same as me. The way he approaches the unions is not seeing them as embarrassing relatives but asking how we can have a better relationship." That means, he suggests, a possible move to affiliate TUC members who do not belong to the Labour party.

"I don't see change as usurping or degrading the role of the unions, but as complementing and enhancing it ... I think there's a place for a [Labour] Supporters' Network." Miliband does not, he repeats, want a battle. "People have been agitating that he needs to pick a fight with the unions, take them on and define himself against them. He has always refused to do so, and he won't."

Won't his opponents counter that he's in hock to the unions whose funding he needs and whose patronage helped elect him? "But it didn't operate like that. He won fair and square. That's a boring old tune that certain people keep wanting to play.

"We're entering a completely new era. To produce a good and equal society in an international context requires new thinking. You have people earning a lot, those in low-skilled jobs and a massive gap in the middle. How do you fill in the middle with jobs that are more satisfying and highly-skilled?"

Whether Miliband has the answer to that challenge may determine Labour's fate. In Umunna, he has a lieutenant determined to focus only on a better tomorrow. As he says: "I have as much experience of opposition as most of the shadow cabinet." Banishing the spectres that hang over this conference and the party's destiny may not prove as easy as Chuka Umunna hopes. Undaunted by the challenge, Labour's ghost-buster is determined to prevail.

## Time to join the dots

**Andrew Harrop**, the new Fabian General Secretary, says Ed Miliband must bring together the powerful themes he has been developing into a singular vision for how Labour wins power



Andrew Harrop is General Secretary of the Fabian Society

Financial crisis, cuts, riots and hacking – short-term events are dominating politics at every turn. But with three and a half years to run until a likely 2015 election, Ed Miliband faces a marathon not a sprint. He needs to raise his eyes to the horizon. His challenge is to massively extend Labour's electoral reach while also rediscovering the radicalism and ambition that lies at the party's heart.

Labour must remake an aspirational, confident case for social democratic values in a way that speaks to a broad electoral base rather than just to ourselves. We need to become the standard bearer of the centre-left British mainstream, against the powerful minorities on the right. The Fabian intellectual tradition can make a vital contribution to this optimistic future vision, notwithstanding the criticism we have received from within the left of late. For Labour needs to reinvent and set out afresh the two most enduring Fabian principles: the case for equality and the case for state action.

#### Rebuilding Labour's electoral coalition

To return to majority government, Labour faces the massive task of reaching out to the voters who melted away over successive elections. Labour's lost voters went to three distinct camps: to the Tories; to smaller parties, principally the Liberal Democrats; and to people not voting at all (bearing in mind that only a quarter of that lost support went straight to the Conservatives).

Labour's pitch must encompass the past, present and future. Looking back, Ed Miliband sees just how toxic the New Labour brand became. His strategy of distance and contrition is an essential building block for Labour to re-earn permission to be heard by the millions we turned off when we were in power. Then, through the day-to-day attritional war of opposition, we need to discredit the Government and prove that we offer a strong, trustworthy and empathetic alternative. Dogged and creative opposition is needed to show up the coalition's failings, exploit 'events' as they happen and win the public round to the idea of Ed Miliband as a credible Prime Minister-in-waiting.

We will only seal the deal, however, by looking to the future and setting out positive reasons to vote Labour. We need to appeal to the heart if we are to Hoover up disaffected progressive voters and give more people a reason to turn out to vote. To win we must convince the anti-Tory majority – and particularly disaffected Lib Dem voters – that Labour offers a home of principle not just convenience. Ambition and radicalism are essential to avoid always singing to someone else's tune. After a decade in government we were still a party on the defensive, fighting against the prevailing currents of right wing economic doctrine, institutional interests and media power. Against strong head winds, we need a compelling vision of equality and state action.

#### Equality and prosperity

Our new ambition must be to forge a political economy where prosperity and equality are intrinsic to each other rather than the separate, competing goals Labour has often seen them to be over the last twenty years. The starting point for this is the 'squeezed middle'. The upshot of thinking about prosperity and equality in separate boxes was to neglect the prosperity of ordinary, middle earners. On Labour's watch the economy grew by 27 per cent until the recession hit but middle earners ended up only 15 per cent better off. This huge disparity was the result of rapidly rising corporate profits and top earnings. It was a total break from the post-war pattern – even from the years after 1979 - when rises in middle earnings only lagged a little behind GDP growth. That's why 'the squeezed middle' analysis will matter in 2015, even if the immediate tough times recede. Labour should argue that the nation's top priority must be to prevent the US tragedy of real earnings barely growing for a generation. Ed's idea that each generation should have more opportunity than the last was once a truism but will now be a critical electoral battlefield.

His interventions on the 'squeezed middle' and 'the promise of Britain' show that Ed is mapping out these issues productively. Now he needs to join the dots by arguing that broad-based economic recovery and a fairer society are inextricably connected. Labour's offer should be sustainable growth that delivers prosperity for Britain's bottom 90 per cent, not just the vested interests.

We should promise to measure our success by two yardsticks and explicitly say that for us, and for the prosperity of the majority of Britons, they matter far more than GDP.

The first standard must be rising middle incomes. To give real edge to 'the squeezed middle' critique, Ed should announce that real median earnings will be Labour's indicator of national economic success. The second measure is inequality between the top and the bottom. In principle this may be a harder sell to the pragmatic British public, but not if it is presented in terms of preventing ever wider disparities between bosses' pay, ordinary living standards and low wages. Labour should promise it will never again tolerate inequality moving in the wrong direction on its watch.

Saying 'thus far and no further' to today's rampant levels of inequality would, in another time, seem like a timid measure from the mainstream centre-left. But today it will mean changing the political weather. Our ambition must be to take on and win the argument that, for the sake of a balanced economy and one-nation society, top pay should rise no faster than low incomes, that growth in the North should keep pace with the South, and that we should rebalance taxation away from earnings and towards wealth.

#### Remaking the case for the state

The coalition's centrist talk of balanced budgets, localism and the Big Society is for too many Conservatives just shallow cover for radically rolling back the state. Just look at the frenzied attacks on the welfare state we hear from the right-leaning think tanks, columnists and bloggers. Labour needs to take on this battle with a compelling long-term case for the role of state action in improving people's lives. But what should the fightback look like?

First the left needs to make a confident case for welfare spending, with a message that the welfare state is about 'us not them'. This would mean accentuating the elements of lifetime welfare spending that smooth spending over time or share risks we all may incur. We should also make the link between lifetime contributions and benefits far more explicit and personal. The paradox is that this non-redistributive take on welfare will sustain popular support for redistribution far better than an agenda of narrow means testing. We must keep saying the state is here for us all, at the times we need it.

Next we need to make the case for public action as the guarantor of 'long-termism'. The left must show that only state action is sufficient to resolve the big strategic challenges – pensions, housing, environmental degradation, public health and economic infrastructure. We can win the battle of 'responsibility' not by matching coalition policies cut-by-cut, but by showing Labour has a long-termist perspective on major social challenges in contrast to the right's philosophical disengagement in the name of localism and free markets.

'Long-termism' also means being straight about the financial sustainability of state provision. Many on the right think this is their 'trump card' against the welfare state, citing, for example, the impacts of population ageing on the taxes of younger generations. In reality, the Office for Budget Responsibility has shown that demographic change will only lead to modest pressures on the public finances over the next 50 years. Similarly there is no inevitability about the shrinking of the tax base in the face of global pressures (although Labour should think radically about the fairness and efficiency of the tax system). We must take on the right on the long-term sustainability of existing welfare spending with new self-confidence.

At the same time, however, we need to be realistic about the limits of further public spending. Even if the economy is in better shape in 2015, the ageing population will constrain our ability to devote significant new resources to other priorities, whether they are driven by our own political aspirations, public expectations or the labour intensive nature of public services. Making a confident case for the state must include engaging with challenging questions about the most efficient use of public money. In some contexts we will need to reconfigure traditional services, make room for independent provision, and accept co-payments, precisely because people want more public services not less.

To win again, we need to get the basics right, by moving on from our past and showing that we are ready to govern. But we also need to rebuild the emotional bonds we severed by painting a positive picture of Labour's world after 2015. We can do that by twinning equality with prosperity, and by remaking the positive case for state action for us all and for the longterm. ■

## The special one?

James Macintyre tells the story of how Ed Miliband and his advisers finally relocated the sense of purpose that won him the leadership last year



James Macintyre is politics editor of Prospect and co-author of 'Ed: the Milibands and the Making of a Labour Leader'

Ed Miliband faced one overriding challenge when he became Labour leader a year ago: to justify the – real – family trauma caused by the widely unexpected act of political fratricide inflicted on his able brother David. Ed had to lead as distinctly as he campaigned, as an anti-Establishment 'insurgent'. Otherwise, what was the point? If he was to be a pale version of the former foreign secretary then he surely should have given way, like his hero Robert Kennedy, and supported his older sibling to the end. After a turbulent start, Ed Miliband has finally answered his critics – including this one – and emerged as a strong leader, drawing on radical values that may just be right for the times.

Until July, it had been a very different story, and even looked like Labour could buck its historic trend of refusing to rid itself of leaders in the way the Tories do. An example of Ed's confused policy direction that goes to the heart of his dilemma is on home affairs. In his first set-piece speech as leader in Manchester last year Ed delighted liberals by saying: "When... Ken Clarke says we need to look at short sentences in prison because of high re-offending rates, I'm not going to say he's soft on crime." The clear message was that Ed would avoid the classic New Labour tactic of outflanking the Tories and attacking the Government from the right. Yet in May, hours after Clarke gave a controversial interview distinguishing between different types of rape, Ed issued his first and to date only call for the removal of a minister. Despite the temptations provided by Clarke's uncharacteristically unwise comments, Ed must have known it was not, by his own standards, in the country's interests for one of the few genuinely liberal ministers in the Cabinet to go. Sources close to the leader say it was his own decision, and that at least one of his senior advisers opposed the decision.

But over a period of months Ed had allowed himself to be influenced by the authoritarian wing of his party, led in the Shadow Cabinet by Ed Balls and Yvette Cooper. During one of several sessions of Prime Minister's Questions in which Ed attacked the Government for a sentencing policy that some say he privately supports, Ed leaned back to one of his MPs and whispered, "Are we doing the right thing?" That he needed reassurance is telling: his heart wasn't in it. Nor does it appear to be in Labour's tactical alliance with the police. For if cuts are to come alongside reform to the one public body that remains unaccountable, then by defending the status quo Ed may find himself on the wrong side of history when it comes to the Met – whose recent history is dominated by



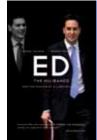
incompetence and cover-up over the deaths of Jean Charles de Menezes and Ian Tomlinson, its failure to tackle the looters and its intimate connections to News International.

Which brings us back to Ed's own instincts. It may have been said too much, but everything about his leadership changed with his denunciation of the Murdoch empire in early July. It became fashionable to say that there was nothing brave about Ed kicking a man - Murdoch - when he was down, following the revelations about the hacking of Milly Dowler's phone. This is inaccurate. Having for years pursued details of contacts between Rupert Murdoch and Tony Blair, and then Gordon Brown, through the Freedom of Information Act, I know how jealously New Labour guarded its beloved relationship with the most iniquitous (and needless) influence on British politics of the past 30 years. (Needless, because Murdoch's influence was always built on the myth that he determined election results when in fact he backed the winner. But many New Labour figures who had been through the agonies of the 1992 election and the Sun's treatment of Neil Kinnock were simply unable to see that they went too far subsequently in courting their fair-weather friends.)

Yet Ed did see through it, despite the caution of advisers like the former *Times* journalist Tom Baldwin, who first argued that Labour should not associate phone hacking with News International, and then continued into the summer privately arguing that Ed should "move on" from his assault on the Murdoch empire. Baldwin was wrong and Ed was right. It is doubtful that David Miliband – or Ed Balls – would have done the same thing in the same way. Nor would some in Labour have hinted at political reasons behind the August riots, and rightly condemned the comments by the crank 'historian' David Starkey as "racist".

Now Ed must build on his summer success and present a coherent policy agenda that is a true reflection of his deeply instilled redistributive, progressive and social democratic politics. Being authentic is his only chance of electoral success.

Ed has been widely underestimated for years. Yet he has unique talents. He may be, as David so memorably said last year, "a special person". That he will be leader until the next election is no longer in doubt. And, if he remains true to himself, he might even win. ■



ED: The Milibands and the making of a Labour leader by Mehdi Hasan and James Macintyre is published by Biteback priced £17.99

#### The key figures behind Ed Miliband:

Stewart Wood: The former Oxford academic and Gordon Brown adviser now has a parliamentary office of his own as a Labour life peer appointed by Ed, but he remains the leader's closest friend in politics and a liberal influence.

Tom Baldwin: Louche, tribal attack dog, Baldwin is head of media 'strategy' but is better at tactics.

**Bob Roberts:** Undoubtedly an asset, Roberts is that rare thing: a former journalist (for *the Mirror*) who remains widely admired in

the press gallery for his straight style.

Michael Dugher: Having been a rival against for selection in Doncaster in 2005, Dugher is now a key adviser and ally as PPS. His dry wit is a priceless asset, though his politics are to the right of – and more authoritarian – than Ed's.

Greg Beales: Influential head of policy, Blairite but a former Brown adviser, Beales was one of the first aides Ed recruited – even before David Miliband declared he was running for the leadership.

Polly Billington: Though she has inevitably lost influence with the arrival of Baldwin and Roberts, Billington remains a useful tough cookie who, along with the loyal researcher Simon Alcock, has been with Ed longer than anyone else in the leader's office.

Lucy Powell: Initially seen as too inexperienced to be anything other than an acting chief of staff, Powell has nonetheless impressed those around Ed with her clear head and organisational skills since she helped run his leadership campaign last year.

Chief of Staff: The \$64,000 question is who will fill this vacant post. Ed tried and failed to recruit a number of figures including the Blairites Charles Falconer and James Purnell. Now he is more confident, he might want his own man. One thing that is lacking in his office is civil service experience.

## A better capitalism

**Stewart Wood** writes that Labour's strategy must be guided by one overarching insight: the once dominant neoliberal ideology has failed and a new set of rules for governing needs to be written



Stewart Wood is a Labour peer and adviser to Ed Miliband

In the 1990s Bill Clinton warned the centre-left to beware of false choices. Two decades later, with a lively debate now fully underway within the Labour movement about the way forward, we face our own false choice: between those who see our central task as one of restoring credibility, and those who advocate a return to radicalism.

Look back at any era of success for Labour in Britain, and you will see credibility and radicalism sitting side by side. What makes successful coexistence between the two possible is when Labour understands, and is seen to understand, the central truths about the kind of Britain we live in – what is right with it, what is wrong with it, and what voters want and need from their government. A credible platform for government is one that adds up financially, but it is also one that passes the test of understanding the state of the nation. Get that right, and Labour's ambition in the radical cause of change and improvement can have both moral purpose and electoral appeal.

Of course we are still in the early stages of rethinking. But if we want to understand the historical moment, there is one dominant conclusion that must inform Labour's future strategic approach: that Britain in 2011 is witnessing the death-throes of the neoliberal ideology that has dominated Britain for over thirty years. Facing up to this realisation should be both liberating and challenging in equal measure. But it is inescapable, and if we do not face up to it, we cannot hope to be the party for our times.

Neoliberalism began in the late 1970s with Thatcher and Reagan. Its political success – both for parties of the right and shaping perceptions of political space on the left – has been extraordinary. As a governing project it held out the promises of an end to social division, national renewal, and prosperity for all.

Fast forward to 2011, and neoliberalism has been dramatically derailed by the financial crisis and the ensuing recession. Its promises have been shown to be illusory – not simply for the poorest, but for the vast majority of working people. Through its excessive dependence on financial services – and its inadequate regulation of those who provided (and vastly profited from) them – it left Britain with an industrial base which was too narrow, a large skills gap in the middle of our working population, and tax revenues that became too dependent on the fortunes of one sector. Neoliberalism told us that the efficiency of markets and the notional freedom of individuals to operate within them were the pre-eminent virtues of a successful country. The price of this was that neoliberalism ignored what makes for strong and cohesive communities, marginalised the vulnerable, and rode roughshod over the value of strengthening democracy.

When it came to social solidarity, neoliberalism did not just encourage us to embrace inequality as a necessary evil – it positively fostered and welcomed inequality as essential to market efficiency, and urged us not to be squeamish about it. Ultimately this resulted in a prolonged period during which those in the middle of the income distribution saw themselves squeezed out of their share in growing prosperity, while the income of the very wealthiest took off stratospherically. In 1979, the top 1 per cent received under 6 per cent of Britain's personal income; in 2005 they received over 14 per cent. For the last 30 years, 22 per cent of every extra pound earned has gone into the pockets of the top 1 per cent.

The truth is that Britain tried neoliberalism, and the price has been heavy indeed. We should be proud that in some ways New Labour acted as a corrective to many of the excesses of neoliberalism – through the minimum wage, tax credits, and helping rebuild the long-neglected fabric of our public services. But too many of the tenets of neoliberalism – the powerlessness of national governments in the face of globalisation, the dependence on under-regulated markets, and the tolerance of growing inequality – were accepted, willingly or otherwise. Now that we can see the ideology of neoliberalism for what it is, we should see the challenge for our party in radical and ambitious terms: to rewrite the rules that govern how Britain works.

The Conservatives, even aided and abetted by the Liberal Democrats, cannot do this. Their answer to the problems created by neoliberalism is more neoliberalism, as if it didn't



work before because there wasn't enough of it. Rather, neoliberalism cannot work where people want to be a society and not simply a collection of individuals who grow steadily more detached from each other's lives.

This is a radical agenda, but we must take care that it is understood properly and not caricatured. To assert the failure of neoliberalism is not to set our faces against well-functioning markets, any more than the collapse of Soviet communism meant we should become hostile to the well-functioning state. Markets are fundamental to our lives, so healthy markets are fundamental to flourishing lives. They should ensure growing prosperity for all. But only if they work properly. For a market to be legitimate and to operate in the interests of society, everybody has to have a chance to swim with the rising tide.

It will take courage. Because saying you want to take on neoliberalism is considered by many to be naive and impossible. For too long we thought the neoliberal analysis had to be accepted, either because it was right or because the political costs to challenging it were too high. As we struggle through the prolonged and painful fallout of the global financial crisis, the whole country now knows that neither is true.

Building an alternative to the neoliberal settlement should be the frame for the debate within our movement in the coming months. Its content needs to emerge from this debate, but the ambition should be clear up front (and we should not apologise for its ambitiousness).

First, jobs and growth must be at the heart of our approach, but we need to have the courage to say that we need to build a different kind of economy – a better capitalism. One where there are sensible limits on the scope and functioning of financial markets (to protect individual savings and the nation's finances alike); where companies, individuals and

In 1979, the top 1 per cent received under 6 per cent of Britain's personal income; in 2005 they received over 14 per cent. For the last 30 years, 22 per cent of every extra pound earned has gone into the pockets of the top 1 per cent

government are partners in transforming our workforce's skills and strengthening the high value-added sectors that rely on them; where banks service companies' needs from funding start-ups to supporting long-term R&D; where a living wage for high-quality work becomes the norm rather than the exception; and where the world of work allows for the world outside work, so that families can lead balanced lives.

Second, we need to prioritise tackling inequality, not based on abstract theory or utopianism, but to protect individuals' dignity, support social cohesion, and ensure that the majority rather than the wealthy minority benefit from the return to steady growth (when it comes). And we must think of new ways of addressing the sources of inequality, as well as making the cash transfers that blunt inequality work more effectively.

Third, we need to revisit the rules of our welfare state. We have to face up to the fact that the legitimacy of the liberal welfare state – with a taxpaying majority funding a relatively poor and workless minority – has come under serious strain. Restoring this legitimacy requires not simply achieving the time-honoured balance between helping those outside work to get into work, and meeting the genuine needs of the most vulnerable. It also demands that we consider how to engineer a stronger link between contribution and benefits, both to provide better insurance against different kinds of risk, and to rebuild the stake of taxpayers in a well-functioning welfare system.

Fourth, we need to understand what makes communities work well, rather than hoping that prosperity will be enough to bring social cohesion. In the wake of the August riots this task has become more pressing than ever. We need to consider how to build the civic leadership – inside and outside the state – that makes strong communities possible, and where to redraw the line between markets and local democracy to enable people to have greater control over the places in which they live.

Lastly, we need to fight for something that is a prior condition of everything else: an optimism about what politics can achieve. Neoliberalism relies both on a scepticism about what politics can do, and reinforces that scepticism with its denigration of politics, of active government, and of those who work in it. We have to challenge this scepticism head-on. Look at the US, where an anti-politics Tea Party movement is trying to turn an economic crisis into a crisis of politics itself. We must not let Britain follow this path. If we want to create a better capitalism and a country that moves beyond the neoliberal era, the first and most urgent fight must be for the public's faith that politics, at its best, can be a force for improvement in their lives.

## Making the leap

Two critics – one Labour, one Conservative – give their verdict on Ed's first year as leader and the hurdles ahead

#### Still missing a mission



*Philip Collins is a columnist and leader writer for* The Times

After a year in the post, how far are we from taking the temperature of Ed Miliband's leadership? In a sense, everyone has been a little wrong about him. To his detractors, there is plenty to which the leader can point to show that he is far better than they feared. To his advocates, he has yet to provide the full vindication of the faith they placed in him. A year and a half into a parliament is not the moment to enter a final verdict – a great deal can change.

The first point to make is that the

Labour Party has not fallen into acrimony and it has not shifted emphatically to the left. There were genuine fears that it might. On the rare occasions before 1997 that the Labour Party got into government, it tended to mark the leaving of office with an extended period of recrimination. The usual upshot of this angry audit of defeat was the bizarre conclusion that the nation had just voted Tory because, secretly, it wanted a more left wing Government. Hence, the standard response to defeat was self-indulgence and a long period of repenting at leisure.

None of that has come to pass and plausible outcomes that are avoided are as much to the credit of the leadership as the events that have actually taken place. The victory that Ed Miliband won, so reliant as it was on trade union votes, was not the most auspicious beginning. A decisive move to the political left was, in truth, precisely what many supporters of the younger Miliband thought they were voting for. In fact, it would be unfair, as well as rather out-of-date and uninteresting, to characterise the Party's position in those terms.

Partly as a result of the careful positioning, the Party has held together. There was, initially, far too much sniping about the result. Anyone still disposed to complain about the rules by which Ed Miliband won should shut up. The rules are the rules are the rules and you win the victory you can, according to those rules. It is ridiculous to be angry with Ed Miliband for identifying his best chance of victory and seizing it. Better to admire his victory even if, like me, you did not wish for it.

Ed's Challenge

Ed Miliband has also confounded those who thought he would be the Iain Duncan Smith of Labour Party leadership. He was always going to be better than that and the excellent political leadership during the hacking saga demonstrated a sure touch that a hapless leader can never aspire to. There have been other adept moves too, such as taking control of the Shadow Cabinet.

All of which adds up to a stronger position within the party than might have been expected. Whether it yet adds up to a strong position out in the country is a different matter. Neither Ed Miliband himself, nor the Labour Party as a whole, has yet established the standing that makes victory at the next election anything more than a possibility. With a Government led by a Conservative Party which was not popular to begin with, and at a time of genuine economic pain, it is worth reflecting on why that should be, because it reveals the two strategic questions on which I think the leadership has taken the wrong course.

The first is the decision taken on the economy. It is a clear economic fact that the bulk of the deficit was caused by the extraordinary shock of the banking crisis. But it is a raw political fact that this argument has been lost. The Brown Government was running a structural deficit even before the crash. Spending was too high and the Government was too reluctant and too slow to arrest its growth. Even if this were not true, the greater part of the public believes it to be true. Labour has, once again, acquired a reputation for profligacy which will corrode its hopes of electoral victory. The failure to accept any of the blame has meant that Labour has been charged with all the blame. This could turn out to be a decisive strategic mistake and it is, by now, perhaps too late to put it right.

The second error is that Labour's description of the Government, especially the Conservative component of

the Government, does not bear much scrutiny. Even if it were true that this were a deeply ideological government hell-bent on destruction, that accusation is never going to carry far, politically. The electorate has just voted it into office, remember. Normal people don't actually think in these terms anyway.

The better accusation is, in fact, the opposite of this. Rather than claiming that the Government has a clear plan which it is carrying out with ruthless and malign efficiency, it would be better to tell the truth. The Government has no real plan at all, beyond trying and failing to reduce the deficit. The Government is all over the place. It asked for a mandate from the people on the grounds that it would run the country more prudently than Labour and, in every arena, it is making a mess. It has no governing idea, no notion of how to change things and it is hopelessly naïve in everything it does. It is a pudding without a theme.

On which note, here is the task for this Labour Conference. Ed Miliband's leadership has, so far, flirted with a number of themes but not yet alighted upon one. He needs to leave Liverpool having defined the central purpose of his leadership, which he then follows through all the way to the next election. Mr Miliband has made several good speeches but he never makes the same speech twice. The theme of his conference speech should be Power and Responsibility and then so should every speech for three years.

## A disappointment, but light at the end of the tunnel



Iain Dale presents LBC 97.3's weekday evening show, is the MD of Biteback Publishing and writes for Dale & Co.

Back in 2008 I wrote a profile for GQ on the Miliband brothers. I concluded that Ed was the more credible of the two and touted him as a future leader of the Labour Party. Little did I know that just over two years later that prediction would become a reality, as Ed beat his brother David to become Leader of Her Majesty's Opposition.

I have always thought rather highly of Ed, and felt that he had what it took to become a first class political leader. But his first 12 months have been something of a disappointment.

Ed has yet to really make his mark,

both on the country and his party. He is starting to fall into the trap of reacting to everything the Government does; instead he ought only to react when he has something to add to the debate. His current strategy risks allegations that he is sniping from the sidelines rather than offering a credible alternative.

It's a dreadful job, Leader of the Opposition. He has no power to do, only to say. His job is to get media attention for himself and his party, and put the ball in the back of the net. Unfortunately, Ed has become the Emile Heskey of the Labour Party: his goals-to-games ratio is not what it might be. When he does score, it's usually a corker, but too often he has failed to capitalise on government errors and now has a whole host of missed opportunities to his name. But there is light at the end of the tunnel. His performance on the phone-hacking scandal was generally first class.

Why did he do so well on that? He learnt from David Cameron's experience as opposition leader during the MPs' expenses scandal, where he immediately went on the offensive and made the Prime Minister at the time, Gordon Brown, look totally flat footed and a prisoner of vested interests. In the media's eyes it looked like Cameron was leading the country and Brown seemed unable to understand, empathise with or react to the public mood.

Ed Miliband has also looked increasingly credible and statesman-like at Prime Minister's Questions. When he first became leader Ed was an embarrassment at PMQs, coming across more as a nauseating student than a heavyweight leader. He dithered, failing to ask the right questions and often misjudging the tone of the occasion. But in recent months he has turned this around, exploiting Cameron's major weakness – his lack of attention to detail – leaving the PM floundering and often losing his temper.

However, this strategy can only work in the short term. Ed runs the risk of becoming a one trick pony and sooner or later Cameron will get to grips with his tactics. Ed now has to think of new ways to keep on top, or he could start to repeat his earlier, rather disastrous, appearances.

And that is one of the problems facing any Leader of the Opposition – consistency. He needs to be more consistent on a day-to-day basis in Parliament and in reacting to the news agenda. Sometimes less is more. A speech from Ed Miliband should be an occasion. It should automatically be broadcast live on the 24 hour news channels. When Cameron was in opposition, there seemed to be a major speech every day and Miliband has, sadly, also adopted that approach. Unfortunately it provokes a collective yawn among political journalists. Every speech is spun as a landmark, meaning that the real landmark speeches often don't get the attention they deserve.

Part of Ed's problem is he doesn't look like a prime minister. Too often the Labour leader looks like a scruffy schoolboy when he should be aiming to look like a statesman. Any normal forty year old would be very happy to look half his age, with facial skin like a baby's bottom. But the nation doesn't tend to vote for politicians who look like sixth formers. It may sound harsh, but for the vast majority of people he simply doesn't pass the Downing Street doorstep test. By which I mean, can you imagine him on the doorstep of Number Ten doing his equivalent of "Where there is discord, may we bring harmony"? Because I certainly can't. And I say that without my blue-tinted spectacles.

Luckily for Ed he has quite a few years to wait before he faces the public in a General Election. For now he shouldn't worry too much about announcing specific policy. The Leader of the Opposition always gets accused of not offering an alternative. But now is the time to exploit the weaknesses and faults in the Government, and then he can think about unveiling his alternate policies towards the end of 2012 and during 2013. He's set up a very good network of policy groups, who, as long as they don't get hung up on the battles of the past, show every sign of delivering the goods.

What Ed Miliband should be more concerned about is his Shadow Cabinet. For too long Labour leaders have had shadow cabinets foisted upon them. I am glad to see Ed has shown some leadership over the scrapping of shadow cabinet elections. Any political leader needs to choose a team which carries his full confidence.

A key task for any party leader, whether in power or not, is to maintain party discipline and unity. There have already been mutterings in the corridors of Westminster, both from the grassroots and among some MPs who long for his brother. But Ed must reach out and keep his party together. Some of his colleagues are nervous, but he knows he's safe.

I have always thought Ed Miliband has what it takes. Luckily for him he still has three years to prove it.

## Leading Labour: Evaluating Ed Miliband's first year

Ed Miliband had two main tasks when he became leader: finding a publically resonant message and re-shaping the organisation of the Party. **Marc Stears** assesses what's been done so far and what's still to do



Marc Stears is a Visiting Fellow at IPPR and Professor of Political Theory at the University of Oxford

Ed Miliband had a stark message for Labour at the National Policy Forum in Wrexham in June of this year. "Old Labour forgot about the public. New Labour forgot about the party", he told the delegates. "And, by the time we left office, we had lost touch with both."

It was a refreshing dose of honesty. It also revealed something very important about Ed Miliband. He does not wish to be a continuity leader. Although some in the right-wing press hoped that Miliband might try to lead the Party back to a pre-Blair era, and others worried that he would simply continue the course from the leadership of Gordon Brown, in fact he wishes to set a very different direction.

At the heart of Miliband's transformative vision for Labour is a desire to combine two potentially contradictory commitments. First, Miliband aims to ensure the Labour Party is revitalised internally. He wants the Party to become an organisation that people wish to be part of once again, an organisation with which they actually identify. Second, he also wants to guarantee that the same Party maintains a strong and continual connection with the people of Britain, the vast majority of whom he knows will never lend it more than temporary support and certainly won't come out to campaign with it at election times.

This is the crucial combination for Miliband. *The Labour Party should offer a real home for its members while never becoming a vehicle for the members' personal enthusiasms at the expense of the interests of the country at large.* 

This is no easy task, of course, and if Miliband is to succeed he will need to overcome not only difficulties specific to the Labour Party, but difficulties which blight all British political parties today. The last few decades have witnessed an enormous withdrawal of public support for political parties.

Those who wish to be activists have largely turned away from parties and moved instead into single-issue pressure groups, direct action movements, online discussions, or community organisations such as London Citizens. Those who have no desire to spend their time in political work have lost even more faith in their elected representatives, most of whom they now see as venally pursuing their own interests at the (literal) expense of their constituents.

Miliband's challenge is to reverse both of these trends. He wants eager, politically motivated and socially driven activists to come back into the Labour Party. And he wants the broader mass of British public opinion to see Labour as the party that stands directly for them in times of almost unprecedented economic hardship and social distress.

#### The Conditions of Miliband's Success

If he can achieve this goal, then Miliband's leadership of the Labour Party will be a defining moment in the Party's history. If he cannot, then it will be seen as just yet another failed attempt to restore the Party to the glories of its past. The question for him, and for all those who wish Labour well, therefore, is how is it to be done?

This is the question I have been grappling with all year. At the outset of 2011, in an essay for the 'Blue Labour' e-book *The Labour Tradition and the Politics of Paradox*, I argued that there are two dimensions to the task of leading the Labour Party.

First, I suggested, Miliband must ensure that Labour's message – and especially his own personal message – resonates directly with the British public. What I meant by that is that his language and his ideals must be ones with which the broader electorate can immediately identify, that reflect the rhythm of their everyday lives, and that establish a relationship between the things that they value and the concerns of Labour as a major political party. Labour's message should be neither abstract nor excessively technocratic. It must be raw, emotional and practical. It must speak not only to the seminar rooms of our universities or to the board rooms of our richest companies, but directly to the hearts of the British people, many of whom feel more anxious now about their own prospects and the prospects

of their families and their communities than they have at any point in their lives.

Second, I contended, Miliband must re-shape the organisation of Labour. Here I suggested that the Party needs to become more of a movement once again. Labour should offer opportunities for people of all different backgrounds to come together, in their own communities and across the nation, to identify common goods, work and campaign together. Labour should act effectively not just at election times but all the time. It should draw people in to its work in immediate, energetic local campaigns that can make a real impact in the places where people live. Labour, I emphasised, had always been a coalition of forces – party branches, unions, affiliated societies – and it is at its best when it enables those forces to come together to help people to help themselves.

I was convinced at the start of Ed Miliband's leadership that these elements would have been vital whatever task he had set himself as Labour leader. They are surely even more important now. Miliband's ambition to transform Labour into a party to which activists will be proud to belong and with which the majority of the British people can identify, can only succeed insofar as the Party's message resonates and its internal organisation elicits real energy.

So what have we seen in the last twelve months?

#### The Story So Far: Message

On the question of Labour's message, there have been astonishing strides forward. At the last General Election, Labour spoke directly and powerfully to a frighteningly small section of British society. Most public sector workers and those significantly dependent on a selected-range of public benefits knew that Labour cared for them. Almost nobody else felt the same. That cannot be said now. The change has come about subtly but powerfully. Ed Miliband's initial and timely emphasis on the 'squeezed middle' began the shift, but it was his speech on responsibility in the early summer that made the change most forcefully. Suddenly, a Labour leader was demonstrating his ability to understand the concerns of the vast majority of the British public. And in so doing, he was also displaying the courage to challenge orthodox elite opinion on both the left and the right.

At the last General Election, Labour spoke directly and powerfully to a frighteningly small section of British society ... That cannot be said now

In this one speech, Miliband showed that Labour need no longer be intimidated by big business leaders who paid themselves above the odds – as it had been under Blair. He also reminded us that the Party should not shy away from reminding us of the social responsibilities of the less well-off, especially with regards to benefit fraud – as it had been tempted to under Brown. Instead, Labour can speak powerfully of the need for a more responsible society, one characterised both by economic ambition and by a sense that we owe things to each other. The Labour leader no longer spoke to special interests alone, but resonated with the themes that people themselves hear in workplaces, pubs, and homes across the entire country.

This was, of course, only a beginning. The central idea of responsibility fed directly into the major events of the summer. As the Murdoch empire came under scrutiny, Miliband was able to insist on responsibility at the very top of the corporate



sector. As riots and looting shook cities across England, he was able to reflect public disgust at the fundamental lack of responsibility displayed by those who waged war against their own neighbours and in their own communities. Throughout all of this, Miliband's language was no longer abstract or technical, but direct and emotional.

There remains, of course, work to be done. Leaders of the Opposition rarely get the media attention that they need to break through, and Miliband is no exception. His call for a "national conversation" on the riots was overshadowed by demands for retribution, and those demands in turn enabled David Cameron to recapture control of the news agenda, despite a shocking absence of leadership, and even more appalling absence of proper understanding. But the foundations have nonetheless been laid. Miliband has begun a direct conversation with the people of Britain, one that reminds them that Labour can speak for them, will fight to protect them in desperately hard times, and will never abandon their concerns for the concerns of orthodox elite opinion, irrespective of where such opinion might emerge.

#### The Story So Far: Organisation

Words are easier to change that organisations. And it is no surprise, therefore, that reform of the institutional practices of the Labour Party has been far slower in coming than the shift in rhetoric.

There is no doubt that the ambition is there. Refounding Labour – the Party's consultation about its own future – will report shortly. If press coverage is to be believed, Miliband's goal will be to amend Clause I of the Labour Party's constitution so that the Party no longer exists solely to win elections, but to "bring together members and supporters who share its values to develop policies, make communities stronger through collective action and support, and promote the election of Labour representatives at all levels of the democratic process". He will try also to expand engagement in Labour by welcoming "supporters" and not just members at major Party events, including Party Conference and deepen the work of Movement for Change, the community organising wing of the Labour Party, established first by David Miliband in his campaign for the leadership.

All of this is be warmly welcomed. The Party needs change in all of these areas. Too many times before, initiatives aimed at Party reform have led to nothing concrete, and we have been dragged back to the choice Miliband is desperate to avoid, with Labour being either a Party for a hard core of activists or a Party of a distanced and detached policy-making elite. There will be uncomfortable moments in any such change. People always feel momentary grief at the loss of earlier structures, however dysfunctional they have become. But the direction is the right one.

Yet even if all of this comes to pass, it is unlikely to be enough. Labour as an organisation is absent from most people's lives in Britain. It provides neither a political opportunity for the young and enthusiastic nor a source of hope for those trying to deal with the most desperate difficulties in their own neighbourhoods. To most people, it remains distant, something to be glimpsed occasionally on the television news or read about in blogs and newspapers. If Miliband is to achieve his goal, he has to turn that around. Labour needs to become present again in the lives of the British people.

Two things must change if the Party is ever to become that presence. First, it must realise that it can be practically useful, even in opposition. If Labour does change Clause I of its Constitution, it will have to live up to its new promise. Almost everything in Labour is currently geared towards election victory, be it local or national, but the Party can only become connected with the lives of the people once again if it learns to deliver from opposition, as well as from office. Labour must become an active partner in the communities in which it is rooted. It must work to assist other community groups as they take on gang culture; it must protest alongside others as they campaign to protect libraries and swimming pools; it must provide expertise and physical support to those who provide voluntary services to the old and the sick; it must talk to businesses, both local and national, to help them build bridges to parts of the community currently cut off from social and economic opportunity. If Labour could do these things, then the Party would begin to offer real opportunities for people to come together to participate in every aspect of their local lives. If it could do that whether it has the chance for election victory in that neighbourhood or not, then it would begin to win back the trust of people across the country.

#### If Labour is to be renewed, then it will largely be the result of the work of the members themselves

Second, if Labour is ever to become more deeply rooted in neighbourhoods around Britain, those of us in the Party will need to open ourselves to a demanding process of deep cultural change. At present, the Party reflects - rather than challenges - too many of our society's most profound cultural difficulties. Most of us in the Party are far too certain in our opinions, far too comfortable in our existing relationships and far too nervous about talking with others with whom we do not agree. If Labour is to reach out again – deep into our country - we will need to lose these traits. Party meetings of all sorts should become events at which people meet, debate, disagree, and begin to forge a common good. We have to open ourselves to relationships with critics, as well as friends, and commit to crafting new, dynamic, and ever-changing perspectives in order to bring real change to ourselves as well as to our communities.

#### The Task Ahead

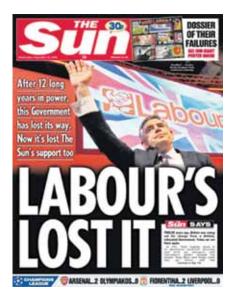
A vibrant democratic movement is built when people overcome the boundaries that divide them to craft new common identities. We have probably all seen this occur in some parts of our lives – in individual campaigns, or on individual marches. But it is not currently how most of us would describe the Labour Party. We need that to change.

This work will partly need the lead of Ed Miliband, of course. And most of us will agree that he has made a good start. But democratic renewal is never the result of one person's efforts alone. If Labour is to be renewed, then it will largely be the result of the work of the members themselves. Only we can choose whether we want to make Labour into the kind of movement that it was in its pioneering days once again, when it offered people the chance to come together and to offer their fellow citizens something new and also something real. Or whether we decide instead to continue in the comfort of familiarity, talking in pre-digested Party commitments, honouring institutional rules which no longer generate energy, and making it increasingly hard to reach out to people beyond the fold.

This is not a choice between integrity and expediency. It is, rather, the choice between a Party that speaks to the few and a Party that welcomes the many. If we are ever in doubt, we should just remember that a democratic, open, vibrant, campaigning Labour Party will be a Party that benefits our whole nation.

## The declining power of the press

Politicians have consistently over-estimated the influence of newspapers. After the phone-hacking scandal, there is an opportunity for a more realistic relationship, argues **Gloria De Piero** 





Gloria De Piero is MP for Ashfield and Shadow Minister for Culture. She was previously GMTV's Political Editor

The relationship between politicians and newspapers, and Rupert Murdoch in particular, has long been a difficult one. As Jonathan Powell, Tony Blair's former chief of staff, wrote in the *Guardian* in July: "In government, Labour did consider changing its relationship with the media but we worried too much about the moguls". David Cameron had similar concerns, and he appeared to bend over backwards in order to ensure Murdoch's bid for BSkyB won regulatory approval.

Revelations that News of the World journalists hacked into Milly Dowler's phone, and pressure from Ed Miliband, forced a change of policy and the major parties are now reassessing their dealings with the media in the wake of the scandal.

As Labour does so, two trends are worth reflecting on. The first is the enduring popularity and power of broadcast media. The other is the crisis of trust in the press.

Newspaper circulations are falling, but there has been no similar crisis in TV news. BBC News at One – which is the BBC news bulletin with the lowest number of viewers – is watched by 3.63 million people, around half a million more than the number of people who buy *the Sun. BBC News at*  *Ten*, meanwhile, has an average nightly audience of 6.36 million. ITV's news bulletins may be less popular but they are still watched by many more people than the print editions of most newspapers can hope to reach: 2.34 million watch the *ITV News at Ten*, for example. More importantly, broadcast news in this country is also far more trusted than newspapers.

Labour's future relationship with the media must be a more confident one, where newspapers are never ignored, but their influence is kept in perspective

It is worth looking in some detail at the findings of the autumn 2010 Eurobarometer survey, which is based on regular opinion polls conducted simultaneously in all EU member states. This asked about public trust in a variety of institutions, and included questions about the press, radio and television. The UK survey involved face-to-face interviews with 1300 people in the early part of November 2010. That was long before the phone-hacking affair was dominating the headlines.

It asked respondents to answer whether they 'tend to trust' or 'tend not to trust' a list of institutions. The UK 'tend to trust' figure when asked about the press was 18 per cent – the lowest by far of the 27 EU states. Only Greece (27 per cent) came near it. The EU average was 52 per cent. When asked the same question about radio, the UK 'tend to trust' figure of 55 per cent was close to the EU average of 57 per cent. Greece recorded the lowest trust figure in radio of 36 per cent. As with radio, the UK's TV trust ratings (51 per cent) were very close to the EU average (50 per cent).

In other words, the reputation of the UK print media does not have far to fall. Perhaps that explains why, despite *the Sun's* concerted and vicious attacks on Labour and Gordon Brown in the run up the last election, more than one in four (28 per cent) of *Sun* readers still voted Labour.

It is up to national titles to repair their reputations in the eyes of the public. The Leveson Inquiry into press standards will be part of that process and must also be allowed to take its course.

In the meantime, social media will continue to change the dynamics of news and create new ways of communicating with the electorate. All party leaders have submitted themselves to a grilling from *Mumsnet* users, which is hardly surprising given that it now has 1.5 million monthly unique users. Twitter also allows politicians to talk directly to voters – their message may be short but it is unfiltered.

Labour's future relationship with the media must be a more confident one, where newspapers are never ignored, but their influence is kept in perspective. That's why Ed Miliband has made clear he will engage with all newspapers but will not bend his knee to them. It's the right place for us to be.

## Purple patch

Two new books published in the run up to Conference season suggest the ideas debate is in much healthier shape for Labour than the Conservatives, argues Sophie Moullin



"After the Coalition: A Conservative Agenda for Britain" Kwasi Kwarteng (Ed)



"The Purple Book: A progressive future for Labour" **Robert Philpot (Ed)** 

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Sophie Moullin is a Fulbright Scholar at Columbia University, NY. She was a senior policy adviser at the No. 10 Strategy Unit, 2008-10.

A new book is out in which a collection of political thinkers, recovering from an election they failed to win, grope for a language to express their sense that the country is going to the dogs. At times, their anger about the problem seems affected, and their answers to it stuck inside a recycled policy box. They show support but not deference for a leadership still on trial. They speak as one voice, but it is flat, defensive and frustrated.

Labour's political veterans? No - in fact they are the up-and-coming radicals within the Conservative Party in *After the Coalition*.

The authors of *The Purple Book* are actually buoyant and upbeat. No longer pushed onto the *Today Programme* to defend it, they are confident in their record: for Liam Byrne "the numbers, the headlines and the lines to take never quite did justice to the material transformation of Britain". Free from the challenges of government, they have discovered an energy and authenticity they struggled to muster during the last years of the Labour era. Finally, through *The Purple Book*, the question of what comes after Blair can be openly explored. With the contributions of a young crop of thinking MPs and councilors, new policies are beginning to be imagined and a political story outlined.

Thinkers on the right and left are clearly still adjusting to their switched roles of government and opposition. But these books indicate that, after the coalition's explosive first year, the political dust appears to be settling.

There are some similarities. Edited by Conservative MP and economic historian Kwasi Kwarteng, After the Coalition starts with an intelligent, sober critique of the left's 'folk Keynesianism'. Spending might eventually reboot, he argues, but it cannot sustain an economy, and in the long run debt needs to be killed off. Labour MP and social historian Tristram Hunt opens The Purple Book acknowledging that "there is nothing progressive about running a large budget deficit or wasting money on interest repayments".

But with that economic centre-ground secured off, left and right distinctions begin to be drawn. For these new Tories, fiscal control is the raison d'etre of any Government and should be a priority beyond this Parliament. Globally competitive markets, aggregate growth and greater competition in public services are all ends in themselves. For 'Purple Labour', they are a necessary evil that a Government has to work within to achieve richer ambitions.

It is on political goals, rather than the detail of how to get there, that The Purple Book is strongest. Three main shifts from the 1990s Third Way thinking run through the volume. First, concepts of capability and positive freedom replace those of meritocracy and equal opportunity. Second, fresh attention on the 'squeezed middle' has shifted focus away from both poverty and social exclusion on the one hand, and aspiration and excellence on the other. Third, while New Labour thought of economic dynamism alongside social justice, these writers want greater social justice within and through markets.

But whilst *The Purple Book* could be accused of leaving the big economic questions unanswered, *After the Coalition* deliberately ignores the big political ones.

After the Coalition contains plenty of ammunition for those who always thought the compassionate Conservative social agenda was taken far too seriously. This group of MPs does not want the Conservatives to be seen as "the new champions of progressive ideals", and shows no passion for social justice by any means. The Big Society here is not about community ownership or spirit, but schools making a profit and taking competition in the NHS to its logical conclusion. While these young Conservatives are the supposed insurgents thinking ahead, it is all too easy to dismiss large parts of their policy direction as 'the same old Tories'. This will worry a No 10 anxious about the Conservative brand becoming re-contaminated.

Meanwhile, slamming centrallyplanned economies is now de riqueur for these Labour writers too. In every chapter, the 'top-down' state is set up as a straw man. In some chapters, this confuses the argument for a Labour alternative. Peter Mandelson wants Labour to be for "progressive growth" rather than a "progressive state". This growth is to be stimulated, however, through publicly subsidised venture capital funds and industrial activism. Hazel Blears' former special adviser, Paul Richards, thinks Sure Start would be better protected from cuts if there had been even more local flexibility over the service. In reality, variable quality between areas made the case for sustaining (still national) funding harder.

While the 'purple' politicos think the Big Society "the most audacious of Cameroonian land grabs", and praise mutuals and co-operatives, Blue Labour they are not. The points-based immigration system was the right one, while the primary goal of family policy and care services is still about enabling women to work. The idea of responsibility remains reduced in policy to conditions on benefits and housing. All this leaves the argument unmade against Kwarteng et al, who use the same language of responsibility throughout to question why we might retain inclusive social rights and services at all.

The real political test for both books, however, will be what the Liberal Democrats think. With its notable absence of chapters on major issues such as climate change, Europe, higher education, civil liberties and constitutional reform, *The Purple Book* hardly reaches out. And from the title on, *After the Coalition*, is almost openly antagonistic. If Kwarteng et al's aim, with calls such as exiting the bulk of the EU, is to corner the Liberals further with tough negotiating lines, they have succeeded.

For Labour, the task has to be, as Tristram Hunt makes clear, "nothing less than the full scale development of a new political economy". *The Purple Book* understandably only begins to scope out that project. Yet from the start we are told that "intellectual vibrancy" is a good sign of "political health". Judging by this book, Labour is already feeling better. ■

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Series' editors: E.Stetter, K.Duffek, A.Skrzypek

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## THE FABIAN FRINGE GUIDE, LIVERPOOL 2011

FABIAN SOCIETY

We'll be blogging throughout Conference at nextleft.org and Tweeting from @fabians using #fabians

## Labour's challenge How do we stop the coalition?

25th to 29th September 2011, Liverpool

As Labour confronts the challenge of renewing itself in opposition and takes the fight to Cameron and Clegg, join us to debate the big questions facing Ed Miliband and the Party.

#### THE YOUNG FABIAN RECEPTION

Drinks with Sadiq Khan MP and others. All welcome. Portico Cantina & Bar, Albert Dock. Sunday, 7pm.

#### YOUNG FABIAN PAMPHLET LAUNCH BREAKFAST

With special guests in attendance. West Reception Room, Liverpool Town Hall. Tuesday, 8.30am.

#### THE FABIAN WOMEN'S NETWORK EVENT

Peace with Justice? The UK's legacy in Afghanistan. With Amnesty & ActionAid. Sunday 5.45pm. See listings for venue.

For more info on our Labour Fringe events and to join the Fabians go to www.fabians.org.uk

### FABIAN SOCIETY FRINGE MEETINGS 2011

All Fabian Society public fringe events are held at Liverpool Town Hall, High Street, Liverpool L2 3SW

Sunday	
<ul> <li>The Fabian Dragons' Den</li> <li>One idea to win the next election</li> <li>Join us to watch some plucky pitchers take on our political dragons.</li> </ul>	
<ul> <li>Compassionate Conservativism and the Big Society</li> <li>How should Labour respond?</li> <li>Tim Horton (Fabian Society), Phillip Blond (Director, ResPublica) and others.</li> </ul>	CENTRESORUM
<ul> <li>Fabian Question Time</li> <li>The challenge for Labour</li> <li>Yvette Cooper MP and others take audience questions on the party's future.</li> </ul>	TheObserver young Fabians
Monday	
Emily Thornberry MP debates with senior Lib Dems and others.	
Economy Question Time John Denham MP, John Cridland (Director General, the CBI), Nicola Smith (Head of Economic and Social Affairs, TUC) and others.	K-ARW
<ul> <li>From Iraq to Libya</li> <li>What do we think about intervention now?</li> <li>Can we have a foreign policy that reflects our values?</li> </ul>	
Tuesday	
<ul> <li>Labour After Murdoch</li> <li>What is the right relationship between politics and the press?</li> <li>Join Sadiq Khan MP and others to debate how we get the dynamics right between politics, and what must change.</li> </ul>	en the media and our
Wednesday	
<ul> <li>Pluralising Politics</li> <li>Are progressive alliances the key to Labour's future?</li> <li>(Baby Blue, 17 Edward Pavilion, Albert Dock). Stephen Twigg MP, Peter Hain MP, Andrew Harrop, Billy Hayes, Liz Kendall MP, Neal Lawson, Katie Ghose (Chair)</li> </ul>	Compass
Fabian Policy roundtables	
Is it time for a carbon tax? West Reception Room. Luciana Berger MP joins others for an in-depth discussion about Labour's emissions policy.	CEF The manufacturers' arganisation
<b>Fuel Poverty: Is market liberalisation the answer?</b> East Reception Room. Meg Hillier MP and others debate how we can work with the energy sector to best protect consumers.	Comparison for these formet
<b>Skills and social mobility</b> Small ballroom. With David Lammy MP, Kate Shoesmith (City & Guilds), Sally Burton (Shaw Trust), Paul Kelly (Asda).	ASDA
<b>Party reform across Europe: fit for the next decade?</b> East Reception Room. With Marcus Roberts, Jessica Asato, Peter Hain MP.	
INVITE ONLY. Our roundtables examine policy challenges in more depth. As space attendence is by invitation only. Contact james.hallwood@fabian-society.org.uk for	e is limited, more information.

FABIAN SOCIETY

## **ANNUAL REPORT 2011**

#### Suresh Pushpananthan

CHAIR OF THE FABIAN FOCIETY

It has been yet another successful year for the Fabians. We were quick out of the blocks after the General Election to start the process of assessing what went wrong for Labour and learning lessons. Immediately after the election we launched our Next Left conference with Ed Miliband. We have built on our central position in the debate about Labour's future, with some significant interventions over the last year, and will continue to play a key role. People trust our voice in these discussions because of the high quality of our research and the space we provide for non-factional debate on the centre-left. Over the coming year, the Fabians will continue to work hard to inform the Labour Party's policy review process. Our role, as always, will be as a critical friend.

Despite the difficult political and economic times, the Society has continued to grow. This year has seen membership at a record high. The Young Fabians, Local Societies and Fabian Women's Network continue to thrive. The Young Fabians, in particular, have been particularly successful and I wish to congratulate Adrian Prandle on the wonderful work he has done over the past year as Chair.

We have had significant changes in staffing too. Our General Secretary of seven and a half years, Sunder Katwala, has left. I would like to express my gratitude to him for his wonderful stewardship of our Society. I would like to welcome our new General Secretary, Andy Harrop. He brings with him a huge amount of talent and energy. I look forward to the great things that he has planned for the Society. The next year will be an important phase of renewal in the Society's long and distinguished history. I also wish to thank all the staff and the Executive Committee for their great work over the past year.

#### Fabian Executive 2010-11

- Suresh Pushpananthan. Chair of the Executive • Jessica Asato, Vice
- Chair
- Lord Peter Archer, Fabian Society President
- Duncan Bowie, Local Societies Representative
- Martin Brown, Convenor for Scotland
- Nick Butler, Treasurer • David Chaplin, Former Chair of the Young Fabians
- John Denham MP, MP for Southampton Itchen
- James Green, Young Fabian Anticipations magazine editor
- Jonathan Evans, Local
- Society Representative • Alf Dubs, Member of the
- House of Lords • Kate Groucutt, Labour
- Councillor in Islington Sadiq Khan MP,
- MP for Tooting
- Ellie Levenson, Lecturer at Goldsmiths College, London
- Denis MacShane MP,

#### MP for Rotherham • Seema Malhotra

- Director of Fabian Women's Network
- of the Labour Party Irish Society
- Austin Mitchell MP, MP for Grimsby
- Pamela Nash MP, MP for Airdrie and Shotts
- Geraint Owens, Convenor for Wales
- Adrian Prandle, Chair, Young Fabians
- Jenny Rathbone, Labour Assembly candidate, Cardiff Central
- Mari Williams, Assistant Principal at an East London comprehensive
- Sandy Martin, Local Society Representative

#### Young Fabian Executive 2010-11

- Adrian Prandle, Chair
- Sara Ibrahim, Vice-Chair
- Claire Leigh, Treasurer
- Alex Baker, Secretary and Communications Manager

- James Green, Editor, Anticipations
- Marie-Noelle Loewe, International Officer and YF Women lead
- Preth Rao, Member Involvement Officer
- Brian Duggan, Policy Officer
- Vincenzo Rampulla, Officer Without Portfolio
- Steve Race, Equalities Officer
- Anna-Joy Rickard, Membership Officer
- Richard Lane, Social Officer
- Caroline Alabi, Universities Officer
- Daniel Bamford, Networks Officer
- Nick Maxwell, Fundraising and
- Partnerships Officer • Sam Bacon, Regions Officer
- Hetty Wood, Website Officer

#### Fabian Women's Network

 Seema Malhotra, Director

**Research and Publications** 

AgeUK, Barrow Cadbury Trust, Bristol Water, Crisis, Dartmouth Street Trust, Gingerbread, Joseph Rowntree Foundation, Moat Housing, Runnymede Trust, Sembcorp Bournemouth Water, Thames Water, The Webb Memorial Trust, WWF, Wessex Water

Environmental Policy Network National Grid, UKBCSE

#### **Employment Network**

City & Guilds, Reed Employment, Newham Council

Conferences, Receptions, Lectures & Seminars

Altitude 360, European Commission,

Friedrich Ebert Stiftung, Sanofi-Aventis, **Provident Financial** 

#### Labour Party Conference 2010

Avanta, CPÁG , Criminal Justice Alliance, EEF, Electoral Reform Society, FEPS, Food & Drink Federation, Groundwork, ICAEW, IOE, Prison Reform

#### Trade Unions

Amicus, Community, CWU, FBU, GMB, PCS, TGWU, TSSÁ, TUC, TUFM, UNISON, USDAW

#### Partner Organisations

Compass Institute of Education, the Guardian, the Independent, the Observer, E Sharp, Left Foot Forward, Progress, Labour List

• Conor McGinn, Chair

#### Treasurer's Report

This has been a difficult year for the Fabians but thanks to the tremendous efforts of our staff, led by Sunder Katwala, our finances remain in balance and we have adjusted to the realities of opposition politics. I would particularly like to thank Phil Mutero our Finance Manager for his help over the last 12 months.

The most encouraging factor this year has been the sustained level of membership numbers, which rose to a record 7,100 in December 2010. Secure income from subscriptions has enabled us to manage despite a fall in revenue from events which reflects the general political climate. Membership income also enabled us to maintain our independence, avoiding the dependence on solitary large scale donors or business sponsorship on which other organisations so often rely. Financially, as well as in organisational terms, the Fabian Society remains one of the strongest organisations on the political left.

I would like to thank all those who have helped us over the year.

The energy and drive of the Young Fabians in recent years has been remarkable. They are now at the heart of the Society and their strength should give all of us great confidence for the future. I am personally extremely grateful for the sustained support of Suresh as Chair and all the other members of the Executive Committee and the Finance and General Purposes Committee. Our volunteers and those who organise the local societies also deserve our thanks. I would particularly like to acknowledge the considerable help we receive through donations - some of them private and anonymous. Without that support we could not sustain the level of activity reflected in this report.

Many challenges remain. Our staff are not paid well by any standards and there is much political work to be done to help the Labour Party prepare for a return to office. We need to ensure that we have both the premises and the organisational structure appropriate to the challenges of the times. There is much to be done - but thanks to a great collective effort we have come through a very difficult period with our finances in balance and secure.

NICK BUTLER, August 2011

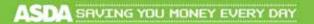
#### Income & Expenditure Account for the Year Ended 30th June 2011

	2011 £	2010 £
INCOME		
Individual Members	181,794	163,148
Institutional Affiliations	34,151	49,390
Donations	38,944	9,497
Publications Sales	2,703	2,896
Conference and Events	169,274	265,822
Publication Sponsorship and Advertisements	59,335	57,051
Research Projects	108,305	84,980
Rents	34,861	29,807
Bank interest	1,173	808
Royalties and Miscellaneous	5,041	-
Total Income	635,581	663,399
EXPENDITURE		
Research Projects	24,904	19,040
Staff Costs	374,120	393,766
Printing and Distribution	58,533	62,780
Conference and Events	93,155	116,839
Promotion	2,995	2,958
Affiliation Fees	2,557	4,817
Postage, Phone and Fax	9,543	10,035
Depreciation	3,387	2,914
Travel	525	240
Other	5,300	5,371
Stationery and Copying	8,443	11,072
Legal and Professional	8,396	8,706
Irrecoverable VAT	908	2,342
Premises Costs	34,526	24,821
Website and Database	8,755	8,445
Total Expenditure	636,047	674,146
(Deficit) Before Tax and Transfers	(466)	(10,747)
Transfers from Reserves		
(Deficit) before Taxation	(466)	(10,747)
Corporation Tax	-	-
(Deficit) for the Year	(466)	(10,747)

An extended Fabian annual report 2011 is available at www.fabians.org.uk. Hard copies of this will be circulated at the AGM. Any member who does not have internet access can request a printed copy of the extended report from the Fabian office. The Fabian financial year runs from July 1st 2010 to June 30th 2011 and the financial information in this report covers that period. This report is presented to the Society's AGM, which takes place on 12th November 2011.

## A national retailer supporting UK agriculture and local communities.

We see the farmers we work with as partners, not just suppliers. We strive to develop close working relationships with them, to make sure our local communities get the support they need and our customers get the best quality products available.





#### LABOUR PARTY CONFERENCE POLICY ROUNDTABLE

## A green future for business? Is it time for a Carbon Tax?

Monday 26th September, West Reception Room, Liverpool Town Hall, Morning Session

- How do we balance the need to fight climate change with support for important sectors of the economy such as manufacturing?
- What are the best tax, regulatory and individual policy regimes to achieve this balance? How can we ensure a 'level playing field' internationally?
- What can we do to ensure Britain is best-placed to take advantage of the new opportunities that the green economy can provide?

#### SPEAKERS:

- Luciana Berger MP
- **Simon Bullock** (Friends of the Earth)
- Peter Madden (Forum for the Future)
- Steve Radley (EEF)

FABIAN SOCIETY



The manufacturers' organisation

This event is invitation only. Please contact james.hallwood@fabian-society.org.uk

## **Friends Provident Foundation**

**Friends Provident Foundation** is an independent charity working to improve access to appropriate financial services for those who are currently excluded, particularly those on low incomes or who are otherwise vulnerable to market failure. We explore:

- the causes of financial exclusion;
- how financial systems can offer both social and economic benefits;
- how money can be used to solve social problems.

The Foundation's website includes information on current work, and pdfs of all our published research. For more information contact FPF on 0845 26 83388.

#### www.friendsprovidentfoundation.org





## SUPPORTING FAIR ACCESS TO THE FINANCE AND ACCOUNTANCY PROFESSION

ICAEW recognises the role of the professions in promoting economic and social progress.

We deliver career development activities using our extensive client and partnership network and develop talented young people enabling them to become the entrepreneurs and business leaders of tomorrow.

ICAEW works with policymakers, students, teachers and careers advisers to support fair access to a career as an ICAEW Chartered Accountant.

To learn more please visit icaew.com/policy



BUSINESS WITH CONFIDENCE

### NOTICEBOARD

#### AGM

When: Saturday 12th November 2011 Venue: Conference hall, The Mary Sumner House (Mother's Union), 24 Tufton Street, London , SW1P 3RB

#### Agenda

- 13.00 Doors open
- 13.15 Debate
- 14.15 Tea, coffee and cakes
- 14.45 Annual General Meeting
  - 1. Apologies
  - 2. Minutes of 2010 AGM
  - 3. Matters Arising
  - 4. In Memoriam
- 5. Election results
- 6. Annual Report 2010-11
- 7. Forward programme and General Secretary's Report
- 8. Appointment of Auditor
- 9. Treasurer's Report
- 10. Date of next AGM
- 11. Jenny Jeger Prize
- 12. AOB
- 1600 Close of meeting followed by an informal social at the The Sanctuary, 33 Tothill, Street, Westminster

#### AGM Resolution

Peter Stern: To implement the resolution (below), passed at the Annual General Meeting 2008, this Annual General Meeting calls on the Executive Committee to set up a sub-committee, consisting of EC members and non-EC members, to look at ways in which the 2008 resolution can be put into effect and to make suggestions accordingly. The resolution passed at the Fabian Society AGM 2008 said: 'In view of the increasing complexity of world conditions, this AGM urges the Executive Committee to initiate a wide-ranging debate, involving all sections of the Society, to discuss its future and the ways to make it fit-for-purpose in the 21st century."

#### Proposed by the Treasurer and Executive Committee

The annual rate of subscription for members and associates shall be £38.00; for members and associates who pay by Direct Debit the annual rate of subscription shall be £36.00. Students, retired people and the long-term unemployed may subscribe at £19.00; or £18.00 for those who pay by Direct Debit.

#### Fabian Fortune Fund

Winners: Sally Jenkinson, £100; Richard Porter, £100. Half the income from the Fabian Fortune Fund goes to support our research programme. Forms available from Giles Wright, giles.wright@fabian-society.org.uk

#### Save the Date: Fabian New Year Conference

Saturday 14th January 2012 Tickets available now at www.fabians.org.uk

## LISTINGS SEPT 2011

#### **REXIEY**

Regular meetings. Contact Alan Scutt on 0208 304 0413 or alan.scutt@ phonecoop.coop

#### BIRMINGHAM

All meetings at 7.00 in the Birmingham and Midland Institute, Margaret Street, Birmingham. Details from Claire Spencer on virginiaisawithc@gmail.com

#### **BOURNEMOUTH & DISTRICT**

All meetings at The Friends Meeting House, Wharncliffe Rd, Boscombe, Bournemouth at 7.30. Contact lan Taylor on 01202 396634 for details or taylorbournemouth@gmail.com

BRIGHTON & HOVE Saturday 29 October at 5.00. Suresh Pushpananthan, Chair of the Fabian Society on'The Future of the NHS'. Friends Meeting House, Ship St, Brighton Details of this and all meetings from Maire McQueeney on 01273 607910 email mairemcqueeney@waitrose.com

#### BRISTOL

New Society formed. Contact Ges Rosenberg for details on cgrosenberg@ tiscali.com

#### CAMBRIDGE

Dertails from Kenny Latunde-Dada cambridgefabiansociety@hotmail.co.uk

#### CAMDEN

New Society forming. Contact Tristan Stubbs for details at tristanstubbs@ hotmail.com

#### CARDIFF AND THE VALE

Details of all meetings from Jonathan Wynne Evans on 02920 594 065 or wynneevans@phonecoop.coop

#### CENTRAL LONDON

Regular meetings at 7.30 in the Cole Room, 11 Dartmouth Street, London SW1A 9BN, Details from Giles Wright on 0207 227 4904

#### CHISWICK & WEST LONDON

22 September. Simon Wright on' Refounding Labour – a Look Ahead to the 2011 Party Conference'. 8 December. AGM and speaker, Andy Harrop, General Secretary, Fabian Society.8.00 Committee Room, Chiswick Town Hall. Details from Monty Bogard on 0208 994 1780, email mb014fl362@blueyonder.co.uk

#### COLCHESTER

Details from John Wood on 01206 212100 or woodj@madasafish.com Or 01206 212100

#### **DARTFORD & GRAVESHAM**

Details from Deborah Stoate on 0207 227 4904 email debstoate@hotmail.com

Details for meetings from Alan Jones on 01283 217140 or alan.mandh@ btinternet.com

#### DONCASTER AND DISTRICT

New Society forming, for details and information contact Kevin Rodgers on 07962 019168 email k.t.rodgers@ amail.com

EAST LOTHIAN Details of this and all other meetings from Noel Foy on 01620 824386 email noelfoy@lewisk3.plus.com

#### FINCHLEY

22 September. Judy Downey (Chair of the Relatives and Residents Association) on 'Residential Care and the Human Rights of Older People'. **24 November.** AGM with speaker Glenys Kinnock on 'International Development'. Enquiries to Mike Walsh on 07980 602122

#### GLASGOW

Now holding regular meetings. Contact Martin Hutchinson on mail@liathach.net

#### GLOUCESTER

Regular meetings at TGWU, 1 Pullman Court, Great Western Rd, Gloucester. Details from Roy Ansley on 01452 713094 email roybrendachd@yahoo.co.uk

#### GREENWICH

New Society forming. If you are interested in becoming a member of this local Society, please contact Chris Kirby on ccakirby@hotmail.co.uk

#### GRIMSBY

Regular meetings. Details from Maureen Freeman on m.freeman871@btinternet.com

#### HARROW

Details from Marilyn Devine on 0208 424 9034. Fabians from other areas where there are no local Fabian Societies are very welcome to join us.

#### HAVERING

15 September. Margaret Hodge MP 17 October. Stephen Twigg MP on 'The Arab Spring'. Details of all meetings from David Marshall email david.c.marshall. t21@btinternet.com tel 01708 441189

HORNSEY AND WOOD GREEN

New Society forming. Contact David Chaplin – chaplind@gmail.com

#### **ISLINGTON**

For details of all meetings contact Dab Stacey on dan\_stacey\_uk@hotmail.com

New Society forming. If you would like to become a member of this new Local Society, please contact Bryony King on bryonyvictoriaking@hotmail.co.uk

#### **I FICESTER**

New Society forming. Please contact Annie Moelwyn-Hughes on anniemh@ tiscali.co.uk

#### MANCHESTER

Details from Graham Whitham on 079176 44435 email manchesterfabians@

### FABIAN QUIZ



googlemail.com and a blog at http://gtrmancfabians.blogspot.com

#### MERSEYSIDE

(Formerly Wirral Fabian Society) Anyone interested in forming a new Fabian Society, please contact Phillip Brightmore at p.a.brightmore@gmail.com

#### MIDDLESBOROUGH

New Society hoping to get established. Please contact Andrew Maloney on 07757 952784 or email andrewmaloney@hotmail.co.uk for details

#### MILTON KEYNES

Anyone interested in helping to set up a new society, contactDavid Morgan on jdavidmorgan@googlemail.com

#### NEWHAM

Regular meetings. Contact Tahmina Rahman – Tahmina\_rahman\_1@hotmail. com

#### NORTHUMBRIA AREA

For details and booking contact Pat Hobson at pat.hobson@hotmail.com

#### NORTHAMPTON AREA

New Society forming. If you are interested in becoming a member of this new society, please contact Dave Brede on davidbrede@yahoo.com

#### NORTH STAFFORDSHIRE

Any Fabian interested in joining a North Staffordshire Society, please contact Richard Gorton on r.gorton748@ bitinternet com

#### NORWICH

Society reforming. Contact Andreas Paterson – andreas@headswitch.co.uk

#### NOTTINGHAM

**15 September.** Lord Maurice Glasman on 'What Blue Labour can opffer the Left'. UNISON, Vivian Avenue, Nottingham NG5 1AF. New Society forming. Contact Dr Arun Chopra – arunkchopra@gmail.com

#### PETERBOROUGH

Meetings at 8.00 at the Ramada Hotel, Thorpe Meadows, Peterborough. Details from Brian Keegan on 01733 265769, email brian@briankeegan.demon.co.uk

#### PORTSMOUTH

Regular monthly meetings, details from June Clarkson on 02392 874293 email june.clarkson@ntlworld.com

#### **READING & DISTRICT**

For details of all meetings, contact Tony Skuse on 0118 978 5829 email tony@ skuse.net

#### SHEFFIELD

Details and information from Rob Murray on 0114 255 8341or email robertljmurray@hotmail.com

#### SOUTH EAST LONDON

28 September. Heidi Alexander MP.

**26 October.** Cllr Sally Prentice on 'Regeneration on South London' 30 November. Loretta Minghella, Director of Christian Aid. Regular meetings; contact Duncan Bowie on 020 8693 2709 or email duncanbowie@ yahoo.co.uk

#### SOUTHAMPTON AREA

For details of venues and all meetings, contact Eliot Horn at eliot.horn@ btinternet.com

#### SOUTH TYNESIDE

For information about this Society please contact Paul Freeman on 0191 5367 633 or at freemanpsmb@blueyonder.co.uk

#### SUFFOLK

**6 October.** Peter Keating on'European Integration – What the past can tell us about the present Crisis in Europe'. Regular monthly meetings, details from John Cook on 01473 255131, email contact@ipswich-labour.org.uk

#### SURREY

Regular meetings at Guildford Cathedral Education Centre Details from Maureen Swage on 01252 733481 or maureen. swage@btinternet.com

#### TONBRIDGE AND TUNBRIDGE WELLS

For details of this and other meetings contact John Champneys on 01892 523429

#### TYNEMOUTH

Monthly supper meetings, details from Brian Flood on 0191 258 3949

#### WARWICKSHIRE

22 September. AGM. 20 October Lord Maurice Glasman on 'Blue Labour' 18 November. Lord Willy Bach on 'Access to Justice'. All meetings 7.30 at the Friends Meeting House, 28 Regent Place, Rugby Details from Ben Ferrett on ben\_ferrett@hotmail.com

#### WEST DURHAM

The West Durham Fabian Society welcomes new members from all areas of the North East not served by other Fabian Societies. It has a regular programme of speakers from the public, community and voluntary sectors. It meets normally on the last Saturday of alternate months at the Joiners Arms, Hunwick between 12.15 and 2.00pm – light lunch £2.00 Contact the Secretary ClIP Professor Alan Townsend, 62A Low Willington, Crook, Durham DL15 OBG, tel, 01388 746479 email Alan.Townsend@dur.ac.uk

#### WIMBLEDON

New Society forming. Please contact Andy Ray on 07944 545161or andyray@blueyonder.co.uk if you are interested.

#### YORK

Regular meetings on 3rd or 4th Fridays at 7.45 at Jacob's Well, Off Miklegate, York. Details from Steve Burton on steve. burton688@mod.uk



#### HONEY MONEY: THE POWER OF EROTIC CAPITAL Catherine Hakim

Honey Money is LSE sociologist Catherine Hakim's controversial call for us to recognize the economic and social value of erotic capital, and truly acknowledge beauty and pleasure. She argues this will not only change the role of women in society, getting them a better deal in both public and private life – it could also revolutionize our power structures, big business, the sex industry, government, marriage, education and almost everything we do.

Penguin has kindly given us five copies to give away. To win one, answer the following question:

#### What percentage of FTSE 100 company directors were female in 2010?

Please email your answers and your address to: review@fabian-society.org.uk

or send a postcard to: Fabian Society Fabian Quiz 11 Dartmouth Street London SW1H 9BN

Answers must be received no later than Friday 25 November 2011



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