Labour – a Government in waiting?

Why business should engage with Labour Party policy



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Introduction

by CHRIS HOGWOOD

In the month between the local elections and the General Election, Labour's fortunes changed dramatically. From the disappointment of returning just two Labour mayors out of a possible six, to derailing the strong and stable leadership of Theresa May in the space of five weeks, it was quite the reversal.

This has not gone unnoticed in boardrooms across the country. Whatever their views at the start of 2017, the latter half of this year sees businesses thinking seriously about how they should be engaging with Labour and its policies.

Our polling, commissioned from YouGov, reveals that three quarters of business leaders think that a Corbyn Government could come about within five years, and a third of them say they have made at least some preparation for it.

And with good reason. While the Fixed-Term Parliaments Act affords this Government some

protection, in these politically volatile times, the possibility of a Labour Government cannot be ignored.

This Parliamentary session will see Labour attack the Government with renewed vigour. Jeremy Corbyn's future is now more secure than ever, and his supporters will seek to take the momentum of the election campaign into Parliament.

With a weakened Government faced with significant challenges, Labour will be seeking to set the policy agenda both in opposition in Westminster and in local government, where it is already in power in town and city halls across the country.

Now is the time for business to start engaging seriously with Labour policies – or else risk being caught in the crossfire.

Chris leads Portland Local – a specialist practice within Portland which exists to help clients navigate the changing landscape of city, regional and local politics.



Ayesha is a former Labour adviser who is now a political commentator, broadcaster and stand-up comedian. She has a weekly column in the London Evening Standard, the Scotsman and also writes for the FT, Guardian and New Statesman. Ayesha worked in politics for almost 20 years and was a senior Labour Party adviser to Harriet Harman and Ed Miliband.

A Corbyn Government will be a campaigning government. Fighting austerity, promoting social justice, and building an economy for the many not the few would be dominant political themes.

For business, this will mean a focus on ending zero-hours contracts, repealing the Trade Union Act, sectoral collective bargaining, introducing a real National Living Wage, among a host of other policies to improve workers' rights. The tone of how government approaches businesses will change. Downing Street will stand up for workers over pay and conditions when it comes to industrial relations and Corbyn has reflected that in recent disputes.

On policy, Corbyn would send early signals on housing, rail, regional investment, infrastructure including broadband, education (by axing tuition fees) and of course the NHS and Social care. Team Corbyn would want to demonstrate they can make swift progress on these important issues, but they must be mindful of explaining how to fund them and if necessary, making compromises.



If there was an election before any deal is arrived at on Brexit, Labour would want to renegotiate transitional arrangements with the EU to have a longer period with full membership of the Single Market and Customs Union.

If it was post Brexit, it is likely that Labour would want to re-apply for membership of the European Court of Justice as Corbyn is a strong supporter of international human rights. Depending on the nature of result of the election result which delivered Corbyn into Downing Street, there could well be a request to the EU for continued membership of the

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Single Market and Customs Union as many of his political allies including senior trade union leaders would be in favour of this.

Labour's manifesto process, particularly on renewing Trident, and the recent Brexit re-positioning demonstrates some important scope for political accommodation and an ability to influence Team Corbyn. But their initial priority in office would be to focus on the issues their voters care most about - health, education and Brexit.

Businesses will be listened to if they can speak in a tone Corbyn and his team understand, don't have an adversarial relationship with their workforce and are not hostile to the concept of responsible capitalism.



Digital disruption: the rise of the new activist left



As Portland's digital campaigns specialist, Tom helps clients create and mobilise communities through social and online media. Before joining Portland he worked on digital campaigns for trade unions, NGOs and businesses, including the Unite General Secretary election for Len McCluskey. He also worked with digital campaign group 38 Degrees running over 150 simultaneous local campaigns mobilising around one million people.

For firms one of the starkest short term effects of Corbyn's first Labour leadership election victory has been the mobilisation of the new activist left.

A confluence of events has meant that corporates are under constant threat of attack. Corbyn has acted as rallying point for young people on the left, increasing the saliency of direct online action, shown that real people working together can have an impact, as well as training a generation in modern campaign techniques. This is in addition to major investment in the lefts campaigning infrastructure from the wider movement, and organisations like SumOfUs and 38Degrees reaching maturity.

Unlike previous insurgencies tied to the Labour Party the new left are not only interested in electoral success. They understand that to fundamentally reshape the UK's political economy their actions need to be much broader. Meaning everyone is a target.

Campaigns can, to those not aware of this new landscape, seem to appear from nowhere but there are three main ways these campaigns start.

The first and most organic happens in the Facebook and WhatsApp groups that underpin the new left. Members share news articles and as a collective the group iterate strategy and tactics in the comments section.



The second is equally reactive to the news agenda but less organic and will happen in the morning "stand-ups", slack groups and emails of campaigning organisations. Modern online mass movement organisations build their internal systems in a nimble way to allow them to push a campaign live within hours of an idea being flagged. If it gets traction they will build on it – if it does not they move on.

The third can be the hardest for companies to defend against. It is the campaign equivalent of a disruptive start-up in a market. Like start-ups they can be backed by third party investors or bootstrapped by a group of friends in their spare time. Campaigners carefully analyse their target for a weakness, they devise a strong theory of change and then build their campaign around it. They then pursue their target vociferously.

To survive businesses need to pivot their internal monitoring and crisis preparedness process to take account for these new campaigning dynamics. The new left can mobilise quickly, businesses not on a campaign footing will simply not be able to defend themselves and see their reputation, share price and bottom line under attack.





Alex specialises in developing and leading local and regional engagement programmes across a range of sectors including residential, commercial and retail. He previously worked as a senior political adviser to the Labour Leader of Southwark Council and before that ran the parliamentary office of former Labour Chief Whip Rosie Winterton MP.

Despite there being fewer Labour metro mayors than the Party would have hoped for following a string of disappointing results at May's local elections, the Party still enjoys an iron grip on three of the UK's largest cities, adding the Liverpool and Manchester mayoralties to its stronghold in London.

Given Labour's performance in the UK's urban centres at June's General Election, any future Labour Government would likely build on this dominance both at a constituency and mayoral level.

However there is also the potential for the Party's mayors to use their media profiles to establish themselves as an opposition to Labour's leadership in Parliament and even as leaders in waiting. While this is the case to differing degrees, with Sadiq Khan finding himself very publicly at odds with the Leader on a number of occasions, even long-time Corbyn ally and Mayor of Liverpool Steve Rotheram, has faced criticism on the Left from influential unions for his handling of the recent Merseyrail strike.

Brexit represents another issue around which the mayors could create additional headaches for the Labour leadership.

At a local government level, the main challenges the Party faces going forward are internal. While Party divisions at a national level may have subsided, at least for now, following Corbyn's better than expected General Election defeat, talk of (de)selections on a number of traditionally moderate Labour-held councils such as Southwark, Lambeth and Hackney persists.

The upshot of this is that typically business friendly councils may be less willing to engage in a bid to fend off any pressure from the Left, instead showing their 'For-the-many-not-the-few' credentials. This is particularly the case in the capital in the run-up to local elections in May 2018.

Businesses therefore will need to demonstrate that they recognise the priorities of the Party leadership and can respond to this when engaging with local authorities. In regards to metro mayors, understanding their specific regional agendas and the need to own their newly created roles will be key to being heard.



About Portland

Portland is an international communications consultancy trusted by some of the highest profile organisations, governments and individuals in the world.

We are pioneers in integrated communications campaigns engaging politicians, global opinion leaders, decision-makers, key stakeholders, consumers and media.

We help clients manage their reputation, improve their visibility and media coverage – and deliver global communications campaigns across multiple platforms.

Through offices in London, Doha, Nairobi, New York, Washington DC and Singapore, Portland has supported clients in more than 85 countries.

For more information about our services and how Portland can help you, please get in touch with chris.hogwood@portland-communications.com, or call 020 7554 1600



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