



One Nation Labour

- debating the future



Edited by Jon Cruddas

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Preface:

One Nation and LabourList

For those who don't know already, LabourList is Britain's most widely read Labour supporters website, read by hundreds of thousands of Labour members, supporters and critics each year.

In only a few short years LabourList has gone from an idea to a living, breathing entity that plays an important role in the Labour movement. At LabourList we aim to be at the cutting edge of debate within the Labour Party - and to that end we're proud to release this pamphlet as part of our work with Jon Cruddas and the Labour Party Policy Review.

Working with Jon on the production of this pamphlet has been a real pleasure, especially in terms of his willingness to engage with Labour Party members and supporters on equal terms. Only by doing that - and including them (and the public at large) in the conversation that the party needs to have about the way ahead - can Labour be sure of making One Nation into a way of governing, rather than just a political slogan.

It is my hope that this pamphlet is a step on the way to doing that, and that in some small way this may come to be looked back on as a step on the road to a manifesto for a transformative Labour government. But we're not there yet, and the debate must continue. Over at LabourList we'll be ensuring that it does.

Mark Ferguson

Editor, LabourList.org

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Introduction

- By Jon Cruddas MP

We had a tremendous response to the One Nation Labour debate on LabourList. Over fifty contributors and tens of thousands of hits have helped open up Labour's Policy Review to wider involvement.

The Policy Review is about constructing policy for 2015 and the structure and process for doing this are both up and running with three Shadow cabinet sub-groups each responsible for one of the three themes of the review: One Nation Economy, One Nation Society and One Nation Politics.

Each of these themes is broken down into work streams around specific policy objectives, overseen by a Shadow Minister. This core activity of policy making is framed by the larger story of One Nation Labour and its priorities and values. The story determines the policies we construct and in turn the policies define the story of One Nation Labour.

Integral to this process is reform of the party and the integration of the policy review into its structure. Labour needs to develop a culture of participation and involvement and become a party of political organising that begins with the value of people's relationships with one another. To be effective it must also be a learning and knowledge making organisation.

Ideas and action, theory and practice, one without the other has little impact.

To meet the challenges ahead Labour needs to broker new and durable alliances across civil society, developing its digital communications and initiating and sustaining campaigns that build up its capacity for electoral success. To achieve this, the policy review cannot just be an internal affair of the party nor can it wrap

itself up in our own jargon and preoccupations. We need to go to where the people are and listen deeply to what they are saying, not just to the things we want to hear about banks and bonuses but to what we find difficult to hear, for example people's sense of the unfairness of the welfare system and the recent years of immigration. And we need to respond to people's concerns by creating public debates that engage with the issues. In the process we will define One Nation Labour and the political life of the country.

The contributors in this ebook offer ideas and themes for this debate which, in the year ahead, needs to grow and take shape both in and beyond the party.

In 2013 the Policy Review will be building the story of One Nation Labour and creating the policies that will give it detail and substance. There will be seminars and conferences, debates about political philosophy, political economy and the condition of Britain, and there will be discussions on specific policy priorities. Integral to this activity will be campaigning and community based organising. Labour's new website Your Britain (see below) provides a means for people to get involved.

If we are to be effective we will need two vital ingredients: people's energy and their enterprise. Out of these will grow new initiatives, a sense of hope and a belief that Labour can make real change for the better in people's lives. It might mean for example starting up a blog or website, organising a local reading group or house meeting on One Nation politics or a public event or campaign, reaching out to community groups and other political organisations to establish campaigning alliances and helping develop local leadership.

Small is important, begin locally - relationships come first then the politics. As Iain McNicol says in his article in this ebook the Labour Party needs a huge culture change. People's fear of doing the wrong thing - or their anxiety about upsetting the status quo - will be the biggest obstacles to the change we need.

Our ambition is to build a country in which everyone feels that they have a stake, and where prosperity is fairly shared. It will be one in which we conserve our common life by valuing and reforming the institutions that bind us together. This

is a big ambition and we will need to take the best of Old Labour and New Labour to develop a One Nation politics.

First, it is a politics that is both radical and conservative. We organise for change to conserve the good in people and in society. It means looking after and protecting what matters in peoples lives – a sense of belonging, self-esteem, relationships, family, local place, social security. It also means reform to bring to account vested interests and activities that are damaging to society (for example the banks, tax evasion, loan sharks, bad private landlords, and the energy markets). Our institutions both private and public should work for the common good.

Second, it is the practice of a democratic politics of the common good. The common good is not some pre-existing idea imposed on people by a ruling elite or a domineering state. It is the agreement of a common ground reached between different groups and interests that is the outcome of deliberation. The politics of the common good negotiates the distribution of power in society and the economy with the aim of making sure that no one interest or group dominates over others. It is the basic practice of politics: a democratic process that is never completed and always contingent .

Third, the politics of the common good is governed by reciprocity. Reciprocity is the bond of trust that holds together both society and the market. It is an ethic of give and take which establishes a sense of equality and justice in relationships. The unjust person is ‘the one who takes too much in terms of advantages or not enough in terms of burdens’. It is not just the give and take of rights and obligations , but also the moral imperative that one does not do to others what one does not want done to one’s self.

Fourth, it is a politics of being together. The traditional phrases were solidarity and fraternity but neither work well for the changes in our country. Solidarity calls upon an underlying shared identity which no longer has the same broad reach in our post industrial, plural and diverse society. Fraternity in contrast does emphasise a diversity amongst equals but it is a sentiment that excludes the political relationship between men and women and between women. The politics of togetherness is a way of talking about the ‘we’ while holding to the uniqueness

of each individual. It emphasises how our individual freedom is secured by the equality of constraint we share.

As Ed has described in his Fabian speech on One Nation Labour, it is an idea rooted in the history of the country. One Nation politics belongs to the Labour movement's traditions of collective self help, co-operativism and self improvement. It values these traditions as the basis for building a hopeful future which will include everyone as citizens in the life of the country. The inclusion of all and the recognition of the worth and contribution of each is the meaning of One Nation.

The Conservative tradition has been a powerful national force. In spite of its paternalism, it gave many people meaning, value and a sense of belonging by respecting their place in the hierarchical order of property and status. It is a tradition in danger of extinction in today's Conservative Party which is ideologically dominated by the inheritors of the free market liberalism of the Thatcher Revolution. But for all its good, One Nation Conservatism grew out of the landed interest and relied on class privilege and deference to secure its power. In contrast, the Labour One Nation tradition grew out of the Labour interest and the popular aspiration for self determination and democracy. Its extraordinary historical energy powered the best in modernity by giving working people a place at the common table and representation in the government of the country. It is time to reassert the right of working people to that representation and the obligations which go with it.

The Policy Review has started the One Nation Register detailing events and links to articles contributing ideas to the policy review. If you would like to subscribe to it, please email, onenationregister@gmail.com.

To get involved in the Policy Review go to Your Britain, Labour's policy hub at www.yourbritain.org.uk

Jon Cruddas MP, January 2013



One Nation



In extreme social contexts it is possible to be both radical and conservative - By Tristram Hunt MP

It is now just over three months since Ed Miliband made his One Nation conference speech. When a speech can be instantly recalled by a single phrase, it is usually a good indication of its effectiveness. And there can now be little doubt that it galvanised the party and stimulated thinking.

The speech gave the clearest and most powerful indication yet of the direction Ed is taking the party. It is perhaps best understood in the context of three of his prior interventions.

The squeezed middle described the problem; that living standards are in decline and have been for some time. Between 2003 and 2008 disposable income fell in every UK region outside of London.

Responsible capitalism provided the aspiration, outlining a vision of the fairer, more equal society we wish to build.

Finally, redistribution outlined Ed's political methodology, his process of creating change in a tough economic climate.

Yet until One Nation, it is fair to say these various strands had not exactly leapt of the page. No longer. With one phrase Ed was able to offer a critique of the existing social order under the Tories, whilst simultaneously offering the hope of a better one under Labour.

It is stolen, as Ed acknowledged at conference, from Benjamin Disraeli, perhaps the Conservative Party's most celebrated champion of the working class. As an out-of-favour young politician and jobbing author, Disraeli first unveiled this philosophy in his 1845 manifesto-cum-novel *Sybil, or the Two Nations*.

As the political leader of the Tory ‘Young England’ movement, which argued for a return to the social conservatism and duty of pre-industrial England, Disraeli lambasted the greed and division of the great 19th century industrial cities, such as Manchester, Birmingham and Stoke-on-Trent. There could now exist, he protested, within one city two entirely different nations, “between whom there is no intercourse and no sympathy; who are ignorant of each other’s habits, thoughts and feelings, as if they were dwellers in different zones, or inhabitants of different planets”. These two nations were “formed by different breeding”, fed by different food, and governed by different laws. They were “the rich and the Poor”.

The target of Disraeli’s ire was an equally skewered political economy. Disraeli’s target was the laissez-faire, night watchman state of the Manchester School of neoliberal conservatives. Rather than the barren exchange of the cash-nexus, Disraeli stressed the ties that bind; he believed in a moral conception of society beyond the narrow confines of the marketplace. And he highlighted, amongst the condition of the urban poor of industrial England, the social costs of a failing model of capitalism.

Many may feel queasy about pilfering the ideas of a Conservative, even one such as Disraeli. But there is no need to recoil. A proper understanding of Disraeli shows that in extreme social contexts it is possible to be both radical and conservative. As we approach Victorian levels of inequity today, we are living through one such context.

Furthermore, as Cameron – who once postured as heir to Disraeli himself – continues to lose his rear-guard battle against the aggressively libertarian, free-marketeters in his party, there is a real opportunity for Labour to talk the traditionally conservative language of preserving our social fabric. From protecting the NHS, to preventing the sale of public assets such as forests, motorways and museums, this is the terrain that the One Nation rhetoric boldly seeks to capture.

But more than this, it also offers a clear and renewed commitment to the party’s historic duty of lifting the life chances of the poor. Inequality matters: too great a

distance between the two nations harms social cohesion and undermines our sense of solidarity, impoverishing us all.

Britain under the Tories is divided, particularly now that they have retreated into their traditional ‘divide and rule’ modus operandi. As they pit North v South, public v private and the unemployed v workers, the task of providing unity and offering a story of national renewal falls to Labour. And that is before we even consider potential divisions between Scotland, England and Wales.

Building an authentic story of national renewal in a time of fragmenting identities and where the political challenge – for Labour, bluntly, the South – diverges from the main public policy challenge of rebalancing the economy and spreading wealth more evenly (i.e. to the North) will be extremely difficult. Particularly given the constraints of our new, more austere focus on redistribution. However, with the new Tech Bacc for vocational education, the British Investment Bank and the amplified campaign for a Living Wage, we already have some strong signature One Nation policies. And as this discussion demonstrates, we are certainly not short of collective ingenuity.

It is up to all of us now to go out and begin building a One Nation Britain.

Tristram Hunt is MP for Stoke-on-Trent Central



Different and better: How One Nation can work for Labour - By Lord Maurice Glasman

In order to generate energy and to succeed in opposition it is necessary to have a narrative, a strategy and an organising concept that can give plausibility and coherence to the swelter of initiatives, policies and programmes that swirl around the Westminster Village.

The narrative must tell a story of how we, as a nation got into this mess and how we as a party are an important part of how we will get out of it.

The strategy, both electoral and governmental, concerns the coalition of interests that can champion the change that is required and generate value, the people and the things that will make things different and better. A plan of action that can grow in time to deliver electoral success and a compelling programme of government.

The organising concept is the idea that selects and shapes the policy and turns it into politics. An idea that applies to all areas of policy and defines the identity of the party and of the offer they make to the electorate. This is what Ed Miliband achieved at the last party conference with One Nation Labour.

In comparison, the idea of productive and predatory capital is an excellent and a true analytical distinction but it could not organise policy across the range, it gave no guidance concerning welfare reform, or education, constitutional reform or defence policy. There was a real danger that we would get trapped in the dominant framework inherited from New Labour and intensified by the Coalition Government and engage in an endless and antagonistic exchange concerning

faster or slower, higher or lower, more or less, without disputing the direction of travel.

With the emergence of One Nation however, the organising concept has been established. It commits Labour to a politics of the Common Good. In all areas of policy, estranged and divided parts of our Nation: capital and labour, north and south, immigrants and locals, men and women, secular and religious need to be brought together in order to generate greater value. It is different from what went before because no one interest dominates civic, political or economic life but all of these require people to come together and make things better.

Labour was founded in order to demand recognition by those who worked, as part of one nation. There was no wish to dominate but to remind the rich and the powerful that workers were part of the nation, that they had interests and considered themselves a necessary part of the common good. That argument needs to be made again, for one of the things that is different about the One Nation position is its recognition of labour as a source of value, the Labour theory of value. Innovation is generated by people with experience and expertise who understand the new technology and can work within it.

This in itself is a radical breakthrough because now we need to have a real conversation with the unions not about what the party can do for them, or even what they can do for the party, but what they can do to make things better. How are unions to be partners in generating value, honouring good work, defending labour as a necessary partner to capital and technology in the production process? Do they champion changes in corporate governance so that the workforce is represented on boards? That should be an important part of One Nation agenda, and one that Disraeli and Burke could not ever accept. Anyone and anything other than labour constituted the diverse ecology of the Nation. We are here to correct that mistake and One Nation Labour does that.

But it is not limited to corporate governance reform on the private sector. The same applies to the public sector. How is the workforce, along with funders and users going to make the way we care and look after each other better? It suggests a move from the contractual to the Covenantal. We trust each other with the care of

our children and our parents and we need to honour those who do that well, but we also need a way of dealing with those that don't. One Nation is a demanding category. Vocational renewal is a double edged sword, it requires quality and equality and we need to be resolute in the pursuit of both.

It goes into making capital available to regions and to break the grip on internal investment by the same failed banking institutions. Regional banks which serve local markets and businesses draw attention to our reliance on the financial sector and the need for an economy that works on dry land. The lack of private sector growth in the regional economies outside finance and property is a great concern and One Nation makes the people of those regions part of the nation once more.

It enables us to talk about Land Reform and Community Land Trusts as a way of including people in the property owning democracy by transferring the freehold asset to communities. In housing that means that the price is halved and there can be a genuine and affordable house building programme. It is also applicable to Dover Port for example and offers an alternative to privatisation and nationalisation that works in the interests of all the people of Dover and brings capital, labour and the town together in a common concern for its flourishing.

One Nation is both a radical and a conservative idea and that is why it works. It retrieves a tradition from within our nation history and through it generates greater solidarity and inclusion. Labour, in recent years, has shown a tremendous respect for diversity and pluralism. This is greatly to our benefit and it was right to do so. What was missing was a balance, an account of how that diversity can generate better forms of the common life, of how it could nourish and sustain the common good. One Nation Labour corrects that imbalance.

Ed Miliband has retrieved, from what his Dad might have called the 'dustbin of history' a great gift to his party. In order to live and grow it must be supported and cared for by many hands. It offers the possibility of great years ahead.

Maurice Glasman is a Labour Lord and academic



The progressive national state

- By John Denham MP

If the idea of progressive patriotism was once anathema, for One Nation Labour it's a powerful framework for centre left values. If we once thought progress meant weakening national identities there has been a profound rethink.

Opening the British economy to globalisation with no national industrial strategy left it weakened. Reclaiming St George in Euro 96 and the Union Flag around the Olympics showed patriotic symbols expressing a progressive idea of who we want to be. In devolution, progressive national stories become the framework for social democratic politics. Governments concerned about social behaviour have realised a nation depends on how its citizens behave, and whether these reflect a shared values.

We make our own national stories. While the reactionary and the progressive have always struggled for ascendancy we can choose which parts of our past to celebrate to shape a progressive story for the future. And we can shape a state to support it.

New Labour lacked confidence in the state's ability to shape the economy, but believed a target driven, top-down state could shape society. Britain was painted as a nation of public service consumers, distrustful of democracy, relaxed about the efficacy of markets, scornful of professionals, unconcerned about unaccountable power and confident in technocratic solutions.

We need different values for a progressive national identity.

The patriotic economy has an active state that promotes national economic interest. Cadbury, Pfizer, Autonomy, Bombardier and now Ford have left us all saying ‘This wouldn’t happen in Germany’ as the state abandoned its job.

Our state would engage actively with private business to shape the economy. The rules on corporate governance, investment and finance need to work with the effective use of regulation, procurement and long-term public policy to create market opportunities and certainty. Not to turn our backs on globalisation but to succeed in it.

We need a national mission, not technocratic policy. National economic renewal must be the value of the boardroom and the shop floor. A shared mission will help Labour let investment in infrastructure and innovation trump the demands from public services. But a shared mission won’t grow in a wildly unequal society, so we can make Labour’s commitment to economic justice part of our national story.

Policy must reinforce popular progressive values, not undercut them. The NHS has a popular resilience because its basic principle: ‘we all pay in and it’s there when we need it’ ; says something about how we see our country. By contrast, consent for the social security system has fallen steadily. The needs based responsibilities blind allocation of housing, services and benefits seen as ‘fair’ by the left was out of touch with the rugged British sense of fairness, based on responsibility and contribution as well as of rights. The progressive patriotic welfare state must reflect contribution and earned entitlement; values that bind us together, not pull us apart.

Popular sentiment often supports a progressive story. By all means use private companies to tackle a public service problem but we don’t want services run for profit. The idea of a public space, a common good, that lies beyond markets and individuals is deeply held and a foundation of any progressive national story.

This is not simple populism. We have to challenge the reactionary as well as build on the progressive. We can shape old ideas into radical change. So the new story for a less centralist state will draw on historic pride in our towns, cities and distinctive regional identities. Those values should be reflected in the leadership of local institutions, including those we elect. We should remake community

institutions, and voluntary organisations in our tradition of tackling problems for ourselves, not as subcontracting partners of a centralised state. Do this right and empowering local institutions can be the story of English renewal within a strong Union.

Progressive patriotism has been missing in the debate between multiculturalism and integration. Multiculturalism has fostered respect and mutual coexistence but tells us little about the country we share. Like ‘integration’, multiculturalism makes migration and culture ‘the problem’. But our national story is shaped more by wars, religious schism, invasions and empire, Chartism, unions and suffrage, the NHS and the welfare state than by migration. By focussing on nation building, patriotism can tell an inclusive story in which our new diversity is part of a longer history.

Teachers welcome migrant kids with high aspirations. Manufacturers envy the status of German technicians. Atheists acknowledge that faith communities volunteer more. The Finns have tackled obesity. Stories of ‘how people like us behave’ are influential and there is space, too, in our progressive national story to reinforce the values of aspiration, self-reliance, looking out for each other and defending the common good that we would all want see in a good society.

John Denham is Labour MP for Southampton Itchen, and a former Minister



One Nation and feminism

- By Ivana Bartoletti

Difficult financial times always carry the risk of making equality a luxury rather than the bedrock of new arguments and theories for growth.

Everywhere in Europe, including Britain, the economic crisis is biting into people's resources, dreams and hopes. In a recent conversation with the European Trade Union Confederation in Brussels, we discussed how the effects of the crisis have impacted women and men differently.

I found two things particularly staggering.

Firstly, a more traditional family model seems to be resurfacing. Public attitudes appear to be shifting to a model rooted in the traditional idea of a male breadwinner, with women staying at home to bring up children and make up for gaps in the Welfare State - which is being reduced to an absolute minimum by short-sighted conservative governments.

Secondly, women have been hit harder in Britain than elsewhere in Europe. This is due to many factors, including the inherent nature of our labour market. The deep cuts made by the Tories, who have pursued an unsolicited strategy of austerity, have affected crucial services which, previously, empowered women.

These two elements need to be kept in mind while we are ironing out our manifesto for 2015, as they teach us something crucial: equality is not a given. It needs to be fought for, every day and under any circumstances. It is too easy to slip back to a time when women-friendly policies were just an afterthought, rather than an essential part of policymaking.

We are certainly going through hard times, which require a united nation to pull its resources together to regain hope, growth and a future. One Nation Labour includes women too. The Tories have divided not only the North and South, workers and non-workers, rich and poor - they have divided men and women as well. We must not forget that.

The Tories have cut services and resources which are essential to women and legitimised the idea that a country can be run by a boys' club, interested only in a well-off minority. There is a dramatic lack of women everywhere, and recent statistics have shown that two out of three new public appointments are male.

If we want to win — not only on the failures of the Tories, but also with a twenty-year plan for Britain — we need to offer a vision; the vision Ed Miliband began to lay out in his conference speech. To make it real and palpable, we need to allow innovative cultures and theories to feed into it. Feminism is certainly one of these.

Feminism can offer the kind of radicalism people trust, as it is based on the experiences and lives of women. When rethinking the Welfare State, for example, there is a history we cannot ignore. A strong Welfare State has enabled women to thrive, to rely on the necessary resources to be able to go out to work, feed their children, escape from violence and abuse, retrain to gain financial independence and professional careers. With less money, women's priorities matter even more, and we should oppose the dismantling of the Welfare State while thinking about how smart services could empower women.

The concept of relational welfare, for instance, has been the foundation of many years of decent welfare in regions such as Tuscany in Italy; a combination of Socialism and Catholicism, which led to robust state investment, administered by local administrations, to fund community projects, based on the idea that children and the elderly should be looked after by the community, under principles of solidarity and care.

The tension between individualism and collectivism is at the very heart of Feminism, as women rely not only on individual rights for their freedoms (abortion etc.) but also on collective rights for their emancipation (the welfare state).

We need to take this into account and embrace both. For individual rights, we need to be firm in defending women's choices at all times, without hesitation, and on this, Labour and Feminism need to show how they belong together.

Women know that nobody is immune from the risk of being treated as an afterthought, and this awareness is rooted in the long journey they have made so far. One National Labour has to showcase a country where women are crucial to recovery, their work paid, their bodies respected, their careers protected, and their talents displayed.

Ivana Bartoletti is Deputy Director of the Fabian Women's Network



The politics of place and the greening of Labour - By Michael Jacobs

One of the beauties of the One Nation theme is that it allows Labour to occupy the field of ‘soft patriotism’: the love of country invoked by Danny Boyle’s opening ceremony at the Olympics. Not the hard glorification of empire and ethnic superiority used by the right, but the celebration of all that’s good about our society: its history of social change and political rights, its multiculturalism, its literature and arts, scientific achievements and commonly-owned institutions, from the NHS to the BBC.

And its land. For love of country is, for most people, not just a sentiment about abstract ideas and values. It’s actually about the place that is Britain. It’s an identification with the physical, grounded spaces in which we all live our lives. There’s a familiar national version of this: of England’s green and pleasant land, of Scottish highland ancestry, of the Welsh valleys and emerald Ireland. But there’s also a much more local and arguably more visceral patriotism that many people feel: a sense of belonging to the particular places where they live, and the others they love.

For residents of rural Britain, and those who visit it, love of place is easily enough understood. Looking out on nature’s beauty – the fields, woodlands and babbling brooks – it’s not hard to inspire notions of protection and stewardship. But exactly the same kind of belonging occurs in towns and cities too. Urban places are different – they can be loved as much for their social community as for their physical character, their buildings, parks and river walks. But that feeling of familiarity is vital. Literally so: as the anthropologists tell us, connection to one’s home territory is a crucial part of human identity. And above all of what it means

to be a citizen. For places are shared. From the street we live in to the country we belong to, places are the location of community – of the common life we share with our neighbours.

And that's why 'place' must become political territory for One Nation Labour. Over the last few years we have come to understand the threat posed by neoliberal economic forces to our most cherished common institutions. The NHS, the BBC, the police, our public services and welfare system, our arts and culture – these vital parts of our common life do not operate on market principles, and the values which define them will be destroyed if the market is allowed to take root in them. But this is true of places too. Look at our 'clone town' centres now: ranks of identical shopping chains robbing once distinctive market towns of their essential character, while on their edges sprawling shopping malls erode the countryside beneath their parking lots.

And look too at where that's not happening – on land protected by the non-market values of the National Trust, another great British common institution.

Historically, Labour understood well that the market could not protect the values of place. Its historic 1948 Town and Country Planning Act enshrined the principle that the community as a whole must have a democratic say in how even private property can be developed. It was Labour which created National Parks (and many urban ones), and which under the last government gave universal rights of access to the countryside and coast. Yet it's also true that under Blair and Brown we became impatient with local planning, seeing it as an impediment to vital national economic development.

And that warns us: a new politics of place will not be easy. There are places the next Labour government will not wish to protect and where we will be bitterly opposed for that stance: on the route of the high speed rail line, near new housing and windfarms.

But we should develop such a politics nevertheless. For the desire to protect and nurture cherished places is a powerful motivation which can damage Labour if we are seen to reject it, and strengthen us if we give it our support. It is the source, not least, of much community activism. Labour should be the champion of the

myriad ‘little platoons’ of community associations trying to make their localities better places to live – from urban streets and green spaces to market towns and countryside. Here surely is a vital role for our local councils. We should be the party of community land trusts, handing local resources to community control.

And it will also connect Labour to an important political constituency, that of the environmental movement. Love of place lies at the heart of popular environmentalism: the recognition that society is rooted in nature and must be its steward, and that market values must be limited if the world is to be protected. That feeling is very widely held: there are 3 million members of the National Trust, a million in the RSPB, and just under that number in local wildlife trusts the length and breadth of the land.

Once upon a time love of place might have been thought to be Tory territory. And indeed it is conservative, in the literal and best sense. But the free market ideologues who run today’s Conservative Party have abandoned this field, and Labour should occupy it.

Michael Jacobs is Visiting Professor in the School of Public Policy at University College London and was a Special Adviser in the Treasury and No 10 in the last Government



A green and pleasant land

- By Mary Creagh MP

Ash dieback is just one of the most recent episodes from a government that seems unable to protect our environment. Scientists predict that most of our 80 million ash trees will face a long slow decline over the next 10 years. This iconic tree, which accounts for one third of our native broadleaf woodland, will all but disappear. Incompetent government ministers were informed of the disease in April 2012, yet it took them until October to ban ash imports and raise the alarm.

While the Government dithered, researchers from the University of East Anglia designed a phone app and website over a weekend to allow the public to help identify infected trees – ashtag.org.

The public are passionate about the natural world. Millions tuned into Frozen Planet to watch Sir David Attenborough's masterpiece on the mysteries of the Arctic. Half a million people signed a petition last year against the Government's out of touch plan to sell off England's forests. Thousands more joined the Fish Fight campaign to call for an end to the disgraceful practice of discards and a more sustainable fishing industry.

Protecting the environment speaks to Ed Miliband's call for One Nation and our Labour history. Our movement was born from the land. From the struggle of the Tolpuddle Martyrs for decent agricultural wages in rural Dorset, to landmark achievements like opening up our countryside for all to enjoy. In April, I helped mark the 80th anniversary of the mass trespass of Kinder Scout in the Peak District which eventually opened England's countryside to the public. The great Attlee government did not just create the National Health Service, it set the framework for our great National Parks and nature reserves.

The last Labour Government created the right to roam as well as two new National Parks in the South Downs and the New Forest. We passed the Marine & Coastal Access Act (2009) to open up our coastline for walkers and to create dozens of new Marine Conservation Zones, national parks for the sea. We planted woodlands near cities to make access easier for city dwellers.

Labour is passionate about protecting our landscape, clean air, rivers and seas, and safe drinking water. We recognise our shared space, the land, and enjoying it collectively or alone, is central to raising aspirations, quality of life, and passing on a better inheritance to the next generation. From ancient woodlands, through to local allotments and national parks, there are some things that we hold together for the public good, not private gain. Some things belong to all of us.

Unlike the Tories, we see protecting and enhancing our environment as part of our cultural heritage and an opportunity to create new sustainable, long-term jobs, not a barrier to growth. The forest sell-off, the debacle over planning reforms, 27% cuts to investment in flood defences, cuts to National Parks, threats to iconic walking paths and a go-slow on creating marine national parks are all signs that this Tory-led government has failed to understand that the land is our shared history and our common future.

The challenge of climate change must run through Labour's policy review. We face the triple challenge of creating a modal shift in transport, transforming our energy infrastructure and becoming a resource efficient economy. Global warming, the threat of new plant diseases, changing weather patterns, declining natural resources all require a new resilient, sustainable economy. Unlike the Greens, who think protecting the environment is incompatible with economic prosperity, we believe we can tackle climate change and improve people's lives at the same time.

One Nation Labour means ensuring everyone has access to our countryside, and that we bring nature closer to people. It means ending the old dichotomies between rural and urban communities. It means creating a Britain where prosperity is fairly shared from top to bottom. Labour supports a fair deal for farmers and tackling supermarket vested interests through the Groceries Code

Adjudicator. But we are also opposed to the abolition of the Agricultural Wages Board. We want a fair deal for farm workers. It is about investing in rural broadband, affordable housing and access to good public services for people wherever they live.

We want a prosperous food manufacturing industry, building on our great British traditions of brewing, whisky-making, milk production, fish-smoking and cereal growing. We want to ensure that the person who makes the food, can also afford to buy it.

One Nation is also about preserving the things that bind us together. That is what the hundreds of local groups were doing when they sprang up to oppose the Government's plans to sell off the forests. It is about a common civic life based on people meeting in our forests, commons, parks, beaches, river banks, village greens, shared open spaces, allotments and marine national parks.

Each time the Tories have threatened our natural world, the public have risen up and fought back. Last year, forest campaigners protested by singing Woody Guthrie's 'This land is our land.' It was a fitting anthem and will guide Labour as we prepare for 2015.

Mary Creagh MP is Labour's Shadow Environment Secretary



Economy



Economic recovery must be shared by all - By Matthew Pennycook

Despite the UK's emergence from recession, deficit reduction and economic recovery will continue to shape the life of this parliament as well as the next.

Victory in 2015 will therefore depend on who can convince the British people that they are best placed to bring the nation's finances back into balance by the end of the next parliament.

Yet it is increasingly clear that electoral success at the next election will require something else. With the issue of living standards now firmly on the agenda, victory will also require a greater focus on what needs to be done to ensure that any return to prosperity will be felt by all, not just a minority. Put simply, ordinary working people will want to know that when better times return that they will also share in them.

Growth alone is not a guarantee that they will do so. It is entirely possible that Britain, like other advanced economies, could experience sustained growth that fails to flow into rising wages and improved living standards for large swathes of the working population. In the US, wage stagnation for the bottom half of the population – the much lamented crisis of the American Middle Class that featured so prominently in the presidential election – has been a problem for a generation. Britain's experience of it is more recent, but is no less real. Only 12p of every £1 of UK GDP now goes to wages in the bottom half of households. In the years before the financial crisis, real wages did not rise and family incomes were propped up by tax credits and rising household debt.

Britain also confronts a series of structural factors that make it even less likely that growth can be broadly shared among the population. Along with other advanced

economies, we're witnessing a steady polarisation of the labour market between high-skilled, white collar and low-skilled, low-paid jobs – with little in between. Unemployment is having an unprecedented effect on wage growth: earnings have been frozen and will remain so until employers compete for workers, rather than the other way around. Female employment, a motor of prosperity for low and middle-income families for much of the post-war period, has stalled. The UK lags behind other countries in accommodating older workers. Few, if any, believe that the growth in tax credit support that occurred over the past decade can be repeated – indeed, the current government has gone further and cut deeply in tax credit support, a choice that has hit many particularly hard at a time when the national minimum wage is, in real terms, at its lowest since 2003.

So while sustained growth is a prerequisite for improved living standards, securing shared growth will require much more. It requires new policies. What are they?

Reducing unemployment must be the priority. But over the medium term, the government must lift overall employment levels by removing barriers to work. In part that means a focus on services through a pro-employment lens. For example, increased female employment requires a major expansion in affordable childcare, as our childcare system at present acts as a powerful disincentive for many to take up work. We should also allow second earners – overwhelmingly women – to keep more of their earnings before support is withdrawn under Universal Credit, the government's flagship welfare reform. And to increase employment among older workers we should reform the tax system to strengthen incentives to stay in work – for instance, raising national insurance thresholds beyond the age of 55.

Beyond boosting employment it's imperative that we tackle Britain's endemic levels of low-paid work. Our reliance on an extensive pool of low-paid workers not only impacts on low earners in squeezed pay packets and diminished life chances, it also costs the taxpayer, who funds wage subsidies to the low-paid to the tune of around £4bn a year. While an across the board hike in the minimum wage would be unwise given the fragile labour market there are things that can be done to tackle low pay. The Low Pay Commission, the government's independent advisory body, can start identifying sectors where a higher minimum wage would

be affordable and we can make much more extensive progress in extending coverage of living wage agreements.

There is also a need for greater ambition in lifting the productivity and earnings of our future workforce. Making sure that the 50% of our young people that do not attend university are to compete for a growing number of skilled jobs means addressing our historic failure to provide good technical training.

Of course, these policies will need to be paid for. But again, despite the constraints of fiscal austerity, there are choices that can be made. Pension tax relief for the most affluent can and should be trimmed. The anomaly of exempting those working beyond the state pension age from national insurance must end. And we should reconsider the case for universal benefits, such as winter fuel allowance, for more comfortable pensioners.

Addressing the challenge of faltering living standards and putting in place the foundations for shared growth will be a formidable task. Even if Britain secures steady growth, there are powerful forces that mean the benefits are likely to flow upwards towards higher earners, away from those who most need them. Yet we have little choice but to take up the challenge. Another decade of wage stagnation, in which family incomes are propped up by tax credits and rising household debt, is simply not an option. Electoral success, as well as the health and legitimacy of our economic system, demands that we put in place measures to ensure that future prosperity will benefit the majority not just those at the top.

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Rebuilding the regions - By Karel Williams and Sukhdev Johal

Rebuilding the regions is like rebalancing the economy. It is a sound bite which fits easily into Westminster speeches as a consensual national objective which will not frighten swing voters. The problem is that our dire regional problems now require radical policies which challenge entrenched private interests and decentralise power in ways which are both necessary but also unthinkable and undoable for the metropolitan political classes. So “rebuilding the regions” nicely illustrates the limits of the current form of one nation politics.

The regions face dire and worsening problems which are generally misread by the Westminster political classes which deny the need for a new policy imaginary and regional de-centralisation to implement it. From this point of view, the Labour leadership in Westminster is (so far) part of the problem and the question is whether (what remains of) the Labour Party and movement in the regions can become part of the decentralised solution.

Old policies are hardly adequate when we face dire new problems about a jammed national economy and stranded populations in the ex- industrial regions.

Thermostatic national economic management has failed because there is no orthodox policy option which will put the economy onto a sustainable growth track of 2.5 % per annum. Expenditure cuts are not delivering debt reduction let alone growth. And there is no Keynesian expansionary alternative in a country with a £100 billion trade deficit and a need to keep the bond markets happy.

This complicates the problem of the decline of ex-industrial regions of the North and West which fell behind in New Labour’s credit led boom. By 2008, the three

weakest regions (Yorkshire and Humberside, West Midlands and Wales) had output per capita which was less than half that of London and (on current trends) likely to fall to one third of the London level within a decade.

Their decline has now turned into free-fall. The tradeable goods base in manufacturing has collapsed so that half the adult population in the ex-industrial regions now depends on publicly funded jobs or benefits. The coalition's austerity policies of public expenditure and welfare cuts then become a vicious anti regional policy which strips out jobs and demand from regions where the private sector has created no net new jobs for twenty years or more.

The Westminster political classes see this as a problem about failed and underserving regions which have, one way or another, become dependent on transfer payments. As Nick Clegg cautions, "you can't revive the regions with hand outs from Whitehall" funded by the taxes paid by the City of London. In this case, the solution is for all the provincial cities to become more like London and emulate that glittering exemplar of success. As Lord Heseltine argued, after the Olympics, "our aim must be to become a nation of cities possessed of London's confidence and élan".

But many of us in the regions believe we cannot all be like London because London stands in the way. London finance has an undue influence on Westminster politics which directly protects the banks from reform and indirectly allows finance to extract value from the regions. National income accounts do not measure the fee deductions from regional pension contributions or the clip on PFI schools and hospitals.

We need a new policy imaginary which is practically focused on managing what is left in the ex- industrial regions. If you go to a town like Swansea, the big factories are long since closed and all that's left is a foundational economy of mundane activity which survives because it is sheltered and distributed according to population. Practically, state funded health and education employ more than 30% of the workforce and privately operated utilities and retail account for another 10%.

The biggest influence on mass welfare in the ex-industrial regions is how we manage such foundational activities. And the first step is for local and regional authorities to ask “what have you done for us lately?” questions of private companies and public service providers. Their answers will highlight issues about value extraction, fragmentation and under-investment by actors who do not understand that corporate social responsibility should begin at home.

Consider Swansea, where the docks have become the maritime quarter and a marina where one of the big supermarkets, Tesco in this case, has built a superstore which takes the better part of £100 per week from every household that shops there. The Swansea council and Welsh regional government need to ask Tesco whether that store is anything but a device for trucking the groceries in and the money out across the Severn bridge; and then inquire how Tesco plans to connect with Welsh supply chains and skill formation .

Coalition politicians are dead set against pressing any of these difficult questions which challenge private power and existing business models and equally opposed to taking actions which encourage real local and regional political autonomy. In Lord Heseltine’s review, corporate business is offered a bigger regional role at the Local Economic Partnerships in spending the handouts from London and Brussels. In the Eric Pickles version of localism, local authority pension funds are to be used to fund central government’s infrastructure projects.

And we should not expect too much of the good intentions of Ed Miliband and Labour’s Policy review. Because, when the economy isn’t working, Gouldite calculations about swing voters and electoral coalitions inhibit the adoption of challenging and divisive policies for the common good which will never poll well in Worcester or Luton.

So the big question for the Labour Party is outside the policy review. Do Labour councils in the ex-industrial regions have the intellectual chutzpah to challenge their subordinate role and, in due course, the political ambition to press for the English regional government which Tony Blair failed to deliver?

Karel Williams and Sukhdev Johal are academics whose research on financial reform and productive renewal is available at cresc.ac.uk



Building the institutions of economic democracy - By Sonia Sodha

Over the last thirty years, the boundaries between the state and the market have become increasingly blurred. Politicians have eagerly reached for the language and insights of markets in talking about how to reform the state: marketisation, consumer choice and private-sector efficiency.

Yet this has been a one-way street. Our economic leaders have not reciprocated with an interest in what the market can learn from principles of democratic accountability. On the contrary, Thatcherism's pursuit of greater economic efficiency concentrated power with those already at the top in the name of accelerated economic growth.

As a result, we now have a democratic deficit in our economy. How many people working for big companies feel like they are consulted on strategic decisions like pay, investment and takeovers? How many of us feel like there's any point in taking a complaint further when we've been palmed off with poor products or services? Who has the time to trawl through numerous tariffs, contracts and price promises when we're thinking about where to take our custom?

Arguing Labour should focus on something as lofty as economic democracy when we're barely out of recession might seem at best self-indulgent, and at worst barmy. Surely this is a distraction from the real challenge: getting us back to growth?

We should think again. The structural issues in the British economy that led us here have something in common: they were caused by too much power being concentrated at the top.

Take the meltdown that occurred in the banking industry. This had a lack of accountability at its heart: bankers taking huge risks with the cash in our bank accounts with few personal consequences if their bets didn't pay off.

Or the fact that levels of chief executive pay have soared while others have faced sluggish then stagnant wage growth. Globalisation, technological progress and the decline of trade unions in the private sector have reduced the power of employees, particularly those doing low-skill work – and ultimately fuelled the huge increases in personal debt that contributed to the crisis.

The short-termism that characterises our economy is rooted in our equity market, where asset-managers who represent our long-term pension interests chase annual results from trading shares, rather than long-term return by growing companies. But there's no way for us to get a better deal for our pensions by ensuring our savings are being used in the way they should – to encourage companies to invest rather than sit on cash.

The lesson is that markets don't deliver optimal outcomes regardless of where power sits. Just as it would be nonsensical to think of Singapore as a flourishing democracy, markets where most people are disempowered cannot be efficient and competitive. A poignant example is the case of Valdemar Venturer, a Downing Street cleaner whose conditions of employment worsened as a result of him asking for the living wage

This is not to suggest that there is an appetite amongst people to individually negotiate their pay, or to figure out the right way to vote in the boardroom, or to spend weeks fighting for redress. Nor should they: that would be as preposterous as saying democracy entails citizens getting a say how government spends every last penny. Of course it doesn't: that's why healthy democracies don't just need rules, they need institutions like political parties and the courts to generate accountability.

Our economy also needs institutions, which can collectivise people's employee, consumer and saver power, and act as trusted intermediaries to hold corporate power to account. Government rules and regulations will not alone prevent another financial crisis.

Trade unions will have an important role to play but they need to reinvent themselves as organisations that can support employee voice in a modern economy characterised by low-skill, low-paid service-sector jobs. Giving employees representation on company boards is important but it will achieve little unless it is accompanied by a revitalisation in workplace democracy, through employee associations supported in their work by modern trade unions.

Consumer cooperatives and associations could help people get better deals in uncompetitive markets. In Which's Big Switch, thousands of consumers got a better deal on energy by switching en masse, but collective buying is a relatively new phenomenon here. In countries like the Netherlands and Japan, consumer co-ops have long pursued better deals through collective buying in markets as diverse as energy, insurance, petrol and food. Consumer associations and cooperatives should also be given the power to bring collective class action suits on behalf of consumers against law-breaking companies.

When it comes to pensions, we need an opt-in pensions vehicle large enough to take a different approach to investing on the stock market. It could function as a trusted institution, like NS&I, where people know they can get a good deal to the benefit of the British economy. The perfect contender is the new National Employer Savings Trust but its potential to scale has been severely limited by the government in the face of industry lobbying.

We also need radical reform of the banking system. Separation of retail and investment banking will open up the market to new challengers and make space for credit unions and building societies that seek sustainable returns on people's savings through lending to growing businesses, rather than gambling our savings to generate huge bonuses for bankers.

The financial crisis showed that concentrations of power are just as bad for our economy as they are for our politics. Building and renewing the institutions we need to hold corporate power to account should be at the heart of Labour's agenda for economic renewal. It's part of the Labour tradition, and should be part of our future.

Sonia Sodha is a former senior policy adviser to Ed Miliband. She writes in a personal capacity



An economy that speaks to the nation - By Tess Lanning

At this year's party conferences, politicians of all colours spoke to the deep sense of economic uncertainty that pervades the nation. David Cameron argued in his speech that we are facing a watershed moment, when Britain can either sink or swim. In contrast to New Labour's reluctance to challenge the economic orthodoxy of the day, Ed Miliband's One Nation narrative suggested that an economy that works for working people is in Britain's reach. But what would it take to deliver?

The New Labour government cared about growth, but little attention was paid to the nature of that growth. The thriving finance sector, grown fat on profits made possible by deregulation in the 1980s, masked the slow strangulation of Britain's real economy. Over this period, the vast majority of bank lending supported the growth of personal debt rather than the private sector. The lesson most on the Left have taken from the over-reliance on finance is the need to reverse the 120 year decline of the British manufacturing industry. A healthier sectoral balance – and thus harder balance sheets – will certainly require a more competitive export sector. But an economy for 'One Nation' would have to be far more ambitious than this.

In reality, high value manufacturing and other high skill, high tech sectors generate very few jobs. The rediscovery of Great Britain's industrial past, much like Tony Blair's fêted 'knowledge economy', bears little relation to the lives of most working people. It says little to the two and a half million people whose skills are being wasted in unemployment, and nothing to the significant proportion of workers in low-skilled, low-paid jobs in the service sector. We may wish otherwise,

but the UK's largest occupational category is shop assistant, not engineer. A One Nation economy must also seek to offer those working as cashiers and in call centres, care homes and construction sites opportunities to use their talents and creativity at work.

To paraphrase Bobby Kennedy, just because we inherited the world as it is, it does not mean that this is the way it should be. In other northern European countries, many jobs that we view as entry level require a lengthy period of apprenticeship. The standard qualification for construction workers in England checks whether students are able to lay bricks and blocks. In Germany, builders train for at least three years and are expected to develop broader skills such as carpentry, civil engineering and management, as well as studying related academic subjects such as physics and maths. Lorry drivers are trained in logistics and foreign languages. Even shop assistants often complete an apprenticeship, learning all aspects of how the business works.

While the UK cannot import the vocational systems of northern Europe, a focus on the means and aims of production across the economy would enable more British workers to find a sense of pride and purpose through their work. This is not just about vocational qualification reform. Unless we also support employers to rethink their business and human resource strategies, we will simply end up with even more overqualified young people stuck in dead end jobs.

Lazy statism will never be capable of shifting capitalism in a new direction. Sector and firm level interventions work best when they are rooted in the operational knowledge of employers and employees. The car industry for example benefits from membership bodies such as the Automotive Sector Strategic Alliance, which supports suppliers to raise quality by providing tailored business advice and training. In the 1980s and 1990s, the Electrical Technical Colleges under the Amalgamated Union of Engineering Workers (now Unite the Union) provided training to most major employers across the country. Crucially, the colleges also worked with managers to redesign jobs and work organisation and so ensure employees' new skills were utilised in the workplace. Some unions, when prompted by the need to resist job losses, have also promoted alternative, more innovative and diversified business strategies.

How should Miliband embark on this ambitious agenda? As a first step, a new Vocational Fund could promote collaborative and experimental approaches by unions and employer associations to raise business performance and job quality in different sectors, occupations and locations, underpinned by the sort of patient finance provided by national, sectoral or regional banks. Over time, successful initiatives could be extended to act as guilds, with the power to design vocational qualifications, set training requirements, and provide finance and advice to support social and work innovation in their sectors. In some industries, particularly those such as care where high standards are vital to consumer wellbeing, being a member of these new vocational institutions could be compulsory.

The dearth of trade unions in the private sector should not distract from the fact that employees are crucial allies in a One Nation economy. Cooperative and mutual forms of ownership and business cultures that encourage workers to participate in decision-making are characterised by fairer pay, higher levels of trust and greater employee commitment to company success. Thus wider reforms to promote new democratic models of finance, governance and ownership are also required. In most other European countries, employees are represented on company boards of a certain size, and in the USA, employees have a ‘Right to Buy’ when the owners of a privately-owned company decide to sell the business.

Our biggest asset is the people of Britain and we need to construct an economy that is rooted in their creativity. If Miliband’s One Nation economy can set Britain on this path, British workers may yet swim.

Tess Lanning is a Senior Research Fellow at IPPR



Pay and power: Democratising the workplace - By Kayte Lawton

Britain needs an economic strategy capable of tackling unjustified inequalities, empowering citizens to shape the economic decisions that affect them, and ensuring that no single group can dominate economic and political decision-making.

This applies to the major decisions taken by governments and business at the national level, but also to decisions taken at the level of the workplace.

Too many of us find ourselves shut out of decision-making processes that affect our experience of work, with companies often serving a narrow set of interests. Not only can this be disempowering but it may also be one explanation for some of the endemic challenges that characterise many (but by no means all) British workplaces, including low pay at the bottom, excessive rewards at the top, sluggish productivity growth, weak innovation and a culture of short-termism.

Legislation has a vital role in correcting some of these weaknesses, particularly in providing basic protections for workers, like a minimum wage and protection from discrimination. But moving beyond these minimums requires the greater involvement of employees in what happens inside companies. In many British firms, employees are encouraged to get involved in day-to-day decisions about how their own job is structured or how their team works – with benefits for productivity and innovation. More involved forms of workplace democracy give employees a formal role in decisions about company strategy as well as operational issues, often through formalised forums like joint union-management negotiations or works councils. Broad-based schemes that give employees a financial stake in their company, such as profit-sharing or share ownership, are particularly effective

when combined with active involvement in decision-making and when ownership is collective.

The value of all these approaches is that they recognise that democratic relationships have a place in the workplace, just as they do in other walks of life. Without them, the workplace feels like an anomaly given Britain's strong democratic traditions. Democratic engagement in the workplace can also have practical benefits for employees and companies. European-style works councils, still unpopular in Britain, are associated with higher wages for women and low-paid workers than in comparable firms, with no negative impact on company performance. Many European countries allow employees to join company boards and studies have found that managers generally perceive this to have a positive impact on the company. Financial participation schemes (profit-sharing and share ownership) that are available to all employees tend to be associated with stronger productivity gains and more constructive relationships between staff and managers.

Compared to most advanced economies, the UK is starting from a fairly low base when it comes to spreading democratic workplace practices, and shifting this will require slow and incremental change. Ultimately, this will require movement on two fronts.

First, we need to rethink the British approach to corporate governance, which gives a formal governance role only to shareholders. Shareholdings are too fragmented and share ownership too diverse in most companies for shareholders to be able to properly oversee how companies are run. The legitimate role of employee representatives and works councils in company decision-making in many European countries stems from the formal role afforded to employees, alongside other interest groups like consumers and local communities, in corporate governance. A requirement to take decisions in the long-term interest of the company rather than the sole interests of shareholders or directors (or even workers) means that diverse interests have to be balanced and compromises struck.

But the impact of top-down reforms to corporate governance will be limited if employees are not organised and empowered to seize opportunities to get involved

in decision-making. Where this works, it is supported by vibrant and representative unions – which we simply don't have in Britain outside a handful of industries. It may be that alternative organisations for employee representation can be formulated, like the 'community unionism' heralded in the US and practiced by London Citizens, although such organisations tend to lack the resources of major unions. Embedding a genuine process of democratisation in many workplaces is likely to require reform from within the union movement alongside shifts in public policy.

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The government needs to question its role in driving innovation - By Su Maddock

Central government has much to learn from locality leaders who are forging innovation strategies not only in cities such as Manchester and Birmingham, but also in places such as York, Swindon, Bristol, Rotherham and counties such as Cornwall. Local leaders are increasingly appreciating the need for connectivity across localities and between people's capacities and business growth. They are investing in digital connectivity, whole system budgeting, locality procurement networks and third-sector procurement consortia.

By contrast the coalition's innovation policy is fragmented, functional and fails to acknowledge the significance of the dynamic relationship between people's capacity to solve problems and the context in which they live. Society and business depend on each other and we need an innovation strategy that supports both.

Many locality leaders recognise their own failure to connect to the smaller enterprises and Local Enterprise Partnerships are trying to find ways of engaging smaller businesses. One of the strengths of Michael Heseltine's recent report "No Stone Unturned" is its recommendations for SME growth and local governance. Over 85% of all trading in the UK is by SME and while clearly not all SMEs are innovative, many are active in boundary-spanning networks.

Central to locality innovation strategies are collaborative leaders who think in terms of wider public systems and systemic innovation that could provide the capabilities, connectivity and knowledge exchange between smaller enterprises, companies and public procurers. Successful international cities, such as New York, also show a systemic approach to innovation:

- Embracing open innovation and creating smart buildings
- Redesigning schools, waste and energy systems
- Creating networks of municipal innovators

By contrast BIS policy is not ‘open’ but focused on fragmented, institutional initiatives and high growth companies which is obscuring the value of locality business clusters and of the necessity of building bridges between small enterprise (SMEs, SE etc) and larger companies and public institutions.

Government needs to question its role in driving innovation. Manchester’s “Knowledge Capital” brought entrepreneurs and business leaders together; however, Manchester City Council did not stimulate the energy for change. This came from creative entrepreneurs who led, the council followed. When central government policymakers assume solutions and fail to acknowledge local context, then over specification follows. This is particularly problematic for innovation which demands motivated people and porous work environments that are open to exchange across sectors. This is why investing in HE research is not enough – it is incentivising application and the adoption of ideas that is weak in the UK. Government recognises this. Given this, surely the role of public leaders is to create the conditions for innovation and to align funding and policy interventions with that of innovators in any sector.

Locality partnerships are driving a process of renegotiation between local government, business, higher education, the Arts and the Third Sector and collaborative capabilities and new forms of locality governance are emerging in many places. The government’s recognition of cities has increased, evidenced by their recent announcement for twenty more city deals. However, in spite of this, locality innovation strategies are not visible or mentioned in BIS innovation policy documents. While local leaders are learning to be more and to collaborate; government lags behind and continues to ignore open and systemic innovation, which is essential if public governance is to mature and be capable of introducing public values into the growing outsourcing of services.

Public procurement is projected across Europe as the route to innovation uptake, but if policy-makers continue to believe in one-size-fits-all innovation, this is

problematic, especially for personal service innovation. Financial and service innovations are underpinned by very different objectives. My own research on DWP's procurement of the Work Programme reveals an assumption by government that a neat procurement model will deliver efficiencies, savings and personal service innovation simultaneously. This is a mistake when there are tensions and trade-offs involved in the transfer of financial risk from government to companies, efficiencies and service innovation. Efficiencies may be delivered through corporate rationalisation but personal service innovation depends on local inter-agency working and personal connections. Many locality leaders are aware of this and want more honest debate on the impact of current outsourcing and procurement systems on small businesses and services.

Innovative public governance is urgently needed that is capable of scrutinising transactional systems and creating the frameworks for longer term investment and the local connections necessary for both social solutions and sustained business growth.

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The Supply Side State - By Phillip Blond

The Labour Party was founded on the needs of labour. And for most of the 20th Century the interests of waged workers and the interests of capital were held to be diametrically opposed and mutually hostile. Slightly higher wages were all that workers could practically hope for, whereas holders of capital rightly assumed that the benefits of ownership would only accrue to them and people like them.

And the post-war settlement did nothing to open the benefits of capital to all, it only differed from the pre-war through widening workers rewards with health, education and welfare entitlement. And since all these goods were effectively now the states to give, it was also incumbent on the state to finance them, but given the UK's poor growth and productivity record (which was because neither capital nor Labour could agree common goals) the tax take was not sufficient to cover this expansion. Britain grew at pitiful rates in the 1960s as Keynesian fits and starts produced a 'stop go' investment strategy that priced out longer term investment and engendered successive balance of payments crises and devaluation. A failure to broker an effective private and public sector productivity deal produced a wage/price spiral hence and massive inflation in the UK. And since inflation in the 1970s eroded investors long term returns, an effective investment strike further deepened the UK's anaemic economy and British productivity and performance crashed.

In Europe however the post 45 settlement was radically different – here states saw overcoming the capital/labour divide as fundamental to post war productivity. They used the state to force the private sector to invest and they ensured that the public sector did the same – private pension capital and public expenditure were

engaged in the same ends, the latter producing through education skilled employees; the former, investment in the infra-structure that these people would work in. Capital invested in labour and labour in capital and both prospered. In the 1960s European economies averaged 6% GDP growth, against the UK's 2%. In response Mrs Thatcher in 1979 inverted the priority given to workers by the British state and favoured capital – arguing that in the end this would be to the benefit of everyone. Defeating inflation was the only way to resist investment strike and restore profitable returns to invested capital and therefore productive assets to industry. But as the resources of the state were exhausted it could no longer maintain demand, and since UK growth was not productive enough to raise wages to sufficient levels, the burden of financing low productivity passed from the state to the individual.

So the economy gradually moved from Mrs Thatcher to New Labour from maintaining capital supply through public debt to maintaining public demand through private debt. America sang the same tune. Europe saw its prior settlement now ossified into vested interest and bureaucracy increasingly followed suit. Neoliberalism succeeded not through supply side innovations but through privatising the debt demand function. For what deregulation allowed was massive capital inflows, not to productive investment but to finance the extraordinary taking on of debt by private individuals and corporations - and it was this debt driven growth that kept us in business over the last 20 years.

In short if the period from 1945 – 1979 was public Keynesianism the period from 1979-2008 was private Keynesianism. Across the West from the 1990s onwards as government debt gradually fell, private and corporate debt rose to unprecedented levels. The 2008 crash exposed this fake separation and collapsed both together when the state had to take back the debt (greatly increased through leverage and asset deflation) it had thought effectively privatised. Space prevents a proper analysis but let us say that the state is now in the extraordinary position of having to pay down debt to reassure bond markets that debts are affordable while at the same time creating growth so that – you guessed it – bond investors are reassured that debts are affordable. Austerity and growth are the twin irreconcilable demands being placed on debtor nations.

So what to do? How should a new One Nation state behave? Siding with capital over labour ultimately undermines investment and destroys markets just as siding with labour ultimately undermines and destroys the interests of working people. Changes in the nature of modern capitalism make a new settlement between waged workers and the owners of productive capital more urgent than ever.

The 21st century economy could be truly terrifying; computer adaptation may well mean the equivalent of de-industrialisation for the middle classes. Innovation and ownership have been captured by a new oligarchical class. Increasingly our markets look like those of a 'rentier state' where offshore monopolies avoid tax whilst we allow them to dominate our markets extracting rents through effective denial of market entry. Success for this type of capital won't necessarily mean a success for capitalism or democracy. America the most innovative western nation already gives us a vision of our plutocratic future – in 1974 the top 1% of US families owned 8% of US GDP in 2007 it was 23.5%.

To avoid such outcomes requires a One Nation state to reverse some very long term assumptions. Firstly it should not conceive of its primary role as redistribution – since redistribution can never catch up with production, its aim should be the restoration of wealth creation to all. Welfare to low paid work is not nearly enough, it should be welfare to own, to trade, to learn. Wages are not enough - the return to labour from wages as a proportion of GDP has been falling since 1968.

The true One Nation task must be to pluralise and extend ownership, innovation and education. This requires multiple initiatives. It means creating 'horizontal' bottom up trading economies in our most benighted areas facilitating people trading with one another, preventing rent extraction from the 'vertical' economies that currently scale money up and out of neighbourhoods.

It should mean creating new peer to peer investment vehicles so that wealthier people can invest in local businesses rather than buy to let bubbles and a failing stock market. The left should not view markets or capital as the enemy but as a good that has been restricted to the few. It should look critically at current

competition law and the failed agenda of ‘consumer welfare’ that has aided current economic concentration and monopoly formation.

Tax law should be area based so that companies pay a proper return on trade and the ‘little people’ aren’t left with the tax burden. It should radicalise and extend the mutual and co-operative offer so that this sector can really become mainstream. It should seek to restore the city states of the industrial revolution and create an infrastructure that serves rather than centralises so there is as much regional/local autonomy as possible. It means grouping, educating and innovating our SMEs – creating not just individual but supply chain competition (after all, of the 4.8 million UK private sector businesses, 99.9% of them are small and medium sized enterprises). Crucially it involves a through life educational offer for all citizens so that they can constantly adapt their skills to the rapidly changing world.

We have lived through the disaster of both left and right based Keynesian economics and public and private debt has been used to put off the genuine supply side solution we need: a supply of capital to labour enabling ordinary people to innovate and educate together, investing in their own businesses and their own lives. That alone will create the human capital that can successfully service and direct the 21st century economy. This requires a new power to craft and domesticate capital and to educate and re-endow the economic activity of people with productive rather than just consumptive capacity. This is the true vocation of the One Nation state: to side with the entrepreneur against the rent seeker, creating a plural rather than concentrated economy with multiple centres of vocation, innovation and networked production. A capitalism that benefits all was the true dream of the Rochdale pioneers and that paradoxically will be nothing like contemporary capitalism at all.

Phillip Blond is director of the think tank ResPublica



Society



The case for relational welfare - By Hilary Cottam

80% of jobs available in Britain are never advertised but filled by word of mouth – if you want to get a job you need a social network. Loneliness has proven to be a bigger killer than a lifetime of smoking – if you want to live long and well, you need strong social bonds. Diabetes, obesity, it is the same story: chronic disease accounts for 80% of hospital costs yet our industrial medical system cannot cure or prevent these conditions. Only strong collective action and social support work. Everywhere in our social lives the case for Relational Welfare is becoming apparent.

Now, when much of what previously looked so solid – economic stability, functioning democratic institutions, infinite resources – seems to have melted in more ways than one, people are asking new and different questions, to which the ideas behind Relational Welfare offer answers for three key reasons.

Firstly, the nature of the problems the welfare state is trying to solve have changed. Challenges such as ageing, chronic disease, climate change and the scale of entrenched inequality were not foreseen when our current welfare services were designed. There is a mis-match between these challenges and the institutions and services on offer.

Secondly, because technology is pervasive, cheap and makes ideas that many of us could only dream of in the 1970s practical and real. Relational services have to be highly local to work – you cannot build a relationship with someone you don't know. At the same time they need elements of central support – to share knowledge and reap economies of scale. Technology platforms make this possible.

Thirdly, because current approaches to welfare reform have failed. It is now clear that market based reforms have rarely either saved money or improved outcomes. Rather the social and cultural effect of much of the last 15 years has been to intensify an outmoded transactional relationship, whilst obscuring the deeper systemic challenges. The neoliberal efficiency narrative has run its course.

All of this means it is time to change the questions we are asking – not how can we reform existing institutions, but how can we provide services that support people to grow and flourish in this century.

Relational Welfare is not just a nice theory. At Participle we have created new examples of how this Relational Welfare can actually work.

Circle - our social enterprise which supports older people with lower level care and practical tasks whilst building a rich social network - and our work with families in crisis, shows how those who live in the most difficult of circumstances want to foster their capabilities if given both a genuine chance and the relationships that support a developmental conversation (as opposed to a transactional message).

Backr is an early prototype of a service which fosters employability by building resilient social networks around those seeking work, at low cost. Backr provides someone to vouch for you, to support you and reflect with you. The community critically includes those in and out of work and strong connections to local business. Working with hundreds of people who were languishing in the current system and watching their lives transform within this different culture does feel akin to watching people leave a bad relationship.

The distinctive elements of these examples that characterise Relational Welfare are: a focus on root causes; being developmental in approach; fostering capabilities rather than (expensively) addressing need; counting social change not things. The mantra is “don’t assess and refer me, enthuse and support me”. Relational Welfare models are open to all (like the problems they address) in direct contrast to the old models, the more who use relational services the stronger they are.

The state needs to actively support, seed and provide working models of different ways of organising, valuing and providing – that is alternatives to the domestic sphere and to the market.

Relationships are the glue that keep us together, the dimension that keeps us human, not just atomised consumers or parts of the body politic. Relational welfare offers a state defined in principle and practice by collaboration and relationships rather than the agenda of institutional reform and efficiency.

Hilary Cottam is a partner of Participle



Labour's welfare dilemma

- By Graeme Cooke

Ed Miliband has argued that Labour's position on welfare should do more to demand responsibility and reward contribution, sparking a revival of interest in the notion of 'contributory welfare'. This can be traced to the coming together of two forces over the last couple of years. On the one hand, the realisation that the welfare state offers minimal protection for those who have paid into the system at moments when disaster strikes. On the other, the hardening of attitudes towards those on welfare, in particular the widespread fear that the system offers a 'free ride' for people who do not work.

These forces pose new opportunities for Labour, but also constraints. So what might 'contributory welfare' mean in practice as the political framework of One Nation evolves?

Let's start with an uncomfortable truth: David Cameron sees only political upsides – and votes – in further steps to cut benefits. Back in June 2012 the Prime Minister made a speech setting out seventeen ideas for doing just that, ranging from removing Housing Benefit from the under 25s to limiting Child Benefit for larger families. The policies were not tied together by any sort of coherent principle other than drawing some pretty crude and populist diving lines. As expected, the Chancellor moved on some of these ideas in the Autumn Statement moving towards cutting £10billion from social security expenditure. He then challenged Labour to back him or defend even bigger cuts to public services and higher borrowing. They followed this with legislation to force Labour to take a position on the benefits uprating cap - this will be a central part of their election campaign.

This is not attractive politics – nor particularly good policy – but, like it or not, it is the battleground on welfare. Trying to ‘change the conversation’ won’t work: only the voters get to do that. So moves toward more ‘contributory welfare’ must start with this crucial spending question. It could do this by contrasting cuts with reform.

In essence the Tories are searching for unpopular bits of the system to chop off, while offering no strategy or sense of priorities and neglecting the reasons expenditure has been rising. In contrast Labour should focus on switching spending to boost employment (such as from Child Benefit or Child Tax Credit into high quality, affordable childcare) and advancing reforms to reduce demand pressures on the benefits bill (in areas like low pay, energy bills and private sector rents). It will also have to make difficult decisions on areas of spending to cut back – starting with scaling back the Winter Fuel Allowance and free TV licences to those on Pension Credit.

Having confronted the expenditure question, moves towards more ‘contributory welfare’ could carve out a new ethical position as well. This would have to be different from the traditional model of Lloyd-George and Beveridge – because major shifts in the worlds of work and family life dictate it – but could be developed in three types of directions.

The first would be to provide greater protection to people who have contributed into the system. This most closely reflects the traditional model of social insurance, still embodied in the basic state pension. A higher rate of JSA/ESA (or Universal credit in time) for those who have recently worked would strengthen it further. Given the cost implications of such a move, an alternative would be to offer significantly greater financial support on a short term basis for people who have paid in, but with the money recouped once they are back in work.

The second direction would be to expect greater contributions from people in receipt of support. There have been a number of extensions of such ‘conditionality’ over the last 15 years, but the principle could be further entrenched by guaranteeing work for anyone at risk of long term unemployment – and expecting them to take it up – as proved so successful under the Future Jobs

Fund. For those who are not ready for paid work yet, it could focus on ways to counter the isolation and loneliness of unemployment

The third area for developing the notion of contribution would be in the relationships and acts of reciprocity among those involved in delivering or experiencing the welfare system. This is generating fascinating new insights, such as those discussed by Hilary Cottam in a previous essay. Thinking about the social connections of unemployed people, not just their CV, is vital given how many job opportunities never get registered with JobcentrePlus. And getting people who have successfully moved off benefits into employment to mentor those who are chasing vacancies might be much more effective than identikit, generic training.

Much further thinking, analysis and discussion is needed on each of these fronts – but they demonstrate the potential for a distinctive One Nation story on welfare, alongside a strategy for full employment (and a proper stocktake and re-think on the Work Capability Assessment, which is clearly not working as it should). David Cameron seems set on a divisive, tactical and narrow approach to the politics of welfare. One Nation Labour can advance a compassionate, strategic and majoritarian response.

Graeme Cooke is Research Director at IPPR



The reality of long term sickness and disability - By Sue Marsh

When Jon asked me to write about social security for sick and disabled people I'll confess, I was daunted.

To discuss something at all, one has to first know what it actually is. I mean, I couldn't talk to you about chocolate if you were convinced that chocolate was green and something you use to clean drains. First I'd have to convince you that it was in fact brown and sweet and used as a panacea for all kinds of female misery.

So before I can talk to you about disabilities and the provision we make in this country for the people who live with them, I have to disabuse a whole basket full of myths.

We don't get free cars.

Or bungalows.

A full third of sick and disabled people live in poverty.

Over 10 million people in the UK have a long term condition or disability and 60% of them work, though we are much less likely to get a job than you are.

The benefits we pay in the UK are some of the lowest in the developed world (yes, the lowest) and we have the toughest eligibility tests (yes the toughest). The numbers of people on out of work sickness benefits has been falling steadily for 15 years, not "spiralling out of control".

Fraud for both sickness and disability benefits is the lowest of any benefit at just half of one percent (yes, the lowest) and out of work benefits make up a tiny proportion of the welfare budget, totally dwarfed by pensions and tax credits.

Living with a horrible painful or frightening condition is no fun at all. It is never a “lifestyle choice”. No-one chooses to get cancer just to claim a paltry £95 a week or asks to be paralysed in an accident so that they can get a blue badge.

But here’s the biggest myth of all. I’m sorry to have to tell you this, but it isn’t “them” it’s “you”.

For every three people that read this essay, one will get cancer. For every four that read it, one will suffer mental illness. And every last one of us will get old and need to rely on others to live with a little dignity. Serious, life-limiting illness or sudden disability can – and does – happen to anyone at any time. It is no servant of wealth or power. We will all need our bottoms wiped, or our food cut up at some point.

Of course, even now I’ve set the record straight, you would have to accept that all of the things I just told you are true. I know everything you ever read in the papers or see on the TV contradicts what I’m saying, but there we are.

The solutions to the *real* problems sick and disabled people face are not solutions anyone is ready to hear. The myths are so well entrenched, so commonly held, that like Oliver Twist claiming his hunger could be fixed with a little more food, I would be laughed out of town.

Sick and disabled people in the UK need much higher levels of benefit to live on if they are found incapable of working. It is a disgusting indictment of what the UK has become today that we allow people with serious and profound disabilities to sit in their own filth, go hungry and cold for want of a decent basic living standard.

Anyone who faces significant barriers to work due to a lifelong health condition or disability, needs benefits that are utterly flexible that they can take with them through a lifetime. They should be able to dip in and out of work quickly and easily with as little paperwork as possible.

We might consider a single assessment that looked holistically at *all* the support a sick or disabled person might need to level the playing field with non-disabled peers. (Not better it you note, just level it.) Preventative joined up healthcare, social

care and mobility needs and other disability related costs would all be taken into account and simply adjusted with any changes in circumstance.

A single assessment should involve an independent specialist in the claimant's condition, a healthcare professional of their choice and a DWP decision maker. Together, they should consider all of the evidence a claimant submits.

The whole attitude and approach to social security for sickness and disability needs to turn upside down from judgemental to informed, cold and impersonal to encouraging and supportive.

A scrounger narrative combined with horrifying sanctions and threats, needs to be replaced immediately with respectful and informed cross-party and public debate.

Access must vastly improve and we must start to enforce existing laws that insist society make their buildings accessible.

Sick and disabled people need totally flexible work and more home working.

There should be an equivalent excellence branding to Fairtrade for products made and designed by disabled people and an online marketplace, with business support, to sell them through.

And finally, if we are to re-invent a contributory social security system based on “responsibility and reciprocity” it is not enough to only consider the limited contribution of paid work. An army of volunteers and carers keep this country healthy and safe, saving the economy tens of billions every year.

A society that doesn't reward these contributions in any way dare not preach of reciprocity and contribution.

Sue Marsh writes the Diary of a Benefit Scrounger blog



Multiculturalism and the nation

- By Tariq Modood

One of the long standing aims of political multiculturalism has been to strengthen the sense of nation. Not through cultural conservatism, majoritarianism or assimilation but by pluralising the national identity. This means including those who may be marginalised or excluded but it is at the same time a project of making good what threatens to divide the national community. This multicultural project is found in Pierre Trudeau's famous declaration in 1971 that Canada was a multicultural nation, which was given legal status in 1988. It was the archstone of the Swann Report on multicultural education in Britain in 1985.

Indeed, in the late 1980s when British nationalism was identified with the New Right and Thatcherism, and the left was tone deaf to alternative conceptions of our nation, one of the first stirrings of interest in Britishness on the Left was in the writings of ethnic minority intellectuals such as Bhikhu (now, Lord) Parekh and Stuart Hall, who argued that new forms of Britishness – hybridic, hyphenated and multiple – was emerging in the lives, neighbourhoods and cultural life of black and Asian Britons. And the proper response to which was to climb above the divisions of black and white, native and migrant and tired old stereotypes of Englishness and Britishness. We had to rethink what it means to be British, to remake our sense of country so it was inclusive of all fellow-citizens. No one should be rejected as culturally alien and not sufficiently British because of their ethnicity or religion but rather we had to reimagine Britain so that, for example, Muslims could see that Islam was part of Britain; and equally importantly, so that non-Muslims, especially the secularists and the Christians could see Muslims were part of the new, evolving Britishness.

‘Rethinking the national story’ was the most important – yet the most misunderstood – message of the report of the Commission on Multi-Ethnic Britain (2000; aka The Parekh Report). It argued that the post-immigration challenge was not simply eliminating racial discrimination or alleviating racial disadvantage, important as these were to an equality strategy. Rather, the deeper challenge was to find inspiring visions of Britain – which showed us where we were coming from and where we were going, how history had brought us together and what we could make of our shared future. The Commission did not want to paint neither the past nor the present in rosy, pastel colours, recognising conflict and contestation of narratives as ever-present but nevertheless insisting that through dialogue and egalitarian commitment a vibrant, new Britishness at ease with itself beckoned.

It may seem that since that report of 2000 we have retreated from this project of building a multicultural nationality. Actually, what is interesting is that the crises of this century has led governments to pursue a more active nation-building approach. An approach which is not inimical to the idea of a multicultural society. The reaction to the Parekh Report in 2000 was somewhat complacent in dismissing the idea of active nation-reforming and content with what the Report identified as ‘multicultural drift’. Since then, the more fearful post-9/11 times have made governments recognise that national cohesion is not simply given but has also to be made.

For many, this is all about proclaiming the death of multiculturalism. Yet, given that multiculturalism from its inception was a project of nation-remaking, I think that it remains as pertinent as before. We may now want to express ourselves in terms of the priority of ‘integration’ but we have to understand that there are different modes of integration and none of them – including multiculturalism – is to be dismissed. Because in a multicultural society different groups will integrate in different ways. Some ethnic minorities may wish to assimilate, some to have the equal rights of integrated citizens, some to maintain the cultural differences of their group identities, and some to be free to choose cosmopolitan mixed identities. Equally, the majority society may look on different minority groups in all these different ways. Each approach has a particular conception of equal

citizenship but the value of each can only be realised if it is not imposed but is the preferred choice of minority individuals and groups. No singular model is likely to be suitable for all groups. To have a reasonable chance of integrating the maximum number of members of minorities, none of these political responses should be dismissed.

Moreover, assimilation may be more appropriate in terms of national language acquisition before naturalization; individualist-integration may provide the model for non-discrimination in the labour market; yet multiculturalism may be the basis for supplementing electoral representation (if minorities are under-represented) and in creating new attitudes of inclusivity and in rethinking national identities. Thus perhaps the ultimate meaning of multiculturalism is not as one mode of integration but as the perspective which allows all modes of integration their due, including, crucially, communitarian multiculturalism.

This is particularly important at a time when many centre-left critics of multiculturalism celebrate hybridity, fluidity and cosmopolitan identities. These are indeed worthy of celebration but we should not overlook the conservative, community-maintaining aspect of multiculturalism. Communitarian multiculturalism may currently be viewed as undesirable by various publics and policymakers. Given how central groups such as Muslims have become to the prospects of integration on a number of fronts, it is unlikely that integration can be achieved without some element of this approach. Perceptions of Muslims as groups, by themselves and by non-Muslim majorities, are hardening. The key question is whether Muslims are to be stigmatised as outsiders or recognised as integral to the polity. The enlargement, hyphenation and internal pluralising of national identities is essential to an integration in which all citizens have not just rights but a sense of belonging to the whole, as well as to their own 'little platoon'.

Tariq Modood is Professor of Sociology at Bristol University



Mental health and one nation: Made in many communities - By Steve Griffiths

Ed Miliband's speech to the Royal College of Psychiatrists widened the reach of political debate about mental health in a way that suggests a coherent strategy that reaches, as Miliband says, 'beyond the NHS itself', 'changing the way our wider society works', starting in 'our communities'. If we approach this right, we can create a sustainable flow of policy that integrates mental health, in the true sense of the term, with a project to reduce health inequalities through community empowerment. Miliband's words, 'Everybody has a part to play. Only a nation acting together can overcome the challenge we face. That is what One Nation is about' are not just rhetoric. I start from the experience of a project (HELP – Health Empowerment Leverage Project) that builds resident-led neighbourhood partnerships involving local communities and staff of local public agencies, which can turn around some of the most deprived neighbourhoods. One key aspect of that is the impact on mental well-being of an active, assertive community. The research base is immense: here are just a couple of relevant examples:

National surveys of psychiatric morbidity in adults aged 16-64 in the UK show that the most significant difference between this group and people without mental ill-health problems is social participation. There is strong evidence that social relationships can also reduce the risk of depression.

Research also reports significant health benefits for individuals actively involved in community empowerment/engagement initiatives including improvements in physical and mental health, health related behaviour and quality of life.

Consistent with this is the idea that policy is not something that should be done to people. Though this echoes some recent influential thinking about the nature of a ‘relational’ state, it is not new. Marmot and others have established the case for the association between poor mental health and deprivation, and extended it to make an evidence-based case for community empowerment.

An understanding has long been growing that a whole system that addresses the social determinants of health through an energised community can transform the functioning of both provider services, and the well-being of the communities they serve. Its strong economic case arises from a finding with profound implications: that lower levels of social trust are associated with higher rates of most major causes of death, including coronary heart disease, cancers, cerebrovascular disease, unintentional injury and suicide.

Cameron’s reality of a fragmented and marketised society has us running in precisely the opposite direction. Just as high unemployment increases suicides, the bipartisan model of profit-driven welfare reform undermines the mental health of hundreds of thousands of people.

HELP have developed an outcomes and cost benefit model as a guide for resident-led community partnerships; and have recorded the narrative of such a partnership through the eloquent accounts of residents and service providers. The approach starts with people defining where they are – not having it defined for them – which can then lead to productive dialogue with agencies. The problem of inequality is a multi-dimensional one, but it is no more complex than the way individuals, families, communities and people experience it day by day.

It follows that a case can be made for Clinical Commissioning Groups to invest, with local authorities through Health and Well-Being Boards, in whole-system preventive development which creates added value through extension of health pathways into an active community. Inspired strands of such an approach are to be found – and there is an appetite for it, not least among many GPs suspicious of predatory capitalism in their field.

I believe that such partnerships have the potential to reduce some of the sharpest manifestations of inequality. To take one example, small area analysis of the cost

of emergency hospital admissions shows extremely high variations between neighbourhoods. Reducing the peaks frees the resources to further enable a strategic shift to prevention and early intervention, to borrow a phrase archived by the Coalition.

I am convinced that if a future Labour Government puts a stop to the marketisation of health, Ed Miliband's broader and more dynamic understanding of mental health might usefully harness this potential. Why not apply this model to, say, the 1% of most deprived small areas and the neighbourhoods they are part of – 320 of them? The data are there. Northern Ireland is moving in that direction by allocating a minimum percentage of health spend to community development, and Scotland is following a similar path.

Preventing ill health and improving confidence, resilience, and wellbeing through resident-led community partnerships brings together a lot of themes where it matters: it makes social, financial and moral sense.

Steve Griffiths is a writer, researcher and consultant in health and social policy, with a particular interest in reducing health inequalities by addressing the social determinants of health, and campaigning against the erosion of benefits for those who cannot work



Homes for sons and daughters, mothers and fathers - By Jack Dromey MP

Britain is gripped by the biggest housing crisis in a generation. On housing supply, affordability and ownership, as a nation, we've reached crunch point.

The gap between the number of new households formed each year and homes built is now running an annual deficit of over one hundred thousand homes. And it was the collapse in housebuilding, leading to a severe contraction in the construction industry that in turn was the single biggest factor plunging Britain back into double-dip recession

Earlier this year, private rents hit record highs and the gap between rental and wage inflation has continued to widen. And in 2010, it would have taken the average low-to-middle income household 31 years to accumulate a deposit for the average first home if they saved 5% of their income each year and had no access to the 'bank of Mum and Dad'.

As a result we've seen the rise of "generation rent" as those locked out of home ownership find themselves in the private rented sector. And this generation now includes young professionals and over 1.1 million families with children and rapidly rising.

In the absence of government action, the impact of the housing crisis on this generation of families and young people in the future could be very significant. The result of increasing numbers of people, including millions of families, not being able to buy their own homes will not just be their failure to fulfil what many see as a strong aspiration in Britain for home ownership but an inability to benefit from the many advantages that it offers.

Owning a home provides more than just an investment. For a family it is the chance to be able to put down roots, to create a stable environment to bring up children – a place for them to do homework and for quality family time. Home ownership allows people to feel a part of, and invest in, a community. In short, home ownership provides opportunities that private renting doesn't presently offer and social housing is providing to fewer and fewer people post the Government's reforms on security of tenure.

The danger is that with more and more people unable to buy and having to rent privately at increasingly unaffordable levels, there will be fewer opportunities for stability and standards of living will fall. There is also an additional danger of opening an intergenerational divide between the perceived haves of the older generation who own their houses and have paid off mortgages whilst the next generation can't get on the ladder.

So the housing crisis represents a significant challenge for Labour. To tackle it, we mustn't allow generational warfare between the haves and have nots but we must instead unite them in common cause.

We must create a great national consensus that housing matters and should be a priority area. The truth is, decent homes for all are not just important to those in need of it but are hugely beneficial for society as a whole. Poor housing is estimated to cost the NHS £2.5bn per year, while £15bn is said to be the amount in lost earnings as a result of lower educational attainment arising from a generation of school-age children growing up in poor and overcrowded conditions.

We must highlight that house building is key to economic recovery. It was major programmes of housebuilding that were central to ending the depression and then rebuilding Britain from the ashes of war. It was housebuilding that was central to building modern Britain in the 50s and 60s, including the famous commitment by Harold Macmillan to build quarter of a million council homes. And that is why Labour has called for the building of 125,000 affordable homes now, paid for by the money raised from the 4G auction and a repeat of the bankers bonus tax to build us out of recession.

Many of those who are approaching paying off their mortgage will have children of their own and will be worried where their children will live and bring up their families. We should use this to build a consensus and coalition of support behind a major uplift in the supply of new homes for their sons and daughters, including support for - and not resistance to - building new homes. Ask people do they want new homes where they live, a majority say no. Ask them do they want new homes where they live so young people can live locally including their sons and daughters, a majority say yes.

Labour must remain firmly as the party of aspiration. That means supporting those people who aspire to buy and helping them achieve their dream of owning their own home. But it also means supporting those that don't want to buy and those that do but can't. Backing aspiration is more than just supporting home ownership it is also backing people's aspirations for their families.

And the simple reality is that while Labour will do everything possible to help people buy, many will be renting for much longer than in the past. So we must look at others ways of supporting their aspirations including a new generation of homes for social rent and reform of the private rented sector to ensure it provides for greater stability, predictability and affordability and allows people to treat their private rented property like their home. The 1.1 million and growing number of families in privately rented homes need to be able to plan where they send their kids to school and how to manage their household budgets.

Lastly, it means recognising that the housing market isn't just failing young people but older people too. The ageing society is one of the most well-documented facts of our time, but our housing system has been slow to adapt to the changing needs of older people. Labour should offer more and better housing options tailored to the needs and aspirations of older people, a new deal on housing for older people. This includes helping those that wish to stay in their home to do so, helping those that want to, to downsize, and assisting increasing options for residential care. Never again the care homes that have disgraced our country but instead notions like ExtraCare Retirement Villages where people live happier, healthier, longer lives. A sustained focus on housing options for older people will also free up homes for the younger generation.

Post-World War Two, both Labour and Conservative Governments acted to tackle the housing crisis after the blitz left much housing in need of rebuilding and repair. But it was more than that. William Beveridge identified poor housing, in 1942, as one of his “giants” for future governments to attack, considering, as he did, poor housing to be one of the major factors in explaining poverty and lack of hope and opportunity in Britain. Attlee, Macmillan and their generation believed in a One Nation Housing policy.

Today, 70 years on, post the financial crash, the housing giant casts a long shadow once again, threatening to blight the lives of millions of all ages. The challenges we face on housing may be different this time around but the threat to opportunity, equality, hope and aspiration remains the same.

Labour must be ready once again to re-build Britain as One Nation as those post war Governments did 70 years ago.

Jack Dromey, lifelong trade union and housing activist, is MP for Birmingham Erdington and Labour’s Shadow Housing Minister



Politics



Local democracy can promote the values on which one nation depends - By Richard Grayson

In creating One Nation, the goals of policymakers and politicians should be to secure greater social cohesion and greater social mobility. Both involve creating a more equal society - something which the current government certainly will not articulate, and probably does not understand. Traditionally, the left has relied on a powerful central state to deliver these goals, and in many areas of policy it should continue to do so, such as macroeconomics, benefits, fiscal policy, and in setting the national standards which the public demands.

But the central state has its limits and what has never been properly tried in the UK - at least not since the days of Joseph Chamberlain's 'municipal socialism' - is powerful local government taking the lead in the provision and regulation of public services. Meanwhile, under the guise of the accountability and choice agendas, public services have been fragmented through academies and free schools, and the marketisation of healthcare.

Powerful local democracy, and I stress local democracy rather than localism, offers an alternative to both the central state and markets. Why?

The first reason is that local democracy links political power to tax raising powers. Local councils which make decisions over a range of issues can present real choices to the electorate, engaging them fully in the political process. At present, while local councils have some powers of scrutiny on matters such as the closure of local hospital facilities, they are not able to offer alternatives, because they do not have the power to respond to public demand by saying if you want X it will cost Y, or mean cuts to Z and then offering a choice through the ballot box and boosting cohesion through real involvement in crucial local decisions.

This leads on to the question of accountability. At present, the only elected people who have even a marginal role in local health services are local councillors and all they can do is scrutinise. This means that the people who really make the decisions in the health service are only accountable in so far as councillors can assess whether or not they have followed the established procedures of the NHS. Nobody is able to alter the decision made by health bureaucrats, unless they have not followed procedures. Only local democracy can bring about that kind of accountability in local services. The current system cannot, nor can choices made by individuals to seek services elsewhere – a choice that is usually only available to those who can afford it.

Local democracy also reflects the concerns that people have in their day-to-day lives. Most people find it difficult to engage with strategic questions over the future of healthcare or education in the country as a whole, and find it hard to see how they can make their voice heard and have an influence, even where they do have a vote. In contrast, they do care about local issues, and can begin to see how they could affect the position in their community. But that concern has its limits and in general they do not wish to be heavily involved in the running of schools or hospitals. Most people wish to pay their taxes for good local services, and indicate through the ballot box how those resources should be used, every few years. Local democracy allows that kind of engagement.

The final reason for promoting local democracy is that it can encourage greater equality through higher levels of investment in public services. When taxes are raised and spent remotely, and people cannot see the immediate benefits for their local community which accrue from the taxes they pay, it is all too easy for certain newspapers to focus on scapegoats such as benefits scroungers, and this has contributed towards people being unwilling to spend more on public services. However - and there is evidence for this from the very decentralised Danish health service - when people can see that their higher taxes will be spent on better local services for all they are far more willing to contribute.

Greater local democracy might seem at odds with One Nation politics. We certainly need to think about whether the current structures are the right ones – boundaries might well need to be withdrawn, and I'd like to see more elected

mayors and local referenda. But overall, not only does local democracy offer the potential to encourage innovation and diversity, it also has the potential to strengthen cohesion mobility and equality, through engaging citizens in major decisions which affect them, in a way that is essential to One Nation politics, and in ways that the central state has failed to do.

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One Nation Labour needs to re-engage with the English question - By Mike Kenny

Ed Miliband's adoption of the 'one nation' mantle offered a timely claim upon the political centre-ground at a point when the Conservative leadership is facing a strong magnetic pull rightwards. But, as it starts to put some policy flesh on the bones of this slogan, Labour needs to do some hard thinking about its future offer to the one nation in the UK that was really being addressed in his speech.

England is the sole national territory to which Labour's ambitious first-term devolution programme did not apply. And, London aside, it did not, during its years in power, settle upon an answer to the question of how to devolve powers to sub-national levels within England – its own standard response to the often posed English question.

Labour needs now to reconsider what kind of democratic order, as well as rebalanced regional economic model, it wishes to propose to the English. For the suspicion remains that its fulsome talk of decentralising power within England is too often a way of evading, not grasping, the representative and cultural dimensions of the English question. Yet, if Labour is credibly to present itself as a party that really does want to engage more authentically with the questions of identity, belonging and security that concern ordinary people, such a response is no longer adequate: Englishness has become a much more salient identity for many people within England and provides a vehicle for the expressions of a variety of political ideas and social frustrations at a time when the language of politics has tended to become unduly tepid. Those on the left who argue that Ed Miliband should stick to talking about class and forget nationhood fail to grasp this fundamental point.

Yet, Labour has a major reputational problem in this area. Various studies produced towards the end of its time in office confirm that a growing section of the English public became more resentful at the idea of a government which had a number of prominent Scottish Ministers and appeared more favourable to the non-English nations of the UK.

The party has generally been united in its wariness towards Englishness (with the noble exception of a handful of figures like Jon Cruddas, John Denham and David Blunkett) which it has written off as inherently regressive and chauvinist in character. And it has long assumed that any move to grant England recognition within the current political system would harm Labour's electoral prospects.

But a reconsideration of both of these assumptions is overdue. First, a number of distinct, competing ideas about the political and cultural character of the English have emerged in this period, and while a sub-set of these frame Englishness in chauvinist ways, the majority of those who identify primarily as English are, in broad terms, politically moderate, socially liberal and culturally conservative. Many are actual or potential Labour voters.

And, second, the widely held assumption on the left that Labour cannot win in England and therefore needs Scotland to secure a parliamentary majority is greatly exaggerated. Labour has won elections for the most part when it has secured a majority of seats in England. Elections in which Scottish MPs have been decisive are in fact relatively rare. There have been none since 1945 in which Scottish MPs have turned a Conservative majority into a Labour government or vice versa. Moreover, Labour would have won, if with a reduced majority, in 1945, 1966, 1997, 2001 and 2005, without its Scottish MPs. An exaggerated fear of the Conservative inclination of the largest country in the Union has become a damaging mental habit in Labour circles.

The intellectual and policy conservatism associated with this abiding fear of Englishness needs now to be replaced by an appreciation of the longer-range forces that are reshaping the UK and the national identities within it.

This means facing up to the implications of devolution, and reconsidering the arcane, but increasingly pressing, West Lothian question. As it becomes ever

clearer that devolution is more like a slowly turning ratchet than a stable settlement, the Westminster Parliament is evolving into an English one, at least when it comes to domestic matters. Should Scotland vote against independence, but be granted additional powers including a greater degree of fiscal autonomy, it is hard to see how, in terms of procedural justice, Scottish MPs can be returned to Westminster on the same basis as their English counterparts.

Given the growing likelihood of hung parliaments and coalitions, it is of course possible that Scottish MPs might still be crucial to the parliamentary balance in the future. The outrage expressed when the legislation that introduced Foundation Hospitals and Tuition Fees in England was passed because Scottish MPs were whipped through the Commons is a foretaste of the controversies that such a situation would engender.

And so, while the idea of English-votes-on-English-laws in Parliament has long been seen as a Tory-inspired attempt to constrain a future Labour government, it is time to take a closer look at the different versions of this idea. The various technical and procedural disadvantages of such a proposal are now potentially outweighed by the need for an insurance policy against the legitimacy crisis that West Lothian issues could potentially generate. The party's response to the report which the McKay Commission is due to produce will provide an early test of its thinking on this issue.

Both for its own political fortunes, and the longer-run future and survival of the United Kingdom itself, Labour is going to need to re-position itself as a force that speaks more directly and credibly to the one nation that has experienced some important shifts in national self-awareness in the last twenty years, and which currently includes a growing number of citizens who are disenchanted with the political system and devolution.

But, contrary to its darkest fears, there is every reason to think that Labour can adapt to a Union which incorporates a new English settlement, including greater powers for its leading cities, city-regions and local authorities, and a greater sense of cultural recognition for the English. The most pressing English question in British politics today is whether Labour has the confidence and capacity to address

these issues in a forward-looking and democratic, rather than fearful and short-termist, manner.

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Nationalism and universalism

- By Francesca Klug

Ed Miliband has gone where generations of the left have feared to tread. His audacious raid on the so-called ‘one nation politics’ associated with Disraeli’s Conservative Party, opens the door for Labour to relate its vision and policies to a national story. As well as signalling a pathway towards a less divided and unequal country, Miliband’s reframing of ‘one nation’ suggests that Labour’s future programme will be judged by its capacity to foster a sense of belonging and mutuality.

In the main, social democrats and Socialists have tended to prefer the terms ‘society’ to ‘nation,’ as a more neutral way of signalling their collectivist aspirations. Internationalism rather than nationalism has been the trend. In using the ‘N’ word the Labour leader has entered territory that can be uncomfortable for the left, and for good reason. The term ‘national’ has been appropriated by virtually every ultra-right party from National Socialists, to the National Front to the British National Party. Nationalism as an emotional and political reflex to economic recession has been associated with some of the worst excesses in history.

Miliband, the son of Jewish refugees from Nazism, is unsurprisingly at pains to distinguish his championing of ‘one nation’ from that aroused by xenophobes or Europhobes. He talks of “patriotism and loyalty” to an “outward looking country” which “engages with Europe and the rest of the world”. But there can be a fine line between his ‘One Nation’ and the invoking of an essential quality of ‘Britishness’ which will be lost if ‘diluted’ by other cultural norms. It is barely 10 years since the then Tory leader conjured up Britain as “a foreign land” .

Miliband's version of 'one nation' not only rebukes the divisive policies and texture of the current government but could turn the page on New Labour. It reminds us that Labour's heritage is not one of competing individuals who, like Humpty Dumpty, have to be glued back together again through some state-determined ideology called 'British values.' Instead, Danny Boyle-style, Miliband's vision suggests that we can all contribute to, and see ourselves reflected in, a rich, diverse and changing national story, which involves all the 'nations' of the UK.

Yet if it becomes a mantra, rather than a pathway, 'one nation politics' could obscure the obvious ways in which the world has been transformed since Disraeli's day. There are, self-evidently, pivotal issues that cannot be addressed by any one nation; climate change being an obvious candidate. As fundamentally, the failure of nations and their states to protect their own citizens or residents when defined as 'outsiders', 'troublemakers' or 'aliens' remains the driving force behind the quest for universal human rights protection.

Men and women from progressive political movements around the world have played a pivotal role in this development since the UN's adoption of the Universal Declaration of Human Rights in 1948. Every related advancement within the UK has been Labour-led. It was Atlee's government which (albeit with reservations) ratified the Churchill-inspired European Convention on Human Rights (ECHR) in 1951, Wilson's that granted individuals the right to petition the European Court of Human Rights in 1966 and Blair's which passed the 1998 Human Rights Act (HRA). For all the criticisms, the bottom line is that the HRA works like any bill of rights. It employs the rights in the ECHR to provide a fall back for anyone in the UK who has no other means of protection – from asylum seekers to the elderly or learning disabled – with explicit limitations on individual freedoms to protect 'the common good.'

David Cameron is committed to replacing the HRA with a so-called British Bill of Rights and the Tory right is pushing for withdrawal from the ECHR altogether. The ethical, if not legal, implications are clear. The proposal is not to supplement the ECHR with an additional bill of rights but to distance ourselves from it as an 'alien imposition'. If the UK will not be judged by universal human rights norms,

we can hardly preach that other nations should be. Our baseline about what a ‘good society’ might be risks being at odds with the tide of history.

This stand-off could be an acid test for ‘one nation Labour.’ Tactical considerations might suggest a ‘British bill of rights’ not drawn so closely from international standards and which excludes some ‘outsiders’ chimes with ‘one nation’ politics. But this provides an opportunity for Ed Miliband to distinguish his quest to tell a ‘national story’ from insular nationalism. The people who struggled for rights and freedoms down the generations understood this distinction. National heroes of the Labour movement, like ‘Rights of Man’ author Tom Paine, recognised 200 years ago that “Many circumstances ... will arise, which are not local, but universal, and through which the principles of all Lovers of Mankind are affected.”

This is part of our nation’s story.

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How we build One Nation Labour?

- By Iain McNicol

The breadth and ambition of the political project Ed Miliband outlined at party conference requires a transformation of the way we do politics. It sets a significant but exciting challenge to the party. All of us, from staffers to supporters to elected politicians, will need to change our approach to campaigning, so that we can make our values live again across the country. We have begun to change and must continue to change – so we can rebuild trust and win a mandate for changing the country.

It's an exciting time: we have already begun to shift the party's resources to the frontline and have established a top team that can create a movement inspired by Ed Miliband's leadership. Already the first wave of organisers and candidates are in place in our frontline seats. Appointing and selecting the second tranche of those frontline forces is only a small part of the task for all of us in the next year. Everything in the next twelve months will be focussed on us growing the movement, involving more people and empowering them to create the change we need.

Last year, we fought many by-elections and police elections. We achieved some great results. But we were stretched to the limits, and we can't allow ourselves to lurch from one capacity crisis to another: this is why we must build a movement, inspired by the possibilities of change.

Without this outreach, deepening our relationships with people as well as widening our appeal, it will be more difficult for us to win in 2015. Our current levels of activity and levels of paid staff may not get us over the line. This is the harsh truth and to counteract this we must build a movement.

Everything; from our policy development process to our fundraising activities, will have one overarching goal: building capacity. We will increase the numbers of people who will believe in us, work with us, join us.

This will mean a huge culture change: respecting members, and volunteers, rather than treating them as though they are only good for delivering leaflets. Thousands of people have joined us since party conference: we need to know and understand, respect and act on their motivations for getting involved.

There is already an enormous groundswell of enthusiasm for change, not only from our new members and supporters but from the backbone of our campaigning operation.

2013 will be the year of extending that enthusiasm and growing the movement.

Our Training Academy will mean all of our professional staff and our super-volunteers will learn about organising so that every local party can grow its volunteer numbers by significant numbers. The campaigns we adopt on the basis of talking to our communities will involve and empower people, and offer change now. Energy switching is a powerful tool because it is people, party members and supporters, building a network, demanding change, which uses their collective force to deliver a good for all. Campaigning against legal loan sharks doesn't just gather people names on a petition but offers answers for people's daily crises, as well as shaping the national conversation.

Our online and offline policy development process will help more people to be involved in deciding our priorities and contributing to the shape of the Britain we want to see. Our councillors show, in the face of a fundamental attack on support for the working families and the vulnerable, what Labour can achieve when there's little money to go around. They will be at the heart of developing a platform for change – giving people a sense of what One Nation Britain will look like.

Changing the perception of Labour in our own communities is a task that falls to all of us. We will focus on evolving the party from being a machine for harvesting votes to being a movement of people, inspiring and making change happen. This won't be easy; all of us must do our bit to rebuild trust. Campaigners are connecting with people Old Labour never reached, and those that New Labour

left behind, mobilising and inspiring them. And it's an essential step to shifting political activities from transactions to relationships. That is how we build One Nation Labour.

Iain McNicol is the General Secretary of the Labour Party



Postscript



One Nation Politics in Practice - By Jon Wilson

A crisis in Britain's institutions is driving popular frustration at everyone with power, from bankers to newspapers to politicians. From duck ponds to the economic downturn, we've allowed small groups to look after their own interests without being held to account by the people their lives impact.

One Nation Labour is our response to that crisis. It isn't just an electoral strategy. It has the potential to be something far more radical. If it develops strong relationships with the public sector and business, trade unions and voluntary associations, it can fundamentally change the way we think and act towards the world around us, to mark as great a transformation in our ethics and practice as the Conservative governments of the 1980s.

Thatcherism treated people as calculating consumers who weighed the short-term costs and benefits of every action (including voting) for themselves. It's the way of interacting with the world that created the crash. That attitude still infects our political and economic institutions. It saturates our current mode of retail politics. Politics has become the science of 'delivering' of packages and projects for individual consumers instead of the art of discovering what we can do together.

Instead, One Nation Labour recognises that our interests and aspirations are bound up with our reciprocal obligations to those around us. Institutions work best when people are driven by a sense of common purpose. But the motivation to work together can't be imposed from above. It takes conversation, argument and negotiation between people who share their everyday lives.

A One Nation politics takes aspiration seriously. But it notices that aspiration starts with our relationships with people we care about: family and neighbourhood, our town or city, community and country as well as our selves. It's about the way self-interest is entangled within the reciprocal obligations we have to the people around us.

To put that into practice, One Nation Labour needs to focus on changing our institutions, our businesses large and small, our schools, hospitals, job centres, the places where people get together to work, consume and care so they're driven by that sense of reciprocal obligation. How do we do that? What does One Nation Labour mean in practice?

First, it means ordinary people having a more powerful voice in the way our private businesses and public institutions are run. That will create tension, of course. We need to recognize that people have different interests, but let the argument happen. If consumers had more say in the way their banks are run, the financial crisis might not have happened. The best schools are those where parents constantly challenge.

In practice, that means insisting workers and users are represented on the boards of companies and public institutions. Ensuring parents make up a third of the governing body of all schools would be a good start. The voice of workers and users needs organizing, with a role for Trade Unions, professional associations and user organisations. We could encourage the formation of parents unions, for example.

Joint ownership by workers and consumers would give people more of a stake. We should encourage the mutualisation of public and private institutions, but make sure they're run by a conversation between different interests not just run by one group.

Second, we need a renewal of authority within our institutions. It isn't about everyone being able to decide everything. We need to be able to trust the people in charge. But authority isn't just the power to regulate or command. It comes from a leaders' obligation towards the people they lead, on recognizing the important role of workers and users in providing challenge.

We need to nurture a form of leadership that is more democratic. That might mean public events where leaders are asked to account for themselves before the public whose lives are affected by their decisions; something like London Citizens' accountability assemblies, for example. To be really radical, we might elect leaders head-teachers and hospital managers as well as company bosses at assemblies in which different interests are represented.

Thirdly though, institutions can only listen, look outwards, and lead the communities they are part of if they're free to make their own decisions, and aren't constantly looking over their shoulder for the latest guidelines or government regulation. Our institutions can only nurture a sense of mutual obligation if the power of Whitehall to coerce and cajole is limited. Yes, government needs to set standards and impose rules. But when it does it should insist on things that really matter and make sure rules are only made after proper argument. Labour needs to be the party of deregulation, not the bossy bureaucrat. But it only can be that if the voice of people replaces central directives as the means institutions are held to account.

One Nation politics is more than a slogan and a set of policies. It marks a change in political style. It starts by being more comfortable with the tensions that come when people have a say over the institutions that rule their lives. It recognizes the plurality of Britain, but has faith in the capacity of people to forge a sense of shared purpose and create the common good from the argument.

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