

The State of the Race after the Elections and Queen's Speech

May 2021



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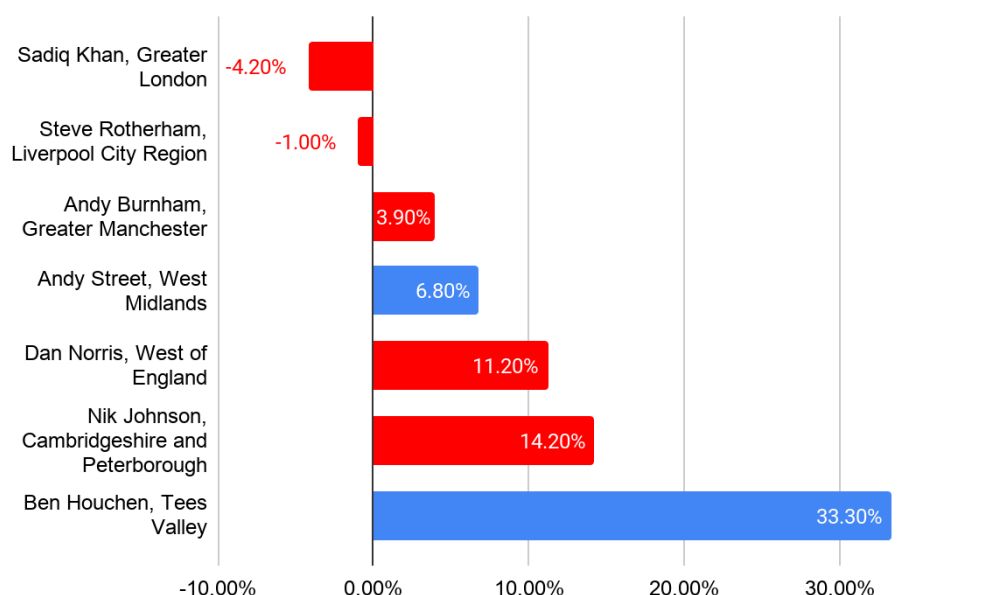
The May Elections

These were strong election results for Boris Johnson. Just as the Conservatives shaped the political response to the financial crisis a decade ago and Labour turned inwards, today it appears that Boris Johnson is closest to defining the politics of post-pandemic Britain. The recent group of elections were the biggest test of public sentiment before the next UK general election.

Not since Margaret Thatcher has a Conservative leader been able to shape his party and government in their own image. He has created a hybrid political offer - higher public spending alongside conservative positions on cultural issues - that makes it very hard for the Opposition to be sure of what target to aim at. There are strong clues in the recent Queen's Speech that Johnson is setting course for an early election to capitalise on his recent successes and the Opposition's disorientation. The announcement of the Public Inquiry into the government's handling of the crisis is unlikely to report before any election, whether he brings the election date forward or not.

Labour can take some comfort from strong results in Wales and London; gains in Mayoral elections including West of England, Cambridgeshire and Peterborough; and in having avoided extinction in Scotland. However, these were devastating results for Keir Starmer who has promised to overturn the losses of Corbyn's leadership in one parliament. The party lost the Hartlepool by-election on a massive 16% swing to the Conservatives and lost control of Durham for the first time in a century.

The chart below shows the percentage change in first round vote of the winning candidates in this year's election compared to their party's performance at the previous Mayoral election.

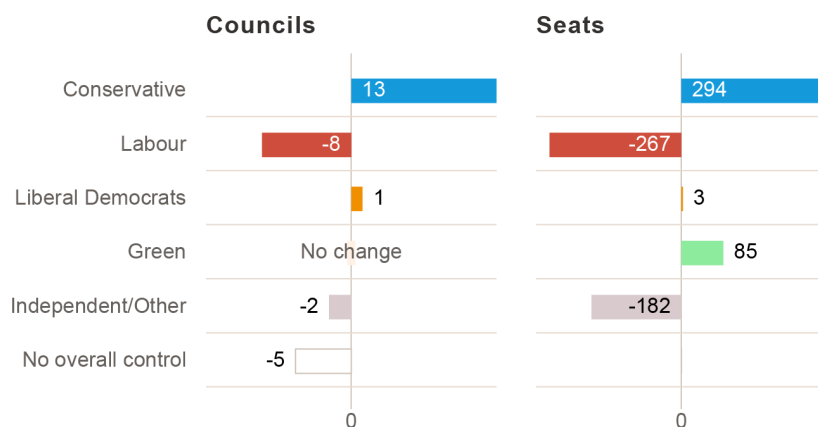


Across the country this was an incumbent government election. It is hardly surprising that after a year when the government paid wages and administered life-saving vaccines that many voters backed the incumbent administrations in London, Cardiff and Edinburgh. Similarly, leaders of national and devolved administrations were on television every day while their opponents were unable to run full campaigns which allowed them to counter that dominance. However behind these results are far deeper issues for Labour. The government's opponents will hope that these elections really are a combination of that incumbency factor and that this will dissipate as the country recovers from the pandemic. They will also point out that the trends behind the worst results for Labour are long standing and that these results confirm existing weaknesses rather than a further strategic deterioration in their position.

But long standing structural problems for Labour with blue-collar voters is now an endemic difficulty. While Hartlepool gathered the most headlines, similar losses were felt across the North East, Yorkshire and blue-collar areas in the South. Some voters who went from Labour to UKIP have now travelled to the Conservatives. Many traditional working class voters in England attached themselves to the politics of identity and backed Brexit. Similarly, in Scotland many of those traditional voters backed Scottish independence. Both are proving hard for Labour to recapture.

English local election results

Net change from outgoing councils, 143 of 143 councils declared



Source: Press Association.

Labour did better in white-collar areas, but even there are signs of the party losing seats to the Greens in places like Bristol. This is the strategic dilemma for Labour: how to tell a story that appeals to the blue-collar voters who are slipping away while also holding onto metropolitan liberal voters who often have quite different social values. The Conservative are well aware of this and there are signs in the Queen's Speech that they will continue to lay traps for the Labour Party which seeks to make bridging these cultural divides even more challenging for Labour. So far the Labour leader has appeared rattled rather than resolute in response to the losses suffered.

The only down side for Boris Johnson despite being in a more powerful position are the results from Scotland. The SNP failed to win the majority many predicted and the Conservatives retained their vote share despite an uninspiring campaign. However, expectations are that the row over Scottish independence, which has suited both governments politically to perpetuate, will come to some sort of a head over the next five years. This will either be another independence referendum or the blocking of an illegal

Scottish government administered referendum in the courts. While the elections may mean greater stability in the UK parliament and Welsh Senedd, they are likely to herald a prolonged period of political instability between Scotland and the rest of the UK.

The Queen's Speech

Perhaps unsurprisingly for a government who have devoted so much bandwidth to the pandemic, this was a fairly sparse legislative agenda. It is, however, a deeply political agenda intended to entrench the political dominance of Boris Johnson's Conservatives.

The headline for voters is around the NHS with a promise to complete the fight against Covid and then proposals to integrate the health and social care systems; tackle obesity and drug misuse; and improve mental health treatment.

There is also a significant focus on the post-pandemic economy. A commitment to create an Advanced Research and Invention Agency which would fund high-risk, high-reward research and development. A Skills and Post-16 Education Bill aims to improve access to skills across England to ensure that people can train and retrain at any stage in their lives, building on the significant reforms to vocational education pursued by this government.



Much of this economic agenda is framed around creating more equality between regions. The PM is seeking to embed his new support in blue-collar former Labour heartlands with a 'levelling up' Bill to tackle regional disparities in economic performance and employment. They re-emphasised their UK infrastructure plans, providing jobs in the short term, and creating the conditions for long-term sustainable growth. Surprisingly, the much talked about Employment Bill didn't materialise. And still no solution on social care.

Other legislation includes:

- A Planning Bill to create a simpler, faster planning system for homes and infrastructure. This will continue to prove unpopular with many Tory MPs
- Reforms to rail and bus networks to deliver simpler fares
- A National Insurance Contributions Bill will provide relief for employers of armed forces veterans and employers in Freeports
- Bills to reform regulations after Brexit including on subsidy controls, procurement, and professional qualifications

As well as reforms to criminal justice and national security, the Speech included measures designed to exploit the cultural divisions in society and force Labour into positions unpopular with the blue-collar voters they are losing.

- Councils will be banned from supporting sanctions on Israel
- Controversial speakers 'cancelled' from speaking engagements in universities will be eligible for compensation
- Tighter restrictions on the rights of those seeking asylum
- Measures to limit judicial review of government
- Measures to limit protests
- And most controversially, measures to introduce photo-ID requirements for voters, which critics argue mirrors voter suppression laws brought in by Republicans in the United States

Each of these culture-war issues is offset by other measures around racism, animal welfare or protection of victims of sexual violence which will enable the government to appear to be modernising on some social issues while they are deeply conservative on others.

The Dissolution and Calling of Parliament Bill will repeal the Fixed-term Parliaments Act of 2011, once again allowing the government of the day to call an election whenever it chooses. If the nakedly political content of the rest of the Speech wasn't a clue that we are headed for an election earlier than 2024, this is surely proof of a Prime Minister seeking to take advantage of a disorientated opponent.

