

FABIAN REVIEW

The quarterly magazine of the Fabian Society

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ON ANOTHER PLANET

*Our new poll shows how we can bring politics back down to earth, with Katie Ghose, Peter Kellner, Lisa Nandy and Ed Wallis **p8** / Interview: "Opposition politics is about storytelling" Jon Cruddas tells Mary Riddell **p14** / Essay: Geoff Mulgan on the long-term economy **p18***

Usdaw's Freedom From Fear Campaign seeks to prevent violence, threats and abuse against shopworkers.

Research carried out by the British Retail Consortium highlighted that in the last year incidents of violence and verbal assault against retail staff increased by 83% on the previous 12 months.

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FABIAN REVIEW

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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.

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Primary colours

Rather than interesting ideas, Labour must set out a handful of signature proposals that exemplify how and why it would govern—*Andrew Harrop*

IT'S BECOME WELL known that Labour's solid lead in the opinion polls is down mainly to the backing of left-leaning former Liberal Democrats. In 2012 Ed Miliband has proved he can unite socially liberal, egalitarian voters and that there could be enough of them to carry him to Downing Street.

No doubt if the Lib Dems remove Nick Clegg before 2015 some former supporters will return. But it would take a huge reversal for the Conservatives to end up with a majority. In 2010, after all, they could not win despite a seven per cent lead over Labour.

Commentators have been slow to catch up with the electoral maths, but in the year ahead the media will have to learn to write of Miliband as a conceivable, even probable, prime minister. The Labour party however must not settle for the script the pundits are busy writing, where it limps into office as a minority party dependent on others to govern.

Instead in the 12 months ahead Miliband must turn his attention to potentially sympathetic voters he's failed to win so far, and there are plenty of them out there. Fabian research found that a quarter of British adults did not vote Labour in 2010 but are prepared to consider the party next time. Encouragingly, their views on the economy and public services are much closer to those of Labour than Conservative supporters. But only one-in-three of this group currently back Labour despite Miliband's lead in the polls.

Winning a convincing working majority will depend on attracting more of them over, especially two types of 'Labour-ambivalent': people who didn't vote at all in 2010 and floating voters who liked David Cameron but not his party.

These potential supporters are the least ideological of voters so the answer is not a turn to the right, a move which would simply alienate the support Miliband has

already amassed. Instead Labour must do two things: re-learn the language of the doorstep and prove it has a plan for Britain.

Too few people will vote Labour if the party presents itself simply an empty vessel for their discontents with a shambolic government. Ambivalent voters will only be won round in sufficient number by a positive alternative and purposeful leadership. This requires Labour to offer substantive promises not just interesting ideas, fascinating as 'pre-distribution', 'the squeezed middle' and 'responsible capitalism' may be to those of us who attend Westminster seminars.

Instead, in the year ahead Labour must set out a handful of big, signature proposals that exemplify how and why it would govern, what marks it out from the coalition and how people's lives would change. The candidates for Labour's plan include free childcare, a national care service, a living wage, a job guarantee scheme for the young or a huge housebuilding programme (each with credible funding plans attached).

Miliband's model must be 1945 or 1979, when the winning party entered the election with a clear policy programme which captured the public zeitgeist but also heralded a rupture with the past.

Alongside that, Labour needs to reassess how it looks and feels. Today its spokespeople still sound like middle-ranking ministers, the parliamentary party a tribe of professional politicians. To reconnect Labour must reimagine itself as an insurgent force speaking for the people, not a political caste speaking at them, as our new YouGov poll makes clear elsewhere in this magazine.

Ed Miliband and those around him understand that the practice of Labour politics must change. Now to make it happen he must order his MPs to get out of Westminster, organise locally, listen better and speak 'human'.

Shortcuts



HOW HAS YEAR TWO BEEN FOR ED?

Ed Miliband has made headway in polls this year but needs to set out his stall beyond Westminster —*Deborah Mattinson*

This time last year, my BritainThinks' colleague, Ben Shimshon, and I wrote a piece for the conference *Fabian Review* where we identified year two as a critical year in the life of the opposition and its leader. We pointed out that, whatever their popularity when they first took office, all leaders of the opposition since Tony Blair have taken a similar, downward trajectory in their first year in the job.

In year two, the least successful candidates – William Hague and Iain Duncan

Smith – having started on that downward path, continued into freefall, while the more successful ones – Michael Howard and David Cameron – began to recover. Ed Miliband's favourability ratings through his first year followed this familiar pattern, dropping from +9 per cent to -17 per cent. The critical question now is whether he has managed to reverse the trend.

At first sight, the data is reasonably encouraging. Although Miliband's year has been mixed, and he suffered a reputational dip in January, he has made an admirable recovery and a poll of polls shows a small improvement year-on-year. At the time of writing, the most current poll, ICM for *The Guardian* shows the favourability deficit reduced to -13 per cent. And he is consistently polling ahead of David Cameron who has moved into an entrenched negative position.

But the devil is in the detail. Our recent survey has repeated questions first asked a year ago, rating each leader against key attributes. Cameron 'wins' on being a good communicator, and on being decisive. He also leads on 'does what he believes to be right, even when those decisions are unpopular'. By contrast, Miliband's strengths lie in empathy and listening – results that

explain his stronger performance amongst women voters, who tend to place greater premium on these qualities when judging a leader. As might be expected for a Labour leader, Ed is ahead on 'putting the interests of working people first'.

However, the poll reveals two striking findings. The first is that the highest score for all three party leaders when the public are asked to rate them against the most salient leadership criteria is 'none of the above'. It is the battle to be the least disliked rather than the most popular. Ed is winning this battle but he now needs to move in to a more positive place.

Fewer than half say that 2012 has been a good year for themselves and their families. Almost a third say that it has been a bad year

The second observation is that, while the Westminster Village scrutinises and celebrates (or bemoans) small changes up or down, voters are much more consistent. Repeating these rating questions year-on-year shows no significant change for either leader. People are slow to judge and even slower to change their minds. Few initiatives from either side have cut through.

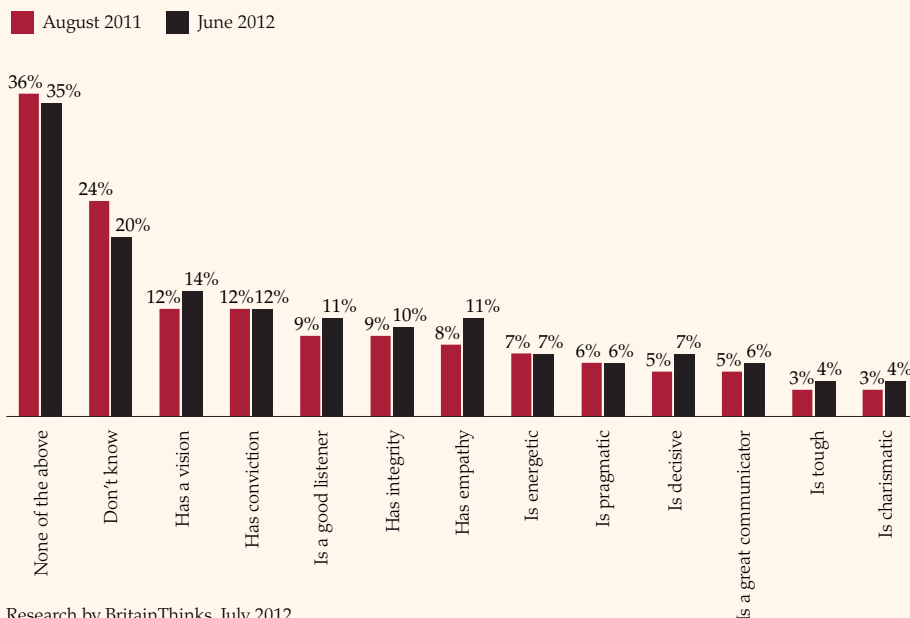
More in depth qualitative research explains why. Most voters still do not know what either leader stands for. Cameron has failed to convey his mission beyond dealing with the deficit (and he is not seen to have succeeded at that). Miliband, while making headway in neutralising his negatives from January, still has much to do in setting out his stall beyond Westminster.

Last year we stressed the importance of showing leadership on the difficult issues that were dominating ordinary voters' lives: jobs, prices, schools and hospitals. They still are. People are not translating Olympics feel-good into a positive outcome for themselves and their family. Fewer than half say that 2012 has been a good year for themselves and their families. Almost a third say that it has been a bad year. They feel let down and disillusioned by all politicians. That is the challenge for year three. **F**

Deborah Mattinson is Founder Director of BritainThinks

"Miliband's strengths lie in empathy and listening"

Q. Please select up to three characteristics which you think apply most to Ed Miliband



Research by BritainThinks, July 2012



OUT OF THE TRENCHES

Labour might win a few skirmishes trying to trip up the coalition, but won't win the enthusiasm of the electorate—*David Lammy*

I am not a pessimist, but scratch away at the patina of Olympic greatness and there is a nation stagnating. For at least the near future, the Great British public will have to endure soaring unemployment, shrinking public services and plummeting real wages.

The politics of insecurity is nothing new. For the past thirty years, governments have had to manage Britain into a more globalised world, with more insecure terms of employment, identities faded in the face of increased immigration and more atomised communities. But rather than build lasting solutions, successive governments have instead opted for a grand bargain with the electorate where all the downsides of a more global world were more than met by increased consumer power and rising disposable incomes.

The financial crisis abruptly ended the bargain and, meanwhile, the political class has floundered. The failure to lift the country out of the doldrums is at the stem of collapsing interest in politics. What matters is what works, and we're not working.

There is no light at the end of this tunnel and those responsible for the crash remain unreformed, unpunished and unrepentant. Politicians appear to preside over a rigged society where those at the very top line their own pockets at the expense of everyone else.

At first glance, this should herald a prosperous era for the centre-left, whose self-declared project is to shift power, wealth and opportunity into the hands of the many. Indeed, Ed Miliband has skilfully (and bravely) carved out a message that voices the anger of the electorate with those at the top and he has done it with conviction, over phone hacking and LIBOR fixing.

Yet that anger is difficult to harness when so many of the public have lost faith with the entire political system as well as with the present government. Fewer than one in four believe that our current system of government is in any way effective and less than a third believe that involvement in



politics will make a difference. We can no longer expect to stand on the soapbox in town centres or pitch up on cuddly breakfast TV and expect the audience to patiently listen to political posturing. We have to earn the right to be heard.

In Westminster, the Labour party plots new ways to bring down the government and the dynamics of coalition politics make it a daily sport

The danger is that we think we can get away without trying. In Westminster, the Labour party plots new ways to bring down the government and the dynamics of coalition politics make it a daily sport. In that vein we have shown some leg to the Liberal Democrats by denouncing some of the more illiberal policies of our time in government. We have teased out division in Conservative ranks by publicly flirting with the idea of an in/out EU referendum. We even found a technicality to stop us supporting Lords reform in order to strike discord at the heart of the coalition. This is the day-to-day life of politics in the trenches of the opposition and the Parliamentary Labour Party does it well – the abandoned boundary review being its latest scalp. We may win a few skirmishes in the inside pages of broadsheet newspapers but we will not win the confidence or the enthusiasm of the electorate.

History tells us we cannot win without it. Attlee witnessed the colossal destruction of war and promised to build a 'new Jerusalem' for peacetime. Wilson spied that Britain was on the cusp of modernity and spoke of the 'white heat of technological revolution'. Blair surveyed a country transformed after 18 years of Thatcherism and proclaimed that economic efficiency and a strong society could no longer be mutually exclusive. The old adage that oppositions do not win elections, governments lose them does not hold true for the left. Each successful Labour opposition captured the imagination of a public desperate for change and they won because they forged a purpose fit for its time. What is certain is that we cannot afford to go to the country with a manifesto that reads like a telephone book or a message as feeble as 'we will cut enough to be credible but not so much as to appear cruel (where possible)'.

The public expects its oppositions to be strong, united and effective. It wants its representatives to understand and articulate their anger of the inaction of the past few years. That we have done and we have done it well. But they also yearn for a narrative that isn't premised on managed decline – they want to hear a plan for national renewal. We are living through the most difficult years of my lifetime politically, socially and economically. We have to rise to the moment. **F**

David Lammy is MP for Tottenham



POLICY-MAKING AFTER THE CRISIS

Our current condition is one of clinging on to security blankets, while no longer believing that they will keep us secure—*William Davies*

Economists have discovered a new fondness for pointing out that many situations are ‘uncertain’, and not simply ‘risky’. This distinction concerns whether or not the future can be subjected to mathematical, probabilistic calculation. Hence, credit rating agencies claim to know from studying data what the *risk* is of a given company defaulting on its debt; by contrast, the economic returns of much research and development are *uncertain* and impossible to model.

Times of economic crisis, as we are currently living through, appear to render uncertainty endemic. Profound questions are posed regarding otherwise unquestioned institutions, such as how firms are to be structured, what is the appropriate role of the state, how money is to be produced.

Politicians can – and eventually must – contribute to this more fundamental scepticism. Ed Miliband took a gamble in his 2011 conference speech by criticising a whole form of capitalism, radically expanding the sphere of policy debate as he did so. It could have backfired, had it been interpreted as an appeal to state socialism. Instead, rival political leaders scrambled to occupy the fresh territory that this speech opened up.

Politicians willing to engage in such debates must understand a few salient features of these historic crises. Firstly, policy is only one of many contributors to how they develop and then resolve themselves. One reason why Miliband was courageous in posing a challenge to finance capitalism was that no government or policy programme can easily or quickly resolve its various problems. He made himself vulnerable to the charge that he lacked any alternative programme, as indeed we mostly all do right now. But unless the problem itself is named, then there can be no political response.

Secondly, the duration of crises is also radically uncertain. Looking back over

history, ‘long wave’ theorists of capitalist development have noted certain rhythms and commonalities of how growth and stagnation alternate. But we still don’t know when or on what basis we will be able to say that this economic crisis has ended.

Thirdly, ideas and language suddenly take on a new significance: part of the uncertainty that is generated by a crisis is in how to describe, interpret and measure events. Narratives suddenly compete against each other. Again, politicians have an opportunity here. How a crisis is framed is one factor in how it ends up being resolved.

We still don’t know when or on what basis we will be able to say that this economic crisis has ended

What all the new doyens of uncertainty tend to miss, however, is the simultaneous *banality* of crises. Clearly the world is not in so much upheaval that it has ceased to function altogether. Money still changes hands. Shareholders still receive dividends. Public services are still running. Regulators still regulate. This is because failed institutions rarely fail altogether, at least not unless (as with a bankruptcy) this is publicly affirmed.

Most situations are both *risky and uncertain*. Risk is not something that resides in things themselves, but a mathematical tool that people use to impose some coherence on an otherwise haphazard world. Our current malaise resides in the fact that many tools of risk assessment are both discredited by this crisis, and yet necessary for the day-to-day functioning of institutions. The notion of risk is central to how modern societies understand the interaction of the micro and the macro. For instance, nobody would speak of heart disease as mere ‘bad luck’ any longer. On the other hand, the financial crisis was entirely unforeseen by risk analysis, and confidence in experts to keep us secure is low. Our condition is one of clinging on to security blankets, while no longer believing that they will keep us secure.

The crucial political judgement in 2012 lies in gauging exactly how much security and insurance can be reasonably offered. On the one hand, institutions are undergoing a legitimacy crisis, and are ripe for political transformation. On the other, institutions are the only defence against fear, and work best when they are not constantly questioned. As with the efforts to divide ‘good’ banking from ‘bad’ banking, politicians need to draw a line between those institutions that are

to be propped up and defended, and those institutions that require critical and political transformation. Uncertainty is potentially exciting, if it can be wedded to hope. But meaningful jobs, relationships and civic interactions are those which are reasonably predictable or guaranteed – if such predictions and guarantees can be honestly made. **F**

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MAKING OUR REPRESENTATIVES MORE REPRESENTATIVE

It’s no coincidence that fewer people are interested in a politics that is dominated by people they cannot relate to—*Hazel Blears*

Over recent years parliament has become dominated by a political class, the dominance of which has helped to put people off politics. They see Westminster as being divorced from real life, and they believe – often correctly – that the things we discuss in parliament do not reflect their concerns.

The reason that debate in parliament is often out of step with the public is because the people who make up our legislature are not representative of the public as a whole. The growth of the Westminster Village – including think tanks and lobbyists – has exacerbated this problem.

In government I warned of the creation of a “transmission belt,” by which I meant the development of a career route in which someone begins working for an MP, before becoming a special adviser, then being parachuted into a safe seat and finally ending up serving in the cabinet.

In 1970 just 3 per cent of our MPs came from a political background; by 2010 this has risen to 24 per cent. Whilst political insiders have been using their networks and knowledge to find a passage into safe parliamentary seats, the consequence has been the decline of the working class MP. >>

>> 2010 saw a rise in the percentage of MPs educated privately for the first time since 1983. Whilst the easy argument to make is that this is a result of more Tory MPs being elected, the reality is that the Labour party is hardly a beacon of equality.

It's no coincidence that fewer people are interested in a politics that is dominated by people they cannot relate to, and a lack of working class candidates helps to explain why turnout is so low in many working class communities. The Hansard Society found that people feel more comfortable electing someone they think is like them, and the divide between the public and politicians is growing.

Last year I set up the Speaker's Parliamentary Placements Scheme to ensure that people from working class backgrounds who are interested in politics can have the chance to work in parliament. This provides support and opportunities to those who are passionate about politics but wouldn't normally have the opportunity to put that passion into practice.

This is a good start, but we need to look at our selection processes to ensure that

people from all backgrounds are given the opportunity to stand for parliament.

To encourage working class people to become MPs Labour needs to change the emphasis of selection processes. Currently selections focus on management and communication skills – inherently middle-class. This focus can put off people from working class backgrounds, and we need to remember that these skills can be taught and learnt. There is no reason that the current crop of MPs should not be tasked with mentoring would-be candidates to ensure that we have a more diverse range of members of parliament.

We need to show the public that we are in touch with their concerns, are acting on the things that they believe are important, and that we will govern on their behalf

The cost of selection and election campaigning can also be extortionate – the Speaker's Conference estimated that

the cost of being a candidate can run past £40,000. To meet this, Labour must consider setting aside a fund to support those from disadvantaged backgrounds. The Speaker's Conference report suggested this on a cross-party basis, but the reality is that progress has stalled and Labour should be taking the lead on this issue. We claim to represent the working class – we should let them represent us too.

Building a more representative politics is essential if we are to be re-elected. We need to show the public that we are in touch with their concerns, are acting on the things that they believe are important, and that we will govern on their behalf. This means looking at the lack of affordable housing, care for the elderly and people being forced to work multiple jobs to make ends meet. This can only happen when parliament looks and feels more like the people it is supposed to serve, and Labour must lead the way by breaking down barriers facing working class candidates to build a politics that connects with voters in 2015. **F**

Hazel Blears is MP for Salford and Eccles



BEWARE OF ZOMBIES

Many 'new' ideas in the public sector turn out to be old hat tricked out in new finery—*David Walker*

In recent years the public sector has been attacked by a virulent bug called neophilia, defined in my medical dictionary as a fixation with the new, the trendy, the 'transformative'. The dictionary adds: neophilia is a disease preceded by acute symptoms of panic and stress.

The cause is a loss of intellectual confidence, a failure of nerve – a fear (on the part of the left) that we are on the wrong side of history. The disease seems to persist, despite the collapse not just of markets but of the ideas base on which market ideology has subsisted. So we still hear 'reform' being touted as the solution for public sector ills, meaning the

introduction of the very market norms that have imploded in banking and finance; we still see veneration of 'choice' when public provision rests on necessary uniformity; we hear attacks on professionalism when one of the strengths of the public sector is to muster expert knowledge for public benefit.

What is worse is that many of the 'new' ideas turn out to be old hat tricked out in new finery. Because the public sector has, intellectually speaking, been on the back foot for so long, it has been unable to build up resistance to a peculiar class of parasite, the zombie idea. The phrase was coined by Professor Alan Maynard of York University for how, especially in the health service, old discredited ideas about competition keep reappearing despite empirical evidence, despite trial and failure.

Of course conventional wisdom should be challenged. But on the basis of experiment, empirical caution and a profound understanding of the inherent complexity of public sector organisations subject to democracy, fiscal control and often hyper active multiple accountability.

That's what has been missing as the public sector has sucked up to gurus, consultants and ... think tanks. Examples:

contractorisation, commissioning, localism, devolution, performance related pay, 'lean', 'Six Sigma', 'total quality management', public value, choice ... transformation, 'governance'.

In their study of private sector management Jeffrey Pfeffer and Robert Sutton (*Hard Fact, Dangerous Half Truths and Total Nonsense*, 2006) describe the neophiliac condition. Related to the desire for new is the desire for big – the big idea, the big study, the big innovation. Unfortunately, they rarely if ever happen. Even in the physical sciences, close examination of so-called breakthroughs nearly always reveals painstaking, incremental work that finally is recognised as a big insight.

Public services have to adapt, to changing demography, to financial opportunity and constraint. But let's be suspicious of breakthrough ideas and realistic about timetables for change. Bright ideas are welcome but let's save the 'silver bullets' for the Lone Ranger and Tonto. **F**

David Walker is contributing editor to the Guardian's Public Leaders Network and former director of public reporting at the Audit Commission



HEADING FOR THE DITCH?

If Labour spends too much time in the middle of the road, it risks getting run over—*James Harkin*

As mainstream culture crumbles and the internet gives us the chance to bunch around the stuff we really enjoy, many of us are congregating in enthusiast communities around everything from coffee to quilt-making. Let loose in these ‘communities’, our initial curiosity is massaged by other enthusiasts into something approaching fandom.

Perhaps the best thing about enthusiast communities, however, is that they only bother to flock around stuff that they really, really love – which means that the whole heap of stuff in the middle that no-one is really mad about, everything from bog-standard Hollywood films to bog-standard coffee shops, is coming under threat. Starbucks, for example, is losing ground to small independent coffee shops on both sides of the Atlantic and is trying to do something about it. So are middle-of-the-road Hollywood films that no one can be bothered to tweet about.

Like beached whales, even if they could swallow an audience of floating voters whole, from now on it was going to very difficult to hold them down

Something very similar is happening in politics, too. In the early stages of Barack Obama’s campaign for the presidency, it would be difficult to over-estimate the extent to which his team circumvented the traditional structures of the American Democratic party in favour of cultivating a core group of followers who really believed in his message. By spending time talking to each other around a website, so-called ‘Obamamaniacs’ were able to reinforce each other’s loyalty to the campaign and motivate themselves to grow the flock. Then came the Tea Party, another mediated interest group wreaking the same kind of havoc in the upper echelons of the Republican Party.



© Dave Young

None of this could have happened were it not for the fraying of the middle ground. In my book *Niche* I grapple with the “missing middle” in all its guises – the problems which beset middlebrow culture, the disappearance of a certain kind of department store retail, the crisis of the mainstream media and the slow death of mainstream political parties. It’s only by understanding the changing political economy in which institutions operate that we can hope to reinvent them for a new era. It’s clear, for example, that the last half-century has seen a steady, painful decline in the membership of British political parties. Since the zenith of their popularity in the 1950’s, for example, the two major British political parties have undergone a relentless spiral of decline. Between the beginning of the 1960’s and the end of the 1980’s, the percentage of the British electorate marshalled in mainstream political parties fell from 9.4 per cent to 3.3 per cent. When Tony Blair won the leadership of the Labour party in July 1994, he mounted a spirited campaign to reverse the tide. For the first four years his campaign to recruit new party members looked like a stroke of genius, and succeeded in swelling party membership by 40 per cent. The problem was that most of the new arrivals felt no real affinity with the Labour party, and most of them left soon after it entered government in 1997. From a relative peak of 405,000 in that year, according to figures it submitted to the

Electoral Commission, Labour membership fell to 156,000 in 2010.

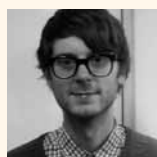
The Labour party had deliberately opened its mouth wide to gobble up a new generation of party members, but no sooner had it caught them than they began to wriggle away. As much as department stores like Woolworths, political parties had spent years edging their way towards the middle ground in search of the widest possible audience. No sooner had they arrived there, however, than they realised that they’d become perilously difficult to distinguish from one another – that they’d begun to look generic. And that, in a way, only made things worse. Like beached whales, even if they could swallow an audience of floating voters whole, from now on it was going to very difficult to hold them down. When Ed Miliband offered membership of the Labour party to anyone under the age of 27 for a penny, he was implicitly recognising that mainstream political parties have become cheap and generic – the political equivalent of a supermarket own brand.

If the Labour party is really going to renew itself, it can’t rely on selling itself cheap, reaching out to unreliable intellectual mavericks, or sending out messages on Twitter. Somehow it’s going to have to grow a fresh new political niche. **F**

James Harkin is Director of the strategic research agency Flockwatching. His book Niche: The Missing Middle and why business needs to specialise to survive, is newly published in paperback by Little, Brown

Another planet

Before we can persuade non-voters that politics is worth saving, it needs to say something to them about their lives writes *Ed Wallis*



Ed Wallis is Editor of the Fabian Review

THERE IS A danger that politics is becoming detached from people at the very time they need it most. With tough economic times leaving lives increasingly insecure, the democratic process should be a vehicle through which people's concerns can be voiced and addressed. But politics is no longer seen as having any answers to the big questions people are asking.

Yet our new YouGov polling – featuring the first detailed study of non-voters since the last general election – suggests it would be a mistake to think that people have given up entirely on democracy; but the disconnection has deep roots, probably unreachable by the structural reforms our leaders tend to offer as solutions. What's rotten is the culture – the way our parties do politics.

Because people so rarely interact with politicians, we asked them to imagine a situation where they did. If you were on a long train or plane journey and an MP sat down next to you, would you talk to them? 44 per cent said no and only 49 per cent said yes. This was a much more negative response than for other professions: 72 per cent would be pleased to sit next to a well-known actor or pop star, 68 per cent a doctor or teacher, and 63 per cent an electrician or plumber. One slither of satisfaction for MPs is that they are losing the race to the bottom of the public's affections: bankers were the least appealing travelling companions of all, with only 42 per cent wanting to continue the conversation.

What does this tell us – that members of the public would rather while away a journey with a pop star than a politician? So far, so unsurprising perhaps. But we asked a dedicated sample of non-voters – those who sat on their hands in 2010 – for the reasons behind their responses and in so doing, revealed something about how this large group sees the political class.

There is anger: "they are all idiots who have no clue about real life"; "they are all beneath contempt"; even "I do not talk with fuckwits on planes". Apathy is everywhere: the most common responses cited boredom or lack of interest as the primary reasons to avoid engagement. But beyond this lies something more subtle, maybe more fundamental. There is a pervasive sense of separate lives, of the MP inhabiting a different world. Even if you wanted to get to know it, you wouldn't be able to understand it.

"I don't feel that I would be able to keep up my side of conversation"

"I don't think a member of parliament would want to speak to me anyway, they're probably far more intelligent than me. It'd be awkward conversation"

"I do not feel we are on the same level"

"Would find it awkward, wouldn't know what to say"

We are sailing into uncharted emotional waters: a sense of sadness and confusion, a personal inferiority to the ruling class that makes people ill at ease. The usual sense that people think MPs are all lying scumbags can be found, for sure, but the theme that dominates is of a people trampled underfoot by their political culture.

These verbatim responses are augmented by our wider poll. We listed some positive attributes of politics and while there were some takers, by far the biggest winner was 'none of the above' (38 per cent). As you would expect, this was even higher (44 per cent) among non-voters. Only 7 per cent of non-voters agreed 'most MPs are basically honest' compared to 20 per cent of those who voted for one of the three main parties. 4 per cent of non-voters chose 'most MPs have a good feel for what is happening to the people who live in their constituencies', half as many as voters.

A list of criticisms of the way we do politics proved much more popular. There was a fairly even spread across statements covering our adversarial political culture (36 per cent agree 'Politicians are more interested in scoring political points than doing the right thing'), the professionalisation of politics (34 per cent agree 'Most MPs have too little experience of the real world before they go into politics') and the rarefied nature of the political class (31 per cent agree 'Politics is a game played by an out of touch elite who live on another planet – politics isn't made up of people like me'). The biggest winner by some distance, however, was that 'politicians seldom give straight answers to straight questions on radio and TV', with 57 per cent agreeing.

This is revealing. People often say politicians lie all the time. They clearly don't, but the fact that they often seem

Here are some criticisms that some people make about politics and politicians in Britain these days. Which two or three of these, if any, do you agree with most strongly? (%)

Which one or two, if any, of the following might make political parties seem more relevant to your life? (%)



evasive under questioning fuels the sense that they do. Clarity is crucial to building trust with the electorate and seeming like you're telling it straight. This is something the Labour party has struggled with in opposition. For example, the leadership didn't feel able to oppose the benefit cap because of its broad popularity, but couldn't fully embrace it due to its unpopularity with its core constituencies. The result was a muddled position which was hard to communicate to voters and ended up looking slippery.

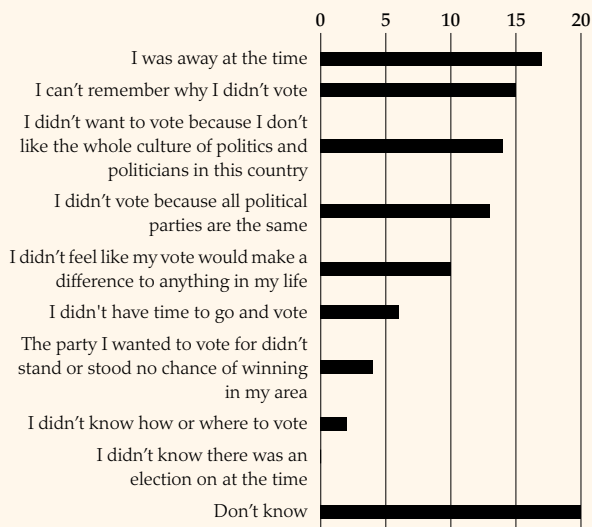
Why don't people vote? The results are perhaps more encouraging than expected: 'don't know', 'I was away at the time' and 'can't remember' make up over half of the responses, indicating it is not a potentially combustible 'anti-politics' fervour that is keeping many away from polling stations but something more prosaic and passive. This is overwhelmingly the case for 18–24 year olds (69 per cent), who also scored 'I didn't feel like my vote would make a difference to anything in my life' relatively higher than any other age group; a shrugged shoulder rather than a raised middle finger from

a group who are increasingly politically active in campaigns like Occupy, UK Uncut and 38 Degrees, but who see diminishing returns from political parties.

Could anything bring non-voters back into the democratic fold? For some in political circles this is a pointless question: non-voters don't vote and that's that. But our poll shows that a quarter of non-voters intend to vote at the next election, even before any improvements that might or might not be put in place. Of course there is still time between now and the next election for the political class to persuade them not to bother. But this is surely evidence that not every non-voter is an unreachable lost cause?

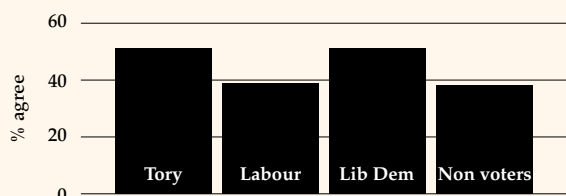
The thing that would make non-voters most likely to vote at the next election would be 'if people in political parties spent less time trying to win my vote and more time doing good work in my neighbourhood'. This scored 25 per cent, compared to just 2 per cent who said they'd be more likely to vote if 'a party official knocked on my door to discuss political issues, or I received a telephone call or a letter'. This insight needs to

Thinking back to May 2010, which of these was the main reason you did not vote? (%)



Signs of coalition resilience?

Political parties would seem more relevant to my life if they stopped arguing for a minute and tried to work together to solve the big issues of the day



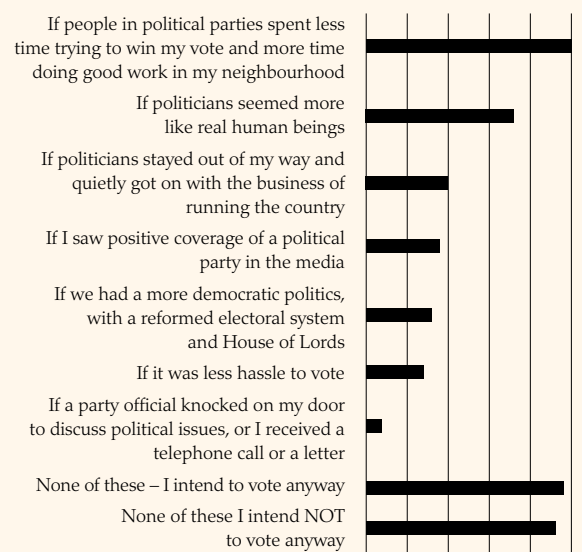
form the core of our new political culture. If the only interaction people have with party members is about their voting intention, it feeds a cynical and transactional view of politics. If political parties were more involved in local issues and doing things that people could see were making a difference, some semblance of faith in the power of politics might be restored. It would show rather than tell voters what a party can do.

People want parties to work together, with the coalition spirit seeming in relatively rude health: 51 per cent of both Conservative and Lib Dem voters want political parties to stop 'arguing for a minute and try to work together to solve the big issues of the day', compared to on 39 per cent of Labour voters and 38 per cent of non-voters. The bad news is that the advent of coalition hasn't changed the terms of political trade: people still think politicians prioritise pointless bickering over solving problems.

A more representative politics where people 'look more like the society they were supposed to represent' appears to be a pre-occupation of Labour and Lib Dem voters only, with 31 per cent and 25 per cent respectively listing it as a priority. Tories are, perhaps expectedly, less concerned (only 12 per cent) but so too are non-voters (13 per cent). But with politics a different world, perhaps non-voters can't imagine or don't care about making it more accessible.

What can we learn from these findings? Ultimately voters

Which one or two, if any, of the following would make you more likely to vote in the next general election? (%)



Representative politics is a pre-occupation of Labour and Lib Dem voters?

Political parties would seem more relevant to my life if they looked more like the society they are supposed to represent: more working class, more women, more ethnic minority MPs (% agree)



and non-voters alike mostly agree that politics is 'not perfect but it's the best way we have of collectively tackling the big issues of the day and making the big choices that face society'. But they want a political culture that is less adversarial, less distant and more in tune with real life. One positive step would be slowing the special adviser's fast track to power. Our leaders spend whole careers in Westminster, grow up in government: they learn the language of professional politics and the public get lost in translation. The steps taken by parties to address problems of underrepresentation have yielded positive results in recent years, such as Labour's all-women shortlists and the Conservatives' A-list. We need to try similar measures to stop the stranglehold of special advisers on safe seats: all-local or non-spad shortlists. Unless we turn the tide against the increasing professionalisation of politics, politicians will remain from Mars and voters from Venus, beaming out messages people feel they wouldn't be able to understand even if they bothered to try. **F**

This research was supported by a grant from the Joseph Rowntree Reform Trust Ltd and by John Jackson. Total sample size was 2,018 adults. YouGov survey undertaken between 31st August-3rd September 2012. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

Becoming real

The artificiality of so much of today's political discourse needs to be banished
says *Peter Kellner*

To make sense of Britain's non-voters, we must first clear away some statistical cobwebs. Turnout in 2010 was 65 per cent. That is, around 45 million names were on the electoral register, and 29 million of them voted. So 16 million people failed to vote, right?

Wrong. The register is an imperfect record of eligible electors. It doesn't allow for people who die between compilation (September/October) and election (May in 2010). It counts some people twice or more – people who move home and are registered at both their new and old addresses. (Some councils still take a while to remove out-of-date names.) Students are often registered in both their college constituency and at their family home. On the other hand, the register omits many people who don't complete the registration form for one reason or another.

Then there are electors who move home between the autumn registration and the spring election and don't exercise their right to be registered at their new address as soon as they move. They fall into a grey area of people who could vote but for whom the task of protecting their right to vote is a bit of a hassle. The same could be said of people who fall ill, or are in long-term care. Taking everything into account, including straightforward registration errors, if every single person who could easily vote did so, the nominal national turnout would probably climb no higher than 90 per cent.

Then there are people who are on the register and at the right address but never vote. Many are people who are alienated from the political system. They seldom discuss politics or follow the news. Life is a grind and they have given up hope that any government will help them. And/or they speak little English and live outside the political discourse that the rest of us engage with. Not only do they not vote, they seldom give their views to pollsters. They live below the political and polling radar. As



a guesstimate, I'd say that adds another 10 per cent to the tally of non-voters.

This is why recorded turnout never exceeds 80 per cent nationally nowadays. Of the 16 million notional non-voters, perhaps nine million are realistically beyond our reach, at least in the short term. Or, to be more precise, it would need a massive effort in political engagement, social integration and accurate registration, to bring that number down significantly.

Non-voters are not a different breed from voters, merely a bit further down the road to disillusion

What about the other seven million? These are the kind of people who used to vote (or would have done had they been old enough) when turnout approached 80 per cent, as it last did in 1992. The reasons, or excuses, listed above do not apply to them. They are the *voluntary* non-voters, in that they could fairly easily have voted in 2010 but chose not to. They are the people that YouGov questioned in this survey.

The reasons they give for not voting are varied; but more, 41 per cent gave a political reason (such as dislike of Britain's political culture, or "all parties are the same") than a practical reason, 25 per cent (such as "I was away at the time"). However, fully 35 per cent didn't know or couldn't remember why they hadn't voted. This suggests that many non-voters are so detached from politics

that even a closely-fought general election largely passes them by these days.

Perhaps we shouldn't be surprised. The two great engines of political passion for much of the twentieth century – social class and ideological conflict – are much weaker than they used to be. Far fewer people now than half a century ago identify with any political party. And in today's multi-channel, culturally-fragmented world, broadcast news – one of the great shared experiences of British life from the 1940s to the 1980s – is easily avoided. When I was growing up, it took some ingenuity, or a specially active social life, to avoid the news on BBC or ITV; today, it takes a positive effort to choose the news. Indeed, I remember the moment when I realised that the world was changing. In a taxi to a TV studio at the start of the 1983 election campaign to discuss the polls, the driver said, with evident relief that now he had a video recorder, he needn't watch the election at all.

YouGov's figures provide some important clues to what politicians need to do to re-engage with non-voters. (And, come to that, to re-engage with voters: one important conclusion from this research is that non-voters are not a different breed from voters, merely a bit further down the road to disillusion.) The two biggest failings they need to banish are their frequent failure to give straight answers to straight questions, and their habit of arguing with each other for the sake of it.

That's not to say that genuine disagreements should be hidden, rather than the artificiality of so much of today's processed, spin-doctored, "lines to take" political discourse needs to be banished. Politicians must persuade sceptical electors that they understand real life, can talk normally and admit their mistakes – in short to show that they belong to the same planet as the people they represent. ■

Peter Kellner is President of YouGov

Straight talking could get people tuning back in

The challenges highlighted by the Fabian polling are not straightforward. They demand a sophisticated response writes *Katie Ghose*

You Gov's research for the Fabian Society gives fresh insights into the widening gulf, highlighted in the most recent Hansard Society Audit of Political Engagement, between modern citizens' expectations of representative democracy and their actual perceptions and experiences.

The political class has never been universally admired. It is not surprising that this research finds more people would chat to an actor or pop star than a member of parliament. Nearly half (49 per cent) however would want to speak to a politician sat next to them on a plane – if only to berate them on the state of the economy!

More seriously, this research tells us that politics is not connecting for many people. The results suggest that voters and non-voters alike feel unrepresented; that politics is not populated by 'people like us'. 31 per cent of respondents agreed with the criticism that 'Politics is a game played by an out of touch elite who live on another planet – politics isn't made up of people like me'; 34 per cent felt that 'Most MPs have too little experience of the real world before they go into politics'; 19 per cent thought that if political parties 'looked more like the society they are supposed to represent: more working class, more women, more ethnic minority MPs' they might seem more relevant to their lives. Parliament cannot be a mirror image of our society but these findings suggest a desire to make it more reflective of Britain today.

This disconnect is also apparent in the type of politics on offer. The survey reveals a dislike of adversarial Westminster politics with 44 per cent of respondents agreeing that political parties would seem more relevant if they 'stopped arguing for a minute and tried to work together to solve the big issues of the day'. 36 per cent agreed with the criticism that 'politicians are more interested in scoring points than doing the right thing' and 29 per cent that 'politicians



spend too much time arguing with each other and too little saying where they agree'. The public will of course judge formal governing coalitions on their merits. Recent polls show declining support for coalitions, generally attributed to the waning popularity of the current UK coalition government. But the findings of this survey do suggest that people will reward those politicians and parties who can be more open to voicing agreements or to collaborating across party lines on selected issues.

But the findings of this survey do suggest that people will reward those politicians and parties who can be more open to voicing agreements or to collaborating across party lines on selected issues

An overriding sense that politics is alien emerges from the survey. 18 per cent of respondents said they would be more likely to vote if 'politicians seemed more like human beings' and 18 per cent felt that political parties would seem more relevant if they 'used less jargon and spoke in the same language as everybody else'.

Yet this is accompanied by support for what MPs do, even if views diverge on what that should be. The positive statement receiving the most support (24 per cent)

claimed that 'Most politicians do their best to help constituents who have problems'. Partisan positioning at Westminster received little admiration with respondents claiming they would be more likely to vote for a party next time round 'if [they] spent less time trying to win my vote and more time doing good work in the neighbourhood'.

Whilst the model of representative democracy on offer is not matching expectations, some findings give cause for cautious optimism. Asked why they didn't vote, 18 per cent of respondents simply said they didn't know. This rises to 42 per cent amongst non-voters aged 18–24. For this age group it seems they have not yet been given a reason to vote but likewise are not yet convinced of reasons not to.

People want their politicians to be more like them and to focus on good local deeds; and for parties to be distinct yet collaborative. They like the idea of more direct democracy but nearly half agree the current system isn't perfect but 'is the best way we have of collectively tackling the big issues of the day and making the big choices that face society.' This supports existing research which shows widespread support for the model of representative democracy accompanied by a desire for it to work better in practice. These are not straightforward challenges. They demand a sophisticated response from politicians to a population that does not fit the neat core/swing voter categories the parties have relied on for so long.

In the meantime, MPs could heed the strongest criticism of the poll, their failure on radio or television to give 'straight answers to straight questions'. This could reflect a more media-trained, professionalised political class. Politicians are never going to be our first choice of flight companion. But straight talking could get people tuning back in. **F**

Katie Ghose is Chief Executive of the Electoral Reform Society

Celebrate debate

Too often political parties try to cover up disagreement or controversy. But to re-engage people, politicians should embrace argument, within as well as between parties argues *Lisa Nandy*

How to reconnect people with politics is a preoccupation in the Westminster village, but it is the wrong starting point. The majority of the public are not apathetic, but many are seriously disillusioned with mainstream political parties. As one of my constituents put it recently: "as far as I'm concerned, you're all paddling in the same canoe." Young people in particular are intensely political, but sceptical about the major political parties and unlikely to vote for them, let alone join. Yet protest movements have emerged and volunteering is high. Civil society is alive and well, but party politics has taken a wrong turn. Instead of reconnecting people with politics, politics needs to reconnect with people.

How to do this is a problem for all of the major political parties but perhaps more so for the Labour party than any other. After more than a decade in government the party lost its ability to communicate policies that made sense, on issues that mattered, in a language people understood.

Political slogans like 'hard working families', 'the progressive consensus' and 'joined-up thinking' became too prevalent, alienating people rather than inspiring them. Too often slogans like these seek to cover up disagreement or controversy, when what is badly needed is politicians on the left who are prepared to tell the truth, even when it goes against prevailing public attitudes, and make the case for change.

No wonder then that the priorities that dominate in Westminster are often a million miles away from the priorities people have in my Wigan constituency. House of Lords reform, the alternative vote, and rifts in the coalition have dominated discussion at Westminster and the media, but in two years have not featured in my mailbag while the social care crisis for the elderly and disabled is pushing families up and down the country to breaking point.



While all the parties chase the centreground, millions of people are denied a voice. This trend, adopted as a deliberate election strategy by Labour, has become a source of weakness, and poses a greater risk for Labour than for the other parties. Harold Wilson once said that Labour is nothing if not a moral crusade. To gain public trust and support we must seek clear definition, not just seek the centreground. It is our morality which gives us our integrity and our strength.

A Labour party that tries to control and dictate from the centre fails to make the best use of its greatest strength: its members

This also means taking on the difficult issues that too often the left is reluctant to confront. Emulating the Tories is one problem, but abdicating difficult political territory to them is another. There are too few mainstream politicians of any party who are prepared to take on issues like welfare reform and immigration with a sense of generosity and humanity. Because of this, those debates are overwhelmingly negative, helping to fuel the very anti-politics all parties should seek to dispel.

The way to make major political parties relevant again is to loosen up the political debate and bring in a range of voices that

reflect the range of views held by the people we are elected to represent. This is, and was always, Labour's greatest strength; we are a grassroots party with reach into communities across the country. If used wisely it helps the leadership to stay in touch, not just to get messages out but to take messages in; to listen as well as to lead. Over the last few decades that ability has been diminished, with increasing control from the centre that at times reduced party activists with much to contribute to little more than leafleters and minute takers. The advent of social media makes it impossible to exert that level of central control anymore and it presents an opportunity for Labour to become again the broad church of political opinion, with a range of voices that reflect the diversity of the country and the people who live in it.

Coherence matters to people – that the Labour party can reach agreement and stand for election on a platform of priorities and policies that makes sense is essential – but so too is the debate that precedes good policies. It is no use pretending that the pressing national issues are black and white. How to fund higher education? How to meet the growing needs of a population living longer? So often the answers to these questions are in shades of grey, and our political debate ought to not only reflect but embrace and celebrate that, within as well as between parties.

A Labour party that tries to control and dictate from the centre fails to make the best use of its greatest strength: its members. Labour has a leader who instinctively understands that. But as the next election approaches, this doesn't mean merely following rather than leading: we must openly embrace debate and make the moral case for change. It's what so many people have been waiting for, for so long. **F**

Lisa Nandy is MP for Wigan

What's the story?

Jon Cruddas admits to Mary Riddell that simply translating his views into party policy would spell electoral disaster for Labour. But Ed Miliband's policy chief is clear that "opposition politics is about story-telling"; Labour's rethink must produce "a radical alternative which is not simply about saying nothing and trying to get over the line."



Mary Riddell is a columnist for the Daily Telegraph

JON CRUDDAS DID not plan to go to Labour Party conference. Instead he was looking forward to a US golfing tour with a group of old friends until his appointment as co-ordinator of the party's policy review put paid to any thoughts of escape. "I've foregone one of the golf trips of a lifetime," he says, before adding dutifully that he would much rather be in Manchester.

His initial eagerness to stay away was not, he says, a question of disillusion. "No, not really. My connection with

Labour is quite visceral and tribal, so it can be a source of frustration as well as passionate belief. It's incumbent on us all now to come up with new ideas."

With Labour 11 points ahead in the polls, it seems conceivable, if not likely, that the party's familiar pattern of a spell in government followed by internal strife and years in the wilderness could be broken at last. Were that to happen, then the success or failure of an Ed Miliband government would depend, in large part, on the policies being evolved by Cruddas.

His first step on taking over was to boil down Liam Byrne's sprawling review, covering more than 20 areas, into three sub-committees – all chaired by Miliband – on the economy, politics and society. While Cruddas praises the work done by Byrne, his methods are very different.

As befits a man recruited for his eloquence and vision rather than for an overload of technocratic zeal, Cruddas spent his summer roofing and plastering the house he is building by a beach on the west coast of Ireland. He took none of the worthy political tomes favoured by his colleagues (though it would be surprising if Cruddas, a bibliophile, had not read them all already), packing only books on home improvements of which a study called *The House Beautiful* was a highlight. His research (think Frank Lloyd Wright rather than plumbing manuals) bore, in his view, a link to his day job.

Assembling a set of policies and an election manifesto "is about getting the footings in the ground, getting solid foundations and getting the design and the architecture right." It is fair to say that, in terms of glorious edifices, Labour's policy review is still several storeys short of Chatsworth House. To appoint Cruddas, a maverick who shuns promotion, as the architect of 'Rebuilding Britain', was – he concedes – a risky move on Ed Miliband's part. "That's a fair description. It was a signal that it [the review] is quite a high wire act. I'm not by instinct a trimmer." Nor, having voted for David Miliband as leader, was he even an early fan of younger brother. "No, but I've been impressed by his resilience. He's pulling towards him people who might have been more equivocal, and I'll put my hands up to being one of them."

It is easy to see why Miliband gambled on Cruddas. A seaman's son with a PhD in economic philosophy, the MP for Dagenham is a both a flagbearer of the left and an admirer of conservative values. "I have mates who are BNP and UKIP and Tory. I don't surround myself with Labour members who have the same views as me." Profoundly as he disagrees with his BNP friends, he grasps what drives them. "Of course I do. I can understand a lot of their concerns."

His work with the grassroots has identified what he sees as the vacuum in which Labour can flourish again. "David Cameron's modernisation programme is literally collapsing because of the dominance of the brutal economic liberals at the expense of much more interesting conservative and social liberal traditions. That means there are spaces for Labour to reclaim traditions in its own history which are socially liberal and conservative – wanting to preserve communities and solidarity and institutions."

While his endeavours are focused on an outright Labour victory ("I've never texted a Liberal Democrat") Cruddas does not rule out the prospect of coalition. His own touchstone is the Blue Labour creed (he dislikes the label but broadly favours the message of faith, flag and family) that has become a dominant theme in the party's renewal. The living wage and the community organising that Miliband hopes will restore trust in politics – and in him – are consistent with new conservative thinking, as are the leader's own efforts to tackle predatory capitalism, 'rip-off Britain' and to preserve the nation's high streets.

Some in the party are, however, uneasy that Blue Labour, with its nostalgic undertones, is an unwise replacement for the modernising drive of New Labour. Others appear to worry lest too much focus is placed on the grass-

roots vote and too little on wooing the middle classes. As David Miliband and Douglas Alexander wrote, after witnessing the Democratic convention, Labour will not swing the election on working class votes alone. Does Cruddas think their view bespoke anxiety on their part? "I think it bespoke [the fact that] you cannot retreat to a base. You have to retain a wide and deep coalition. I've never liked the idea of slicing and dicing the electorate and micro-policies that address specific cohorts of voters, [such as] Mondeo Man. You have to speak in bigger, primary colours about the nature of the country."

"That's what Bill Clinton was doing [in his speech to the Democrats] – speaking in quite a raw and emotional way and telling the story about the choices in front of the country. That was quite a good echo of what we'll be trying to do at this conference. What David was saying, I guess was: Don't make this a numbers game restricted to different segments rather than creating wider platforms and telling deeper stories. That's what I took from it, and I agree totally with that. "New Labour got preoccupied with swing voters and marginal constituencies and small policy nuggets, rather than family and community and nationhood, which is where the Labour Party always is when it wins."

Cruddas is delighted that Michael Sandel, Harvard professor, Reith lecturer and "probably the biggest political philosopher on the planet," will be at conference to warn about the moral limits of markets. "Last year people said Ed Miliband was on his own, but there is a bigger orbit of ideas around the notion of virtue in the public realm, the sense that we have duties and obligations to one another. That's what the Olympic spirit is all about. My point is that we can walk and chew gum at the same time. You'll see these ideas gradually distilled into concrete stories of everyday life."

The forthcoming examples he cites are pension "rip-offs," such as excessive management fees, and the escalating cost of motor insurance. These may strike critics as rather slight, given the continuing lack of detail over a Labour manifesto. Cruddas cautions against expecting too much illumination. "I don't think it's a watershed conference. We've got to show we're going to be putting some footings in the ground. It will be about people and the country and where we want to go. Sure, there will be illustrative policies, but it's more the trajectory and where we're heading – those big choices for the country. That's what Clinton did really." There will, he warns, be few instant revelations. "The litmus test is not necessarily going to be the [leader's] conference speech. There will be ideas floated and new policies revealed, but the test is building the bigger picture over the next year."

One problem, I suggest, is that – for all Cruddas's personal skills as an orator and listener – Labour is perceived as the party that doesn't "speak human" (a criticism borne out by the latest YouGov/Fabian polling). "I do accept that. A recurring theme in our conversations is how we can develop a language that goes with the grain of people's concerns. The texture of Ed's contributions are changing quite dramatically. He's now talking about people, places and stories rather than just silos of policy. I think Ed is beginning to calibrate an authentic language."

Pre-distribution, I suggest, is not the most persuasive doorstep buzzword. "I agree. I take your point. But it's not impossible for us to operate on a whole series of different levels." Despite his enthusiasm for marrying the romantic

with a comprehensible offer to voters, Cruddas is, on his own admission, not only not a details man but also “barely numerate.” It would be foolish, none the less, to underestimate either his election-winning instincts or the policies now taking shape. On education, for example, Lord Adonis, presented him with an inscribed copy of his book, *Education, Education, Education*, as his submission to the policy review. High praise from Cruddas (“It’s brilliant”) suggests that the Adonis prescription of an academy expansion may presage, in turn, a Labour continuation of the Gove reforms.

On immigration, Cruddas has voiced personal concerns since taken up by Miliband. He is glad that the leader has started to acknowledge “people’s sense of vulnerability and the sheer velocity of changes in certain communities. We’d got the economics pretty wrong.

“Arguably we had too light a touch on the labour market and on the delivery of good quality housing and other [services] in those communities most altered by migration patterns.” Labour, in his view, also erred on numbers. Asked if you can expect struggling communities to absorb huge flows of migrants, he says: “You can’t. In terms of numbers, we can’t accept the macro-economic benefits without the obligations that go with it ... The points-based system was an acknowledgement that it has to be managed ... within certain boundaries.”

Given the lack of money for public services and housing, will the points system have to get even tougher? “We’re looking at all of this. These issues are in the mix.” He also floats the idea of keeping a closer eye on the effects of migration by “changing the census from a ten-year thing to an annual [headcount] – and a partial amnesty for illegal immigrants of long-standing residence.”

These suggestions, he stresses, are not party policy “but positions I’ve advocated in the past.” While he implies that nothing should be off the table, he has no wish “simply to translate my views into party policy.” Because that would lose Labour the election? “Arguably, yes. Exactly. I am more of a facilitator.” The role of the middle man is, he hints, sometimes tricky one. He is aware, he says, of “fault lines” and “crosswinds,” possibly over whether an over-arching national story is sufficient bedrock for a government-in-waiting. “Others would say: ‘Oh no, it’s about banks [and so on], and some of it is about the minutiae of policy development. But opposition politics is really about story-telling. I feel it’s a duty for all elements of the Labour party to pull together in the national interest and ... to reclaim our own history.”

Ed Balls, I suggest, may take a less starry-eyed view. “I like Ed Balls. He’s a big political character, and he doesn’t hedge. He’s not afraid to get stuck in. He might not be impressed with some of what became Blue Labour, but I think we can work through that. It’s small beer compared to the bigger things we would agree on.”

While he dismisses as “rubbish” rumours of rifts between Miliband and Balls, he does not deny some strain. “Look, is this an argument for having more insignificant people in

your shadow cabinet? What I would read as creative energy, others would read as factional or political disagreement. You pay your money and you take your choice. I quite like the idea that there are big people like Balls, whom you might not agree with. But he’s in there, and I would prefer him on my team to any other team.

“I see this stuff about tensions between Balls and Miliband, and I think we’ve just got to get real. We’ve got to have a process that can build people’s different contributions into a manifesto – and build a system that can reconcile differences. Balls is good. It’s right that he bats for what he believes. I like that. I don’t agree with him on some things. But we should be able to handle that or we shouldn’t be in this game.”

Is there a danger that minor disagreements among the Labour leadership might lead to fudged policy and incremental change? “I agree. It is. That’s why I use the illustration of small targets.” His theory is drawn from the Australian election of 2001 when Labour, sure of victory, promised little in order to be a “small target” for Conservative attacks on their economic credibility.

Come election day, the party was annihilated by a Conservative manifesto built around one fissile immigration story that caught the nation’s imagination. “I want a radical alternative which is not simply about saying nothing and trying to get over the line. Lynton Crosby [the strategist who helped propel the Australian Conservatives to victory] will probably be advising David Cameron, and he’ll know that playbook.”

Of a referendum on EU membership, which he has backed, he says: “I am not going to disinvent the positions I took. I abide by the [view] of shadow cabinet that this is not the right time for an EU referendum. However, we have to consider how we rebuild a case for Europe. At some stage this issue must stop festering, and that means recognising that the people are going to have to be invited into this conversation.”

On a third Heathrow runway, which he has opposed, Labour is split. How do they reconcile that position? “We’re going to have to, aren’t we? And we will. It will be a lively conversation that we’ve got to have.”

While offering no ultimatum, Mr Cruddas makes clear that he will not preside over a feeble manifesto. “No. It’s not in my instinct. The notion of a strategy of small differences is anathema to me. The Tories would trump us. We have to be bold and radical, and we’ll fail if we aren’t. There is no safety first option. That doesn’t mean we’re left wing. We have to become slightly more conservative, and we have to be bold.”

Suppose the tensions in the party prevent such a course? “Then I’ll have failed. I hadn’t planned for this job, and I feel a sense of duty to the party. It would be on my head.” Such thoughts of doom are far from Cruddas’s mind as he heads to the conference he planned to miss. “I have laid down my golf clubs for my party,” he says. This week will start to show whether the sacrifice was worth it. **F**

“New Labour got preoccupied with swing voters and marginal constituencies and small policy nuggets, rather than family and community and nationhood”

Policy pitch

A rainy day fund

The government should create a revenue stabilisation account to help meet the costs of a future financial crisis writes *Victoria Barr*



The UK was hit particularly hard by the financial crisis, partly because it has a large financial services industry relative to the size of the economy. The City is a source of great economic strength for Britain, a sector in which we excel internationally and which, in good times, provides a healthy stream of revenue for the Exchequer. However, as recent events have clearly demonstrated, it also brings with it fragility and risk. In this regard, it shares some of the characteristics of the so-called 'natural resource curse', where the discovery of natural resources, like oil, brings great wealth to a country, but also fiscal volatility and other undesirable side effects.

Many countries have attempted to avoid the natural resource curse through the introduction of revenue stabilisation funds, which aim to smooth income over time and insulate the rest of the economy from the impact of natural resources exploitation. In fact, countries have also introduced similar 'accounts', sometimes called sovereign wealth funds, to achieve a range of other objectives: to meet certain fiscal targets; to save to meet long-term obligations; and to anticipate the costs of future financial crises.

Such an approach has attractive properties for the UK. The government should establish a Financial Services Revenue Stabilisation Account, or 'rainy day fund', which could only be accessed in the event of a serious financial crisis. In addition to supporting measures to maintain stability in the banking sector, the funds in the account could also be used to counteract the negative impact of a financial crisis on the wider economy (such as measures to boost aggregate demand (e.g. tax cuts) or to avoid cuts to public services).

The planned size of the fund should be subject to further analysis. As the fund is only intended for use in serious financial crises, it should be possible to allow the fund to build up over time. The monies in the fund should be invested conservatively in counter-cyclical and liquid assets, able to withstand the asset price volatility which accompanies financial crises and which can be accessed quickly without the liquidation of the fund itself causing market turmoil.

The fund is intended to improve the management of tax revenues in a country with a large financial sector. However, for simplicity, payments into the account need not be explicitly hypothecated from particular revenues from the financial services sector, although this would be the spirit of the fund. We do not recommend an additional levy to pay for contributions to the fund.

The disadvantage of a Stabilisation Account is the opportunity cost of locking tax revenues away. The funds invested in the account could otherwise be used for different purposes, such as investment, reducing taxes or paying down the national debt. These are not trivial concerns. However, the contingency function of the fund, and the capability to respond to a serious crisis that it would give a future government, are sufficiently important to warrant foregoing other expenditure in the short term.

At the current time, we remain in the middle of an economic crisis, and the government's priority must be to jump start the economy out of the current slump. Payments into the Stabilisation Account should therefore not commence until the economy is growing strongly again.

In addition to regulatory reform to reduce the likelihood of a financial crisis occurring again, Labour should acknowledge that crises are difficult to predict and economic forecasting prone to error. A 'rainy day fund' would ensure that any future government is better placed to take action during a crisis and signal the Labour party's commitment to securing Britain's long-term economic stability. **F**

Victoria Barr is an economist at FTI Consulting

A Fabian report on the Financial Services Revenue Stabilisation Fund by Victoria Barr and Nick Donovan will be published this autumn

Even with robust reform of financial sector regulation, it would be a mistake to think that a financial crisis could never happen again. With the benefit of hindsight, we can now observe a long trend in political economy in which the lessons of the 1930s were forgotten over time: depression-era restrictions separating investment from retail banking were eroded in the US, while in the UK, a 'light-touch' approach to financial sector regulation was pursued by both Labour and Conservative governments.

Over time, new cohorts of personnel will staff central banks, who have learned about the recent crisis from textbooks rather than personal experience, and who will be influenced by new intellectual agendas. Within the financial sector, a new generation of bankers will emerge, confident about the merits of their financial innovation and impatient with the fussiness of their compliance departments. Finally, future politicians, mindful of the importance of the City to British economic performance, may be swayed by persuasive arguments to relax capital adequacy requirements; to allow economies of scale to be exploited from the greater fusion of retail and investment banking; or to celebrate a merger which turns a national champion into an international behemoth, ignoring that the bank may have become too big for one sovereign to bail out alone. These processes are not inevitable, but they are not impossible to imagine over, say, the next seventy years.

The concern that the financial crisis may reoccur lies behind many of the current regulatory reforms. However, the risk of reoccurrence also has implications for the management of the public finances. If financial fragility builds up, unnoticed or ignored, during stable economic periods, then it is possible that economic and fiscal forecasts could be out by a wide margin. The Treasury's public finance forecasts and decision-making on levels of taxation and spending before 2008 were based on the expectation that the UK economy would continue to grow at around 2.5 per cent per year. This expectation was very much in line with the consensus view among independent forecasters at the time. However, the latest estimate of what the UK's average annual growth rate will have been between 2007/08 and 2016/17 is less than half that, at 1.2 per cent.

Engaging with the future

Since 2008, the UK economic debate has been obsessed with the short-term, but our ultimate recovery will depend on shifting resources from present wants to future opportunities. That means making innovation-led growth a much higher political priority, argues *Geoff Mulgan*



Geoff Mulgan is Chief Executive of NESTA (National Endowment for Science Technology and the Arts)

THE NEXT ELECTION – like so many in the past – looks set to be decided on the economy. Four years after the financial crash the public has yet to be convinced that the major parties know how to restart growth let alone how to sustain it. The coalition is suffering from the most basic problem afflicting governments, in that its policies haven't worked as it promised, and indeed expected. Leading ministers genuinely believed that a tough deficit reduction strategy would lead to a quick bounce back to growth. Labour on the other hand has not yet set out either a convincing diagnosis of the past or a prescription for the future. Were the other fundamentals pretty sound in 2007, before the crash? Was the problem just too little regulation of the banks? We don't know yet, and the result is a national political debate that is in odd ways becalmed.

Instead since 2008, the UK's economic debate has largely been about short-term recovery, focused on which of two options will end the recession: Plan A or Plan B, austerity or stimulus. These macroeconomic choices matter greatly. But neither addresses the UK's longer-term growth prospects. Austerity may be unavoidable. But on its own it doesn't lead to growth. Stimulus may help in the short-term. But it's far from guaranteed to contribute to longer-term growth. That's because growth depends on innovation – our ability

to generate and adopt new knowledge and ideas. Decades of research, from the economist Richard Nelson and others, have shown that innovation is the most important driver of long-term productivity and prosperity, and that innovative businesses create more jobs and grow faster. Yet despite the UK's many strengths as an innovative economy, there are crucial ways we are losing ground.

In NESTA's Plan I, published this autumn, we argue for a change of direction, to make innovation-led growth a much higher priority. We show that although the UK has many innovative firms and people, from world-beating creative businesses like Double Negative to its thriving business services sector; from advanced manufacturers like Rolls-Royce plc to world-class research universities; and from technology giants like ARM to the start-ups of Shoreditch, their success belies worrying trends.

Understanding these trends is the first step to a more convincing policy. The most important concern investment. NESTA's Innovation Index (which is acknowledged as the most authoritative measure available) shows that investment in innovation by UK businesses has fallen sharply since the financial crisis of 2008: the most recent data suggests it declined by as much as £24 billion last year. This issue predates the credit crunch: in the period from



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2000 to 2007, businesses' investment in innovation levelled off, investment in fixed assets fell and became increasingly dominated by bricks and mortar at the expense of technology, and companies accumulated cash. For many businesses, the 2000s were less an age of innovation than an age of cash and concrete.

If that is the core of the problem, what are the solutions? Should government just cut red tape and bureaucratic barriers that get in innovators' way? Should it provide tax credits and subsidies? Should it target a rising share of GDP to be devoted to research (as China and India have done)? Or should it just pump more money into infrastructures like high speed rail? We argue that the right approach is neither excessive faith in top down prescription, nor excessive faith in *laissez-faire*. Instead all the world's successful innovation systems are hybrids, often combining almost opposite approaches: heavy state subsidy combined with lively start-up cultures and venture capital; strong science bases alongside strong industry involvement in shaping research and development (R&D). Indeed the successful models reflect the contradictory nature of innovation itself, which has to combine open, creative and speculative discovery alongside focused and disciplined implementation.

Britain's history too confirms the need for a more nuanced approach. Many past attempts to create innovative powerhouses failed. The national champions, targeted subsidies, and institutional reforms (like the creation of the Ministry of Technology) are rightly seen as failures.¹ The 1965 UK National Plan contains pages and pages of detailed analysis of the UK's industries and their prospects, but did not lead to a golden age of economic growth. Few governments have had a good track record of forecasting which particular

technologies or firms will succeed.² Nor did privatisation and deregulation transform state-owned businesses into great innovators either – they left behind stronger balance sheets, but none of the companies that resulted became world innovation leaders in their fields, and usually R&D budgets were cut.³

But other policies were more successful. Britain has a strong pharmaceutical industry for many reasons, including world class universities and an integrated NHS. But a critical role was also played by the combination of substantial public funding for basic research and a pharmaceutical price regulation scheme which for over forty years has had the explicit goal of promoting "a strong and profitable pharmaceutical industry". We have had strong aerospace and defence industries for similar reasons – a mix of generous funding for basic technologies, some strong firms, and stable contracting from government. Even apparent failures had longer-run benefits. The government's promotion of Inmos as a national champion in the semiconductor industry in the 1970s was a failure in its own terms: Inmos did not thrive and ended up as a subsidiary of ST Micro. But it paved the way for a thriving microelectronics cluster in the south west (said to be the world's largest cluster of chip designers outside the US), driven in part by entrepreneurs who started their careers at Inmos.⁴

If we look around the world at which nations are succeeding, many different models are in play, often involving levels of state support that would be considered excessive in the UK. Taiwan achieved dominance in microprocessor manufacturing, a technology-intensive sector of which it controls 80 per cent of the global market, thanks to very concerted government strategy over several decades.⁵

Finland has become a rich country with a strong manufacturing sector thanks to high levels of R&D investment, through a combination of generous public funding of both basic research and downstream development, effective state agencies (such as SITRA, TEKES and Finnish Industry Investment) and one large firm, Nokia, that has built a diverse ecosystem of small businesses around itself. Israel has a dynamic defence and IT industry, thanks to a mix of public venture funds that were then privatised, an immigration policy that brought in tens of thousands of highly skilled Russians, an engineering culture nurtured in part through military service⁶ and the highest expenditure on R&D (as a percentage of GDP) in the world.⁷ Germany remains a powerhouse in advanced manufacturing thanks to a deep-rooted network of agencies, strong relationships between firms, world-renowned technical skills, which have proved very hard for other countries to emulate,⁸ and a strong science base.⁹ And the United States, that proverbially free-market country, built many of its most successful innovations off the back of its government's lavish investment in science and technology, mission-related health and defence funding, state-backed investment programmes and pro-business procurement policies.¹⁰

So what should be done? We argue for action on three fronts: raising investment in innovation; improving the way the innovation system works; and making our culture more innovation-friendly. Investment is arguably the top priority. The last decade showed the disconnect between the UK's financial sector and investment innovation and technology. Although capital markets exist to channel savings into new ventures, of the £6.6 trillion raised by businesses on UK markets between 1999 and 2008, only £0.2 trillion showed up as investment in innovation, work by Nesta and the Big Innovation Centre has shown. Venture capital for early-stage businesses continues to be in short supply, while our highly concentrated and rapidly deleveraging banking sector makes growth finance hard to come by. Public investment has fallen too. Despite some worthwhile initiatives, from the protection of public research budgets to the establishment of the Technology Strategy Board and Catapult centres, innovation is currently a very small part of what government does. In the current spending review, discretionary spending on innovation accounts for £2.6 billion, a figure dwarfed by discretionary spending on other priorities. Since the crisis, other governments, including the US, France, Germany and Korea have committed far more to research and other innovation spending than the UK, and the UK is unique amongst major economies in having a government R&D spend level lower now than five years ago.

Addressing this will require changes both to government spending priorities and to the UK's financial system. The financial crisis offers a chance to put in place, at scale, long-mooted plans to channel some of the £220 billion government procurement budget to innovative businesses. The upcoming 4G spectrum auction is expected to raise £3 to 4 billion, which should be committed to innovation.

The general principle of innovation policy is that because we all stand to benefit from innovation, we should collectively mitigate the costs and risks of innovation, which would otherwise fall heavily on the innovators themselves

And some of the £40 billion infrastructure fund should be earmarked for the infrastructures of the twenty-first century, in particular smart electricity grids and super-fast broadband. These measures should be the first steps in a longer-term rebalancing of government spending from consumption to investment. The UK must also put in place the financial architecture that businesses need to innovate

and grow. Part of the 4G auction could fund a generous venture capital co-investment fund to help start-ups increase their size. To provide larger-scale finance, the government should consider the establishment of one or more dedicated business banks, focused on innovative businesses, combined with an extension of credit easing. Meanwhile to get cash flowing into innovation, government should also consider more radical steps – like raising capital

allowances and corporate tax rates to put pressure on firms to invest their cash reserves.

If the top priority is to ensure that money flows into innovation, the next priority is to improve the working of the innovation system. The UK has world-leading researchers, a good track record of generating university spin-outs, and internationally competitive clusters in a range of industries from financial services in London to video games in Dundee and from semiconductor design in Bath to biotech in Cambridge. But some universities are still overly concerned with spin-outs (where a piece of research or technology forms the basis for a new company) and intellectual property licensing, not the wider benefits they can bring to businesses (which matter more, as Alan Hughes from the Centre for Business Research has shown). In some parts of the country and especially in much of the UK's public services, innovation is scarce, either because would-be innovators have little support or because incentives to put new ideas into practice are weak. None of the major parties have yet accepted the basic arguments of the burgeoning global social innovation movement – whose fundamental insight is that policies develop better through experiment, evolution and evaluation than through being designed on paper and then implemented to scale. In all of these fields there are specific options for improving the flow of ideas and the capacity of the system to turn ideas into useful forms, whether by using Dutch-style voucher schemes to encourage collaboration between businesses and universities or between small and large firms, or by working with industry to offer prizes for major technological challenges.

Finally, we need to make our culture more friendly to innovation. Nesta's work encouraging schoolchildren to get experience of coding and programming, rather than just learning how to use Powerpoint and Excel, is a good example. Bringing down barriers for innovators must also be a priority. In some cases, these are barriers to people, such as the migration rules which prevent skilled foreign students staying in the UK after graduating or which make it hard for start-ups to attract the talent they need to thrive. In other cases, these are market barriers, such as overly restrictive

planning rules that make it hard for businesses in clusters to expand or for their workers to find affordable homes.

Governments and political parties often talk a good talk about innovation. But many of these choices are not easy – they involve a difficult shift in the balance of resources devoted to the future rather than the present, and many may ask, like Groucho Marx, “what has posterity ever done for me?” At present the voice of innovators is largely missing from economic debates. The issues they are concerned with were scarcely mentioned in the ruling coalition agreement. They are absent from the dialogue between government and financial institutions; and when business, or trade unions, collectively take a stand on issues, they are rarely mentioned. This is in marked contrast to other countries where the innovation field is more visible, more supported and better understood. In the longer run, building a stronger coalition for innovation will be as important as the detailed policy recommendations, and vital if the UK is to shift resources from present wants and needs to future opportunities. The UK has a long history of engagement with the future – from the Great Exhibition to sci-fi, and pioneers like Brunel and Berners Lee. Yet it is disconnected from national debate, as has been very evident through the endless public debates over responses to the economic crisis. The general principle of innovation policy is that because we all stand to benefit from innovation, we should collectively mitigate the costs and risks of innova-

tion, which would otherwise fall heavily on the innovators themselves. That’s a highly political principle. And it will need political and public advocacy and argument if it’s to be widely supported. **F**

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Books

The secrets of power

Lyndon Johnson exercised political power with genius and ruthlessness. So does his biographer, writes *Marcus Roberts*

At the heart of the current presidential contest between Barack Obama and Mitt Romney is the question of power: who will wield it and to what purpose? Politicos – both elected and otherwise – rightly obsess over this both in terms of the horserace and the legislative legacy. That's the reason why one of President Obama's very first dinner guests at the White House was Robert Caro.

Robert Caro has been writing the *The Years of Lyndon Johnson* for over four decades and now publishes roughly a thousand pages every ten years. Prior to this work it was all too common for Johnson's triumphs to be overshadowed by Kennedy's Camelot and for his name to be just associated with Vietnam. Caro corrects this by covering Johnson's creation of the modern Democratic Party's campaign apparatus, his passage of seminal legislation like Voting Rights and Civil Rights, and that's before we get to Great Society programmes like Medicare and Medicaid or even the Vietnam war expected in volume five (or perhaps six).

Caro's latest volume, *The Passage of Power* is indeed magisterial and defining. It is without question a work of both literary and political genius. But it is also too short.

Let me explain. As *The Years of Lyndon Johnson* go on, our protagonist's power grows. As his powers grow, the stakes of his decisions rise. But even as the stakes are raised the window for LBJ's decision making shortens. Thus Caro is trapped in having to explain a larger number of momentous events and decisions within shorter time periods and thus is forced to compress his epic tale.

A large part of the explanation for this change lies in the changing nature of power itself as the books go on. In the beginning, Johnson's power – as a student, a staffer and a young Congressman – lay in his ability to influence. Come *Means of Ascent* his power was electoral (money, momentum, media, organising, and the like). *Master of the Senate* is of course the definitive exploration of legislative power and the trade-offs, compromises, rule manipulations and so on which that entails.

But *The Passage of Power* sees LBJ first powerless as Vice President and then, finally, possessed of executive power. That power, in contrast with legislative power is more direct, sharper and swifter. As a result decisions and outcomes often occur with a smaller cast of characters within shorter time spans. Thus for those of us who adored most the detailed, rich explorations of staff power, advisory power, electoral power and legislative power we must now



The Passage of Power

—Robert A. Caro
Bodley Head,
£35



Marcus Roberts
is Deputy
General
Secretary of the
Fabian Society

accommodate ourselves to the new hard reality of executive power. It is bright, sharp and clean and if you preferred shade and shadow, obliqueness and complexity, murkiness and deal-making, then it is hard to accommodate yourself to the new reality both of Johnson's power and its implications upon Caro's writing.

Put quite simply, there is no longer time and room in the masterwork for as detailed an exploration of side characters like Texas Governor Coke Stevenson or FDR New Dealer Leland Olds, nor detailed studies of the passage of non-principal legislation like Hell's Canyon's dam. Instead it is now necessary for Caro to take us to the main action and actors more directly and succinctly than before – a literary mirroring if you will of Johnson's own change. Where once we had 25 pages on Coke or 35 pages Hell's Canyon, now we have the Cuban Missile Crisis – in 14 pages.

And yet Caro never fails in his self-confessed principle purpose with these books: to explore the nature of power itself. It is in this that Caro continues his masterful reveal of the secrets of power familiar no doubt to many of the illustrious reviewers of his works from Gordon Brown to Bill Clinton. For like LBJ, Caro possess a political genius.

Once again he reminds us why "counting is the first rule of politics": in *The Path to Power* it was money, in *Means of Ascent* it was voters, in *Master of the Senate* it was votes on a bill and in *The Passage of Power* it is all of the above, as Caro reveals how "the counting" is the true foundation of politics and policy alike.

Caro reveals some of the most private fears and motivations of politicians – as well as some of the best tricks of their trade. Johnson's fear of electoral humiliation (a subject that President Obama himself acknowledged as the great unspoken motivation of most pols in *The Audacity of Hope*) serves as a brilliant guide on How Not to Run for Office as he violates his own rule of 'Do Everything' in his failed 1960 presidential effort by failing to raise the money, crystallise his message, secure local support and hire the key staff needed to ensure a successful run. This rule has great explanatory power for politics' surprise losers: the frontrunners defeated by insurgents who were willing to 'do everything' in contrast to the heir-apparents' self-imposed limitations. Be it LBJ, Hillary Clinton or David Miliband, all had things they just wouldn't do – in each case their previous victories had been when they did everything and their ultimate defeats were when they didn't.

But what is perhaps most enjoyable from a historiographer's perspective, is the use of his own power that Caro now revels in. Where once a 'just the facts ma'am' tone was central to any use of a historian's quote, now creeps in a playful but sharp use of historian's perspective to demolish the myths and inaccuracies of all lesser accounts.

One by one the greats of LBJ lore that were once Arthur Schlesinger or Robert Dallek are taken down by Caro as he settles what feels like silent scores (only Doris Kearns Goodwin emerges unscathed). Make no mistake, Robert Caro uses his Pulitzer Prize'd authority and status as top deity in the political biographers' pantheon to settle old scores with other, mere mortal LBJ biographers. I can imagine Caro reading error-strewn accounts of the 1960 Convention and yet waiting patiently for decade after decade to right those wrongs – not with a mere rebuttal but with *The Last Word* on the matter. Time and again, particularly on the subject of the Kennedys' relationship with Johnson, Caro offers us first a tour d'horizon of the historians' view of a given matter before contradicting the settled wisdom and leaving in its place the new story as stamped with the hallmark of Caro's ruthless prose.

Lyndon Johnson exercised political power with genius and ruthlessness. With the *The Passage of Power*, Robert Caro has emulated his subject of five decades and practised his own literary power with equal genius and ruthlessness. It is simply a pity that he has not done so at even greater length. After all, even President Obama, who has since listened to Caro on both healthcare and Afghanistan, would surely find the time to appreciate it. **F**

FABIAN QUIZ



FUTURE PERFECT: THE CASE FOR PROGRESS IN A NETWORKED AGE – Steven Johnson

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	Partners:  ResPublica	CENTREFORUM		
	Conference Hall Manchester Town Hall	18:00 – 19:30	POLITICS: Is the future plural? Is Labour prepared for plural politics? Leading Labour and Lib-Dem MPs go head-to-head. Can the two parties ever work together?	John Denham MP (PPS to Ed Miliband); Caroline Flint MP (Shadow Secretary of State for DECC); Katie Ghose (Chief Executive of the ERS); Simon Hughes MP (Deputy Leader, Liberal Democrats); Dr John Pugh MP (Liberal Democrats); Mary Riddell (Chair) (Daily Telegraph)
Partners: <input type="checkbox"/> Electoral Reform Society	CENTREFORUM			
	Conference Hall Manchester Town Hall	20:00 – 21:30	FABIAN QUESTION TIME Labour's alternative Our traditional Sunday night event. No speeches, just the opportunity to put your views to our panel.	Andy Burnham MP (Shadow Secretary of State for Health); Dan Hodges (Daily Telegraph); Owen Jones (The Independent); Polly Toynbee (The Guardian); Chuka Umunna MP (Shadow Secretary of State for BiS); Alison McGovern MP (Chair)
MONDAY	Exchange 2&3, Manchester Central (inside secure zone)	12:30 – 14:00	HOW CAN LABOUR SOLVE THE CHILDCARE CRISIS? Can Labour build a winning argument around childcare? How should it be delivered and what role should the state play?	Stephen Twigg MP (Shadow Secretary, State for Education); Seema Malhotra MP (Chair); Sam Smethers (Chief Executive, Grandparents Plus); Purnima Tanuku OBE (Chief Executive, National Day Nurseries Association)
	Partners:  The Family Room FABIAN WOMEN The co-operative 			

ROUNDTABLE TIMETABLE

Roundtables are by invitation only
events@fabians.org.uk

Read about the Young Fabian Conference Fringe at www.youngfabians.org.uk

Revaluing Food: Shifting the narrative on food waste

With: **Mary Creagh MP** (Shadow Secretary of State for DEFRA); **Alison Cairns** (External Affairs Director, Unilever); **Natan Doron** (Revaluing Food project leader and Senior Researcher, Fabian Society); **Barry Gardiner MP** (Labour's Climate Change Envoy) (Chair); **Anthony Kleanthous** (Senior Sustainability Adviser, WWF)

Partner:



Apprenticeships: How can provision be improved?

With: **Rob Boucherat** (Funding Policy Director, Pearson) **Joanna Cain** (Head of Learning and Organising, Unison); **Gordon Marsden** (Shadow Minister BIS), **Catherine McKinnell** (Shadow Minister, Treasury); **Martin Wainwright** (The Guardian) (Chair)

Partners:

theguardian









Opening Up: Can a more open market deliver cheaper energy?

With: **Caroline Flint MP** (Shadow Secretary of State for DECC); **Barry Gardiner MP** (Labour's climate change envoy) (Chair); **Natan Doron** (Senior Researcher, Fabian Society); **Paddy Hayes** (Executive Director, ESBI); **Andrew Buglass** (Head of Energy, Structured Finance at Royal Bank of Scotland); **Guy Newey** (Head of Environment and Energy, Policy Exchange)

Partner:



VENUE	TIMING	INFORMATION	SPEAKERS
Conference Hall Manchester Town Hall	12:30 – 14:00	NEW FORMS OF WORK The workplace is changing. We don't know what our jobs will look like in 10 years time, do we need "New Forms of Work?"	Stephen Timms MP (Shadow Minister for Employment, former Treasury Minister); David Coats (Associate Director of policy, Work Foundation); Tom Hadley (Director of External Relations REC); Doug Henderson (former Labour MP); Rowenna Davis (The Guardian) (Chair)
Partners:  			
Conference Hall Manchester Town Hall	18:00 – 19:30	GROWING PAINS: How to rebuild the economy and restore trust How to break free from double-dip Britain and forge an economy that works for everyone.	Rachel Reeves MP (Shadow Chief Secretary to the Treasury); Brendan Cook (Head of Retail Banking and Wealth Management, HSBC); Maurice Glasman (Labour Peer); Richard Lloyd (Executive Director, Which?); Larry Elliot (Chair) (The Guardian)
Partners: 			
Lord Mayor's Parlour Manchester Town Hall	18:00 – 19:30	CRIME, PUNISHMENT AND REFORM: Driving forward the justice agenda Breaking Labour's silence on crime and justice. Challenging the right and winning the public argument.	Vera Baird QC (Labour Candidate for Police Commissioner); Frances Crook (Chief Executive, Howard League); Tony McNulty (former Home Office Minister)
Partners: the Howard League for Penal Reform			
Lord Mayor's Parlour Manchester Town Hall	19:45 – 21:30	LABOUR'S POLICY REVIEW: The shape of things to come Following our landmark book, what is the "shape of things to come"? Have your say on Labour's policy review as we put all the leading figures in one place to take your questions.	Lord Andrew Adonis (Leading Labour's Policy Review on Industrial Strategy); Jon Cruddas MP (Policy Review Coordinator); Angela Eagle MP (Chair of Labour's National Policy Forum); John Denham MP (Editor, The Shape of Things to Come) Andrew Harrop ; (General Secretary, Fabian Society) (Chair)
TUESDAY	Conference Hall Manchester Town Hall	'SPIN ALLEY' LIVE: Come and debate the leader's speech Our panel of top politicians give their spin on Ed's performance. The only place on the fringe to get the inside tracks on the leader's speech.	Sadiq Khan MP (Shadow Secretary of State for Justice); Mehdi Hasan (Huffington Post); Jackie Ashley (The Guardian); Tim Montgomerie (Conservative Home); Andrew Harrop (General Secretary, Fabian Society); Pippa Crerer (Evening Standard) (Chair)
	Partners: 		
Conference Hall Manchester Town Hall	19:45 – 21:15	TWO-SPEED EUROPE: Are women being left behind? As austerity bites across Europe we ask: are the cuts hitting women harder?	Emma Reynolds MP (Shadow Minister for Europe); Linda McAvan MEP ; Ivana Bartoletti (Editor, Fabiana); Felicity Slater (Chair)
Partners:  			

Going for Growth: The new relationship between Government and the economy

With: **Lord Adonis** (Leading Labour's Policy Review on Industrial Strategy); **Melanie Leech** (Director General, Food and Drink Federation); **Vicky Pryce** (former Chief Economist at BiS); **Steve Radley** (Director of Policy, EEF); **James Ashton** (Head of Business, Independent) (Chair)

Partners:



Food and Drink Federation 

Rebuilding the European left

With: **John Denham MP** (PPS to Ed Miliband); **Axelle Lemaire** (Députée socialiste des français d'Europe du Nord)

Partner:



Next State: A sustainable public finance settlement

With: **Rachel Reeves MP** (Shadow Chief Secretary to the Treasury); **Michael Izza** (Chief Executive, ICAEW); **Paul Johnson** (Director, IFS); **Sarah Neville** (Chair) (Public Policy Editor, Financial Times)

Partner:



Next Economy: Good Business is good for business

With: **Chris Leslie MP** (Shadow Financial Secretary); **Alan Buckle** (Deputy Chairman, KPMG International); **Stephen Beer** (author of 'The Credibility Deficit')

Partner:



Reaching the parts other parties can't reach

Polling for the Scottish Fabians shows Labour still has a mountain to climb in Scotland. But Labour's the only party that can represent the whole UK says *Margaret Curran*



'Out of touch, incompetent and boring' are words that no one wants to be associated with. And no political party seeking to rebuild wants to be described in that way. That's why the poll conducted by the Scottish Fabians this summer – which discovered these were the words voters most connected with Scottish Labour – is a sobering reminder to all of us that, despite a party review, a change in our top team and positive results in May's local government elections, we still have a mountain to climb.

Our defeat in 2011 was, to put it mildly, a wake-up call. And while the overhaul of our party in Scotland will be owned and undertaken by Scottish Labour and led by our leader, Johann Lamont, it is in the interests of the entire party across the UK that we have a strong and modern party that reaches all parts of Scotland. We are at a turning point and in the next four years, we will face three critical tests for our party and every one will have repercussions for the whole of the UK. The independence referendum will, simply put, decide whether Britain remains intact or breaks apart; Scotland will then make an essential contribution to our efforts to form the next Labour government at Westminster in 2015; and the next Scottish general election in 2016 will show whether the Labour party can claim to be the only party that can extend its imprint to every part of the UK and every level of government. Our recent experience has demanded we restate the fundamental values and purpose of the Scottish Labour party and we can learn and share experience from across the party in different parts of the UK.

Responsibility for winning the independence referendum rests disproportionately on the Scottish Labour party, as the only party that can speak of the benefits of the union

on behalf of the majority of Scots. This is an experience that can and should engage us all and I have been encouraged that across the party there is a growing awareness that rebuilding in Scotland matters to everyone. But there is more we need to do.

The scale of these challenges over the coming years means that the Labour party across the UK has to think as much about rebuilding our support in Scotland as it has about reasserting itself in the south east of England.

For Labour, it doesn't matter where you take action, it is the change you make to people's lives and the opportunities you create that matters. And in Scotland, that means we have to face up to where we've got things wrong in the past and remedy them. Firstly, that means accepting that the Scottish people are not going to tolerate an approach that looks like we relegate the Scottish parliament to a secondary priority, even if we know that not to be true. If we do that, we cannot expect them to continue to march to the ballot box to support us in UK elections.

That's why we need to reinforce to sitting parliamentarians – regardless of what parliament they are in – and to our future candidates that it doesn't matter whether it's a black chair or a green bench you sit on, it's what you do when you're there. That means building an agenda that offers hope and opportunity for the future built on Labour principles that have served Scotland in the past. These now need to be clearly articulated for the future, in the same way that Ed Miliband is doing this for the whole of the UK.

Secondly, we need to stop living in the past. We are rightly proud in Scottish Labour of our history, full of figures who have had the force and legitimacy to speak for Scotland. But the greatest legacy of people like John Smith and Donald Dewar shouldn't be our memory of them; it should be a new generation of Scottish Labour who can speak with the same authority and passion about the promise of Scotland and its people.

That's why over the coming years we will be relentlessly focussed on putting in place the best candidates we can muster for UK and Scottish general elections – the candidates we need to once again be able to claim that we are the only party that speaks for Scotland.

The Scottish Labour party has always made a concerted contribution to the party across the whole of the UK. When Keir Hardie looked at the problems facing people in

Scotland and England, he didn't just set up a Scottish party, he set up the British Labour Party. The task for the next generation of the Labour party across the UK is the same: to meet the challenges ahead and, in doing so, make the case for Labour as the only party with the concerns and needs of the whole of the UK at its heart. **F**

Margaret Curran MP is Shadow Secretary of State for Scotland

The Treasurer's view

The outgoing Treasurer of the Fabian Society says that times change but Fabian values and objectives do not—*Nick Butler*



Thirty years ago in the autumn of 1982 when I became Treasurer of the Fabians, the prospects for the Labour party looked bleak. The left was divided. One fault line split social democrats inside the party from those who had left to set up the SDP. Another divided those who supported gradualism and the parliamentary road to socialism from the hard left of the Militant Tendency and the rag bag of Trots and opportunists who gathered around *London Labour Briefing*. On neither front was victory assured. Events could so easily have broken the party. As it was, Labour was marginalised and irrelevant for a decade and a half but enough of the party's spirit and values survived to allow a new generation to renew the cause in the 1990s.

The Fabians, nationally and locally, were part of the structure which made that survival and renaissance possible. In the 80s in particular, the Fabians provided a social sanctuary from the bitter atmosphere of CLP meetings. From 1983 onwards, the Society provided a platform for the discussion of new ideas. There is still no authoritative history of the party in this period, but when it is written the gradual restoration of Labour as a viable, credible party fit to be trusted with government will be traceable to a succession of Fabian conferences and publications.

Trust is hard won and it took Labour until 1997 to regain what it had thrown away. With Labour in government, the role of the Fabians changed. Ministers were not short of advice from lobby groups and civil servants. But the rundown of the party's own research department and the necessary if regrettable emasculation of General Committees and Conference ran the risk of leaving ordinary members with no voice. The Fabians played their part in filling the gap – providing a constant reminder that being in government was not an end in itself.

Back in opposition, the Fabians again have the challenge of helping to develop new ideas. The party is less fractious now. If anything the problem is that politics is too quiet. With a deep and continuing recession, serious cuts in public spending, an unresolved set of problems in Europe and all the other issues of our time, it is surprising that there are fewer protests and only a muted debate on policy. It is as if people have lost faith in the political process and that even the left is fatalistic. If true that is as dangerous a threat to the Fabian view of progress as any amount of pseudo-revolutionary

rhetoric from Ted Knight and Derek Hatton. We need to offer a credible plan for progress, to demonstrate that recessions do end but not without active government action and that we have the capacity to alter the life chances of the most disadvantaged here in the UK and internationally. Times change but our values and objectives do not.

Over the thirty years the Fabians have, as ever, adapted and responded to the challenges of the moment. The process has not been glamorous. Those who venture into politics at any level seeking fame and fortune will find that there is no great fortune and that fame comes only through scrutiny from the *Daily Mail* and the *Daily Telegraph*. But politics remains an honourable activity.

Being Treasurer of the Fabian Society has been a pleasure rather than a duty. I have made many friends, found a wife and enjoyed the opportunity to experience up-close the real political process as opposed to that described in either the media or the academic text books. Having been a Fabian allowed me to understand and appreciate working in No 10, even in the toughest of times at the end of the last government.

But in addition to those pleasures there is the reward of having helped to sustain an organisation which has been part of the tapestry of politics for almost 130 years.

The Society is secure and in great shape. I would like to thank all those who have helped to make could have been a tricky job more simple. Six General Secretaries, 28 different Chairs, innumerable local society officers, those who donate funds (in some cases anonymously) and of course the members – without whom nothing would be possible.

Thirty years as Treasurer is long enough. I am delighted that David Chaplin, who is standing as my successor, represents a new generation and that the Young Fabians continue to thrive. They are the future. But that does not mean that there is no role for those of us who are grey and grumpy. Fabians don't retire – the idea of Beatrice Webb retiring while there was work to be done is laughable. Perhaps it is time to create the Old Fabians. *A luta continua.* **F**

Nick Butler is Visiting Professor and Chair of the King's Policy Institute at King's College London. He is outgoing Treasurer of the Fabian Society

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ANNUAL REPORT 2012



Suresh Pushpanathan, Chair of the Fabian Society

It has been another successful year for the Fabian Society. We have had significant changes in our staffing at all levels with a new team led by Andrew Harrop our General Secretary. Andrew has been in post for a year. I wish to thank him for his excellent work so far, particularly in getting our finances back on track.

The Executive Committee has spent much of the past year undertaking a Governance Review process. We will be making far-reaching recommendations to the Annual General Meeting in order to improve the structure and function of the Executive Committee. The new website has been a great success, with many more participants enjoying the user-friendly site featuring quality articles and editorials. This year will be the first year where elections to the Executive Committee will have electronic voting alongside traditional paper ballots. We have also recently purchased a new building. We will be moving into our new offices at 61 Petty France once refurbished in Spring 2013.

While all these structural changes have been taking place the Society has continued to produce first class publications, events & analysis. We continue our input into the Labour Party's Policy Review process as well as contributing significant outputs in our main themes.

The Young Fabians, Local Societies and Fabian Women's Network continue to thrive. I wish to thank all the staff and the Executive Committee for their great work over the past year. It has been a great honour to be Chair of the Fabian Society for the past two years.

Treasurer's Report

As the figures demonstrate the Society's finances are sound with income and expenditure balanced and turnover maintained. In the circumstances this is a good result and a great credit to the Fabian staff – in particular Phil Mutero, our Head of Finance and Operations and our new General Secretary Andrew Harrop. They have managed to ensure that the Society has been able to adjust both to the inevitable uncertainties of the transition period around the change of General Secretary, and to the shift in external circumstances. With Labour in opposition and an economic downturn continuing, the income from conferences and events has inevitably been constrained. Fortunately the Society has been able to compensate with added income elsewhere – in particular, and most encouragingly, from research funding.

I would like to thank the staff, my colleagues on the Executive led with great skill for the last two years by Suresh Pushpanathan, and all those without whose hard work the Society couldn't survive – our volunteers in Dartmouth Street and in all the local societies, our members around the country, and those who support us financially – in some cases anonymously. I would also particularly like to thank the Young Fabians whose energy and commitment have once again been outstanding.

After 30 years as Treasurer it is time to step down. It has been a privilege to serve the Society and although we are not rich and cannot afford to do everything we would wish, I believe that in both financial and organisational terms the Society is secure and capable of making a great intellectual contribution to the challenge of returning Labour to power.

Nick Butler

Financial Statements

These accounts are an extract from the financial statements and may not contain sufficient information to allow a full understanding of the financial affairs of the society. For further information the full financial statements and auditors report should be consulted. Copies of these can be obtained from the Fabian Society, 11 Dartmouth Street, London SW1H 9BN.

Auditors Statement

We have audited the financial statements of The Fabian Society for the year ended 30th June 2012 which consists of a balance sheet, income and expenditure account and notes to the accounts. In our opinion the Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of The Fabian Society's affairs at 30th June 2012 and of its income and expenditure for the year then ended.

Knox Cropper
Chartered Accountants
8/9 Well Court
London
EC4M 9DN

Registered Auditors

Lord Archer (1926–2012)

The Fabian Society was saddened by the loss of its president Lord Archer of Sandwell. Peter Archer was elected as an MP in 1966 and served as Solicitor-General between 1974 and 1979 and Shadow Secretary of State for Northern Ireland between 1983 and 1987. He received a life peerage as Baron Archer of Sandwell in 1992. Lord Archer first joined the Fabian Society in 1956 and served as President of the Society from 1993.

Research and Editorial

Asda, Barrow Cadbury Trust, Crisis, Dartmouth Street Trust, Joseph Rowntree Foundation, Igloo, Moat Housing, PCG, TUC, Unilever, WWF

Conferences, Receptions, Lectures & Seminars

Asda, EEF, Electoral Reform Society, EEF, ESBI, FEPS, European Commission, Friends Provident, Food & Drink Federation, ICAEW, IOE, Sanofi-Aventis

Trade Unions

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

Partner Organisations

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

Noticeboard

Fabian Fortune Fund

WINNERS:

Shaun O'Byrne £100
Linda Nicklin £100

Half the income from the Fabian Fortune Fund goes to support our research programme. Forms and further information available from Giles Wright, giles-wright@fabians.org.uk

Subscription Rates

At the Annual General Meeting, members agreed to increase the annual Ordinary rate subscription by £1 to £38.00 (£36.00 for those paying by direct debit).

The Reduced rate subscription for students, retired and unwaged/unemployed members remains unchanged at £19.00 (£18.00 direct debit).

Fabian Society AGM 2012

VENUE

Conference Hall, Mary Sumner House (Mother's Union), 24 Tufton Street, London, SW1P 3RB.

DATE

Saturday 17th November 2012, 13:00 – 16:00

AGENDA

- 13.00** Doors open
13.15 Debate: Labour's Public Face: How voters feel about the people's party
14.15 Tea and Coffee
14.45 Annual General Meeting
1. Apologies
 2. Minutes of 2011 AGM
 3. Matters Arising
 4. In Memoriam
 5. Election results
 6. Annual Report 2011-12
 7. General Secretary's Report and Forward Programme
 8. Treasurer's Report
 9. Appointment of Auditor
 10. Resolutions
 11. Date of next AGM
 12. Jenny Jeger Prize
 13. AOB
- 16.00** Close of meeting followed by an informal social at the Westminster Arms, 9 Storeys Gate, Westminster.

AGM Resolutions

Further to those listed on page 30, the following is proposed by Peter Stern

Bye-law 1, paragraph ii shall be replaced with:
'There shall be a research and editorial committee consisting of not less than five persons to be appointed by the executive committee, and, up to five members to be elected at the annual general meeting. The committee shall elect a chair, who will provide reports to the executive committee and to the annual general meeting.'

Income and Expenditure Account

	2012	2011
	£	£
INCOME		
Individual Members	171,265	181,794
Institutional Affiliations and Subscriptions	14,651	34,151
Donations	63,275	38,944
Publications Sales	3,086	2,703
Conference and Events	129,574	169,274
Publication Sponsorship and Advertisements	64,775	59,335
Research Projects	153,500	108,305
Rents	31,034	34,861
Bank Interest	626	1,173
Royalties and Miscellaneous	-	5,041
Total Income	£631,786	£635,581
EXPENDITURE		
Research Projects	35,213	24,904
Staff Costs	340,162	374,120
Printing and Distribution	67,478	58,533
Conference and Events	95,392	93,155
Promotion	5,130	2,995
Affiliation Fees	2,754	2,557
Postage, Phone and Fax	8,918	9,543
Depreciation	3,516	3,387
Travel	1,735	525
Other	5,300	5,300
Stationery and Copying	10,110	8,443
Legal and Professional	7,502	8,396
Irrecoverable VAT	3,763	908
Premises Costs	36,805	34,526
Website & Database	5,849	8,755
Bad Debts	2,902	-
Total Expenditure	£632,529	£636,047
(Deficit) Before Tax and Transfers	(743)	(466)
Transfers from Reserves	-	-
(Deficit) before Taxation	(743)	(466)
Corporation Tax	-	-
(Deficit) for the year	£(743)	£(466)

Rule changes

Proposals to reform the procedures and constitution of the Fabian Society to enable a more strategic and political input from the Executive Committee and to strengthen its monitoring of staff activities.

The Fabian Society has been enormously influential throughout its long history. More recently, while in Government and in Opposition, the Fabian Society's significance to the Labour Party endures. We now have a new General Secretary and senior staff. The Society needs an Executive Committee that can contribute to its success and this necessarily requires it to be more effective than at present.

It has been clear for some time that the governance arrangements of the Fabian Society are lacking and we need to strengthen them. There should be a clear distinction between the roles of the staff, who are responsible for tactics, operations and delivery, and the role of the members of the Executive Committee which focus on strategy and oversight. It is important not to confuse these roles. The staff should be more accountable to the elected members of the Executive Committee. The Executive Committee should be more accountable to the members of the Society.

In September 2011, the Executive Committee agreed to the formation of a Governance Sub-Committee. It has worked since that time to develop recommendations to modernise the governance structures of the Society. The Executive Committee has made some changes already in the areas that require only its approval. We now propose several Rule changes in order to modernise the function of the Executive Committee and also some word changes to bring the Rules up to date. We now seek the approval of the AGM for these much needed changes. **F**

Suresh Pushpanathan
Chair of the Fabian Society

Following its review of governance arrangements, the Executive Committee is proposing a number of amendments to the Society's rules. The key proposals are:

- Increase in term of elected executive committee members from one to two years
- Reduction in the size of the Executive Committee to a maximum of 22, with the president and vice-presidents no longer members
- Creation of a new ex-officio executive committee place for the Fabian Women's Network
- Limit of five Westminster parliamentarians on the Executive Committee
- Power for Executive Committee to suspend or expel members in certain circumstances
- Power for Executive Committee to intervene in the affairs of a local Fabian Society in the event of unacceptable practice

The following resolutions will be voted on at the Annual General Meeting on 17th November 2012, full details of which can be found on page 29:

Resolution 1 – Proposed by the Executive Committee (Requires a 75 per cent majority at a General Meeting)

The following rules shall be amended:

Rule 2 (objectives)

The word 'disability' shall be added to the existing list of grounds upon which the Society shall not discriminate: race, gender, sexual orientation, age or creed

Rule 4 (membership)

The following sentence will be inserted at the end of the first paragraph of rule 4: *'The executive committee may suspend or expel a member for reasons including being ineligible for membership of the Labour Party, being suspended or expelled from the Labour Party, or unacceptable conduct.'*

The term 'associate' shall be replaced by the term 'associate member'

The following sentence will be added as a new final paragraph: *'Libraries, commercial organisations and similar may take a publication subscription, with no associated membership rights.'*

Resolution 2 – Proposed by the Executive Committee (Requires a simple majority at a General Meeting)

The following rules shall be amended:

Rule 9 (executive committee membership)

The first paragraph of rule 9 shall be replaced with: *'The executive committee shall comprise: (a) the Honorary Treasurer, who shall be elected as provided in rule 11 following; (b) 10 other members elected as provided in rule 11 following; (c) three members elected to represent local Fabian societies as provided in rule 11 following; (d) one member elected to represent the Society in Scotland and one member elected to represent the Society in Wales as provided in rule 11 following; (e) one member who shall be an employee of the Society and who shall be elected to hold office for one year by the employees excluding the General Secretary and Deputy General Secretary who may neither stand nor vote; (f) one member who shall be appointed by the Young Fabian executive; (g) one member who shall be appointed by the Fabian Women Network executive; (h) members co-opted by the executive committee provided that the membership of the committee does not at any time exceed 22 in number.'*

The first sentence of the second paragraph of rule 9 shall be replaced with: *'The executive shall have the right to fill casual vacancies other than the employees' representative who shall be elected by the employees, and the Young Fabian, Fabian Women's Network, Scottish Fabian and Welsh Fabian representatives who shall be appointed by their respective executives'*

The first sentence of the third paragraph of rule 9 shall be replaced with: *'The executive committee shall elect such officers for the year as it thinks necessary, including a Chair and at least one Vice Chair.'*

The fourth paragraph shall be replaced with: *'Any member absent from three meetings of the executive committee (excluding meetings where apologies are accepted for a satisfactory explanation) shall be deemed to have vacated his or her seat.'*

Rule 11 (executive committee elections)

The first sentence of rule 11 shall be replaced with: *'Before every second annual meeting (in odd-numbered years), the Society shall elect by ballot an honorary treasurer and 10 other members of the executive committee to hold office for two years.'*

The following sentence shall be added to the end of the first paragraph of rule 11: *'No more than 5 of the 10 other members elected shall be Members of the House of Commons or House of Lords.'*

In the second paragraph of Rule 11 the number four shall be replaced by the number three.

The following sentence shall be added to the end of the first paragraph of rule 11: *'None of the members elected shall be Members of the House of Commons or House of Lords.'*

The following sentence shall be moved from the second paragraph of rule 11 to become a freestanding third paragraph: *'A statement from each of these candidates and biographical details shall be circulated with the ballot paper.'*

The current fourth paragraph of rule 11 shall be replaced with: *'Elections may be held using secure paper or electronic methods. All votes must be cast within a period to be determined by the executive committee, which shall be not less than 28 days and not more than 56 days after the day the ballot opens. Scrutineers shall be appointed by the executive committee, whose duty it shall be to oversee the accuracy of the vote, and to certify to the General Secretary the results. In the event of a tie the chair of the society shall have the casting vote.'*

The words 'annual postal' shall be deleted from the current fifth paragraph of rule 11.

New rule (President and vice-presidents)

The following rule shall be inserted between rule 9 and rule 10: *'The President and Vice Presidents of the society, if any, may be elected at an annual or special general meeting on the nomination of the executive committee. They shall not be members of the executive committee.'*

Rule 12 (executive committee responsibilities)

The first paragraph of rule 12 shall be replaced with: *'The executive committee shall conduct the general business of the Society; appoint such paid employees as it deems necessary, including a General Secretary; create such sub-committees and groups as are considered desirable from time to time; oversee research and editorial strategy; and appoint all delegates to represent the Society. It shall delegate its responsibilities to sub-committees or to the General Secretary as it sees fit.'*

In the second paragraph of rule 12 the phrase 'and on the society's website' shall be inserted after the words 'Fabian Review'.

Rule 13 (supervision of editorial content)

The first sentence of Rule 13 shall be replaced with: *'No article, essay, book, pamphlet or tract submitted to the Society shall be published unless approved as of a suitable standard according to rules made by the executive committee.'*

Rule 14 (subscriptions)

In the second paragraph the phrase 'subscription for libraries' shall be replaced by the term 'publication subscriptions'.

The rates for subscribing bodies shall be amended to:

• Constituency Labour Parties	£38
• up to 2,500 members	£150
• 2,501–100,000	£495
• 100,001–500,000	£995
• over 500,000	£1,700

Rule 15 (local societies)

The following paragraph shall be added at the end of rule 15: *'The executive shall have the power to intervene in the running of a local society, amend its rules or de-recognise it in the event of unacceptable practice which brings the national society into disrepute.'*

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Listings

- BEXLEY**
Regular meetings. Contact Alan Scutt on 0208 304 0413 or alan.scutt@phoncoop.coop
- BIRMINGHAM**
25 September: 'Can Young People lead Birmingham out of Recession?' This and all meetings at 7.00 in the Birmingham and Midland Institute, Margaret Street, Birmingham. Details from Claire Spencer on virginiaisawitch@gmail.com
- BOURNEMOUTH & DISTRICT**
26 October: Bridget Phillipson MP. 'Crime and Justice – The Way Forward'.
30 November: Clare Moody on 'Can Social Europe Survive the Euro Crisis'
6 December: Christmas Party. 25 January: Jon Trickett MP on 'How Can Labour Win a Majority in 2015?' Meetings at The Friends Meeting House, Wharmcliffe Rd, Boscombe, Bournemouth at 7.30. Contact Ian Taylor on 01202 396634 for details or taylorbournemouth@gmail.com
- BRIGHTON & HOVE**
Friends Meeting House, Ship St, Brighton. Details of all meetings from Maire McQueeney on 01273 607910 email maircmcqueeney@waitrose.com
- BRISTOL**
Society reforming. Contact Ges Rosenberg for details on grosenberg@churchside.me.uk
- CAMBRIDGE**
Details from Kenny Latunde-Dada cambridgefabiansociety@hotmail.co.uk Join the Cambridge Fabians Facebook group at www.facebook.com/groups/cambridgefabiansociety
- CAMDEN**
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@phoncoop.coop
- CENTRAL LONDON**
17 October: Austin Mitchell MP. Meeting in House of Commons. Details from Giles Wright on 0207 227 4904 or giles.wright@fabians.org.uk
- CHISWICK & WEST LONDON**
25 October: James Hallwood of the Constitution Society. All meetings at 8.00 in 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
- CUMBRIA & NORTH LANCASHIRE**
Regular meetings. For information, please contact Dr Robert Judson at dr.robertjudson@btinternet.com
- DARTFORD & GRAVESHAM**
18 October: Andrew Harrop, General Secretary Fabian Society on 'The Future of the Welfare State', 8.00 in Dartford Working Men's Club, Essex Rd, Dartford. Details from Deborah Stoate on 0207 227 4904 email debstoate@hotmail.com
- DERBY**
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@gmail.com
- EAST LOTHIAN**
Details of all meetings from Noel Foy on 01620 824386 email noelfoy@lewisk3.plus.com
- EDINBURGH**
Regular Brain Cell meetings. Details of these and all other meetings from Daniel Johnson at daniel@scottishfabians.org.uk
- EPSOM AND EWELL**
New Society forming. If you are interested, please contact Carl Dawson at carldawson@gmail.com
- FINCHLEY**
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**
If you are interested in becoming a member of this local Society, please contact Chris Kirby on cckirby@hotmail.co.uk
- GRIMSBY**
Regular meetings. Details from Maureen Freeman on m.freeman871@btinternet.com
- HARROW**
24 September: Gareth Thomas MP.
24 October: Dr Onkar Sahota AM. 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.
- HASTINGS AND RYE**
Meetings held on last Friday of each month. Please contact Nigel Sinden at fabian@sindenql.com
- HAVERING**
23 October: Iain McNicol, General Secretary of the Labour Party.
15 October: Robert Evans, former MEP on the US Elections. 16 November: John Croy MP. Details of all meetings from David Marshall email david.c.marshall.t21@btinternet.com tel 01708 441189 For latest information, see the website <http://haveringfabians.org.uk>
- HULL**
New Society forming. Secretary Deborah Matthews and Chair Kevin Morton can be contacted at HullFabians@gmail.com, on Twitter at @HullFabians or on 07958 314846
- ISLINGTON**
Details from John Clarke at johnclarke00@yahoo.co.uk
- LEEDS**
Details of all meetings from John Bracken at leedsfabians@gmail.com
- MANCHESTER**
Details from Graham Whitham on 079176 44435 email manchesterfabians@googlemail.com and a blog at <http://gtrmancfabians.blogspot.com>
- MERSEYSIDE**
Please contact Phillip Brightmore at p.a.brightmore@gmail.com
- MIDDLESBOROUGH**
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, contact David Morgan at 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**
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@btinternet.com
- NORWICH**
Society reforming. Contact Andreas Paterson – andreas@headswitch.co.uk
- NOTTINGHAMSHIRE**
Regular meetings. Contact Dr Arun Chopra – arunkchopra@gmail.com, www.nottsfabians.org.uk, twitter @NottsFabians
- 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 meetings. Details from Daniel Greenaway at daniel.idris.greenaway@gmail.com
- READING & DISTRICT**
For details of all meetings, contact Tony Skuse on 0118 978 5829 email tony@skuse.net
- SHEFFIELD**
20 September: Cllr Mahzer Iqbal. Public Services in Sheffield. Regular meetings on the 3rd Thursday of the month at The Quaker Meeting House, 10, St James St, Sheffield, S1 2EW. Details and information from Rob Murray on 0114 255 8341 or email robertjmurray@hotmail.com
- SOUTH EAST LONDON**
For details, contact Duncan Bowie on 020 8693 2709 or email duncanbowie@yahoo.co.uk
- SOUTH WEST LONDON**
Contact Tony Eades on 0208487 9807 or tonyeades@hotmail.com
- 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 freemansmb@blueyonder.co.uk
- SUFFOLK**
20 September: 7.30, Richard Bourne of the Socialist Health Association on 'Health and Social Care' at Ipswich Library Lecture Hall. November (date TBC): Paul Greater on 'Local Newspapers – and Essential part of our Local Democracy'. 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 & TUNBRIDGE WELLS**
For details of meetings contact John Champneys on 01892 523429
- TYNEMOUTH**
Monthly supper meetings, details from Brian Flood on 0191 258 3949
- WARWICKSHIRE**
20 September: James Plaskitt, Labour's candidate for Police Commissioner in Warwickshire. 25 October: Dr Kevin Hickson on 'The History of Labour Thought'. 22 November: Lord Phillip Hunt on 'Home Affairs'. 24 January: Brian Davies, former Head of CAFOD. All meetings 7.30 at the Friends Meeting House, 28 Regent Place, Rugby Details from Ben Ferrett on ben.ferrett@hotmail.com or <http://warwickshirefabians.blogspot.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 Cllr Professor Alan Townsend, 62A Low Willington, Crook, Durham DL15 0BG, tel, 01388 746479 email Alan.Townsend@dur.ac.uk
- WIMBLEDON**
Please contact Andy Ray on 07944 545161 or andyray@blueyonder.co.uk
- 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

Our manifesto for future growth: record lending for businesses and homeowners

At the start of this year, we pledged to increase our lending to small and medium-sized businesses to £12 billion and lend £15 billion to UK homeowners – including £3 billion for first time buyers.

By the end of June we had:

- ▶ agreed lending worth £6.3 billion to small and medium-sized businesses, helping an average of 774 businesses every day;
- ▶ approved mortgage lending worth £2.7 billion for first time buyers, benefiting an average of 129 people every day.

Since then, we've made an extra £2 billion available to homeowners – £1 billion exclusively for first-time buyers.

This is our manifesto for future growth.



WHAT IS THE

ROUTE TO GROWTH?

WE THINK IT IS TIME FOR A NEW APPROACH TO INDUSTRIAL STRATEGY

The economy has stalled. Over the last year, we've seen little growth, let alone the investment and export focused growth that is crucial for a better balanced economy. So where do we go from here?

The government is right to address the deficit and has made progress in areas like corporation tax, apprenticeship funding and regulation. But we need to see the same focus from government on growth, as there is to meeting the fiscal mandate.

So as policy-makers return from the summer break and head to Party Conferences EEF will be arguing that we need a cross-government and economy-wide industrial strategy. This needs to set out the kind of economy the Coalition is trying to create, the right policies for doing so and measurable benchmarks to assess progress. All parts of government must then focus relentlessly on delivering this strategy.

To find out more visit www.eef.org.uk or join us at our Conference fringe programme.

eef The
manufacturers'
organisation



COME AND SEE US AT THE PARTY CONFERENCES

@Lib Dem Conference

'Going for Growth: The new relationship between Government and the economy'

The Fabian Society and Centre Forum, in partnership with EEF and FDF

Wednesday 26 September, 1pm-2.30pm

Ambassador Room, Hilton, Brighton

Panellists include, Norman Lamb MP, Vicky Pryce,

FTI Consulting

Open to all, outside the secure zone

@Labour Conference

'Going for Growth: The new relationship between Government and the economy'

The Fabian Society in partnership with EEF and FDF

Monday 1 October, 1pm-2.30pm

Lord Mayor's Parlour, Manchester Town Hall

Guests include, Lord Adonis, James Ashton,

the Independent and Evening Standard

Invitation only, due to limited places

@Conservative Conference

'What is the role of Government in growing the economy?'

The Enterprise Forum in partnership with EEF

Tuesday 9 October, 12.30pm-2pm

Cullinan Suite, Copthorne Hotel, Birmingham

Panellists include, Margot James MP,

Mark Littlewood, IEA, and Maggie Pagano,

Independent on Sunday

Open to all, outside the secure zone