

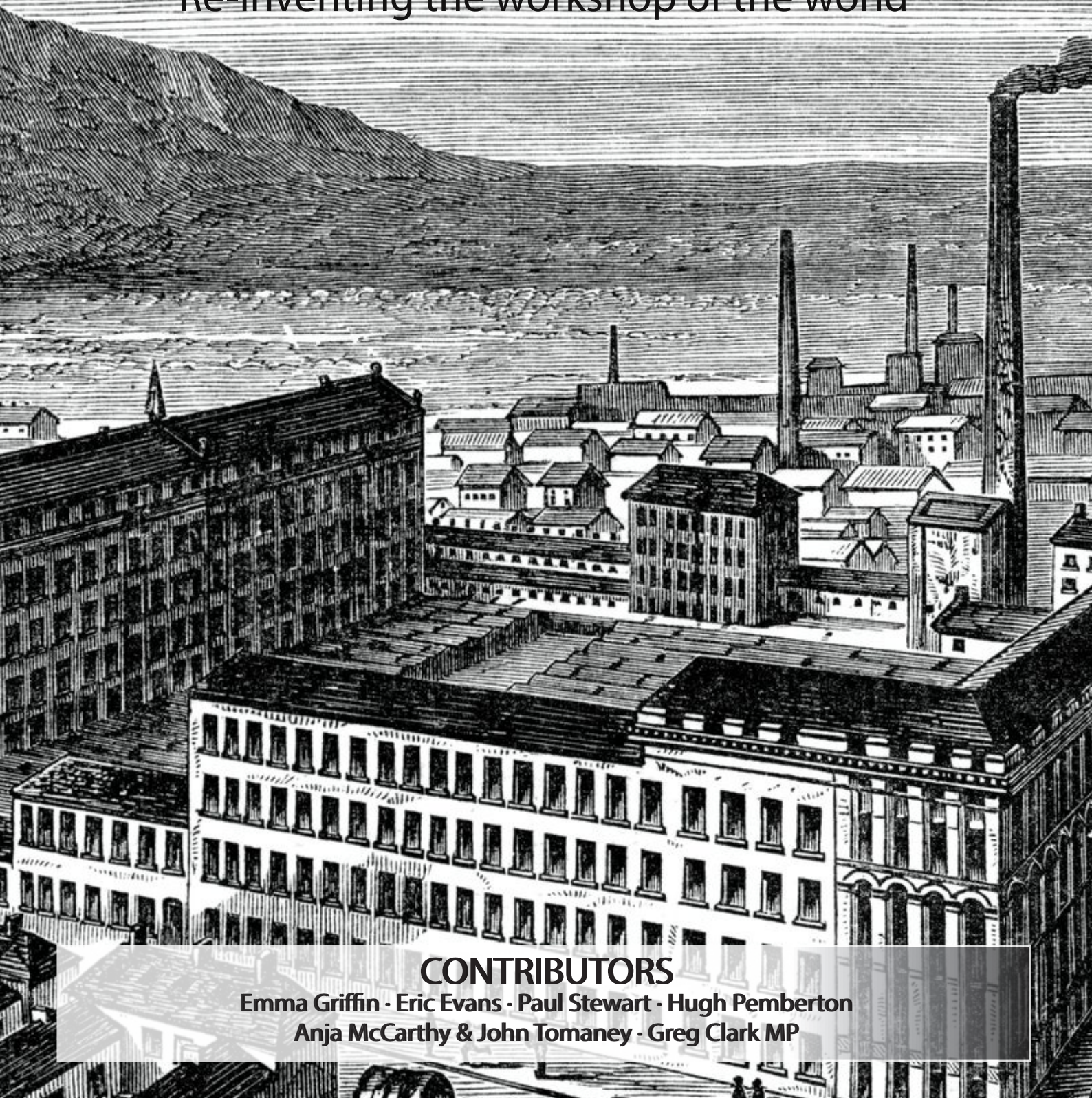
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Industrial Britain

Re-inventing the workshop of the world



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Editorial

A well-known narrative

There is a textbook version of British manufacturing which relates it to Britain's rise and fall as a world power. Most of those who read this will be completely familiar with that narrative. Let us nevertheless paraphrase it here, for any discussion on issues and challenges relating to British industry today requires sound knowledge of its historical backdrop. Britain harboured the Industrial Revolution from the late 1700s, generating colossal advances in productivity and profound economic and social change. In the long century which followed, economic advance was coupled with outward expansion through the Empire. Britain became a global trading power, with political, military and economic clout on the world stage. Domestically, the incoming wealth was concentrated in a narrow, rising bourgeoisie who controlled the political system and ensured gradual democratisation and cautious reform.

Britain entered the 20th century with enormous political and economic power in its hands, but experienced a continuous decline thereafter. Essential to that decline was the fall in productivity, with manufacturing at its heart. British industry changed from being the engine of economic growth to the very symptom of a British disease. European competitors raced ahead, and the rise of Asian powers made competition even fiercer. The market liberalisation which Britain traversed under Margaret Thatcher's governments of the 1980s did not arrest the decline; it merely changed its form. The British economy became evermore dependent on its financial sector, which alongside domestic borrowing and a booming service sector provided the illusion of resurrected growth. Manufacturing was dead, but a new economic model had taken over; one that was built on shaky foundations but which offered Britain's only chance in the global economy.

There is much truth in the narrative above, but its next chapter remains to be written. The British economy of the 2010s does lean heavily on financial services, alongside a service sector that scores high on employment but low on productivity. But industrial niches exist, and often in unexpected areas of the economy. The pharmaceutical industry is one; advanced engineering another; energy innovation a third. And then there is the automotive industry, which perhaps more than anything symbolises the international investment and ownership that characterises the British economy today.

The present issue of British Politics Review takes stock of developments in British industry today. As a pertinent point of departure, Emma Griffin reminds us of where it all started, the monumental historical development that was the Industrial Revolution. Following her account of the emergence of industrial Britain, other articles discuss the virtues and flaws of government strategies to renew British industry and the fate of particular sectors, in particular the automotive industry.

It is a truism that the Britain of today is the consequence of all its history. As far as manufacturing goes, that is quite evidently the case. In recent decades, new pages have been added to the story with remarkable speed. Nevertheless, none of them start from a blank slate; nor will the trajectory that awaits the British economy post-Brexit, faced with a changing environment for trade and migration in the decades to come.

Øivind Bratberg & Atle L. Wold (editors)

Cover photo: Snippet from a drawing of York Street Mill, Belfast. 1880. Artist: unknown.



"Great Britain. Her natural and industrial resources". Map issued by the British Information Services, in the course of the Second World War. The map portrayed is located in the Boston Public Library.

Britain's industrial revolution: the working man's perspective

by Emma Griffin

The industrial revolution was possibly the single most significant event in British history. The switch to fossil fuels and technology banished hunger and raised living standards. As industrialisation spread across the globe, it brought with it levels of comfort and affluence that were simply unthinkable in agrarian societies.

But although the long term benefits of industrialisation are clear-cut and indisputable, what was it like for those who lived through it? When we think about the men, women and children, who with their strong backs and nimble fingers did the most to power industrialisation, we tend to feel that there is less to celebrate. The introduction of new working patterns which compelled men to work at the relentless pace of the machines. Children forced into factories and down mines at ever younger ages. Families squeezed into dark, disease-ridden cities. And nothing but the workhouse for those who slipped through the net.

All the great commentators of Victorian Britain painted their industrial times in a very dark hue. Take the hugely influential *The Condition of the Working Class in England*, written by Friedrich Engels in the 1840s. For Engels, the industrial revolution meant not simply lower wages all round. It also undermined the workers' quality of life, causing the disappearance of stable family and community relationships; of homes in the clean rural environment; and of health and contentment. And many British poets and novelists shared Engels' dismal view. William Blake, for instance, wrote evocatively about the 'dark Satanic Mills'. William Wordsworth spoke of the 'outrage done to nature' by the growth of urban industry. The industrial novels of Benjamin Disraeli, Elizabeth Gaskell and Charles Dickens, published in the 1840s and 1850s, continued the same theme. In *Hard Times*, for example, Dickens depicted a workforce that was not only desperately poor, but also degraded and dehumanised by the advent of machines.

Although there were a few dissenting voices, it is the pessimistic interpretation that continues to colour the way British people think about their industrial past. Consider, for instance, Danny Boyle's wonderfully evocative interpretation of British history in the Olympics Opening ceremony of 2012. An early segment involved a representation of the industrial revolution, but the workers did not look as though they were having much fun. They were working at dull, repetitive tasks, in a polluted environment. No one had

a smile on his or her face; the work was clearly a grind and the workers looked far from happy.

But what if this story isn't really true? What if working people were not simply crushed in the cogs of the great industrial juggernaut? Is it possible that even the poor had something to gain from the process of industrialisation?

It is sometimes claimed that we cannot easily access the experiences of ordinary working people as they left so little behind in the way of written sources. But whilst it is certainly true that they left less than their employers, it is not the case that they left nothing at all. In fact, between 1750 and 1850, working people wrote hundreds of autobiographies, in which they described their experiences of living through the world's first industrial revolution. Some are very brief. Some lack detail. They were almost all written by men, so these sources will never tell us much about women's experiences. Nonetheless, they form a remarkable and little-used set of records that can help us to unlock what the industrial revolution meant for men.

What, then, do they say? The first surprise is that for working men, industry was often perceived as good news. Many of the things that we perceive in negative terms – mines, pits, quarries, factories – were in fact perceived in a far more positive light by healthy, adult males capable of work. The new industrial districts offered a wide variety of different occupations. The mills were emerging as a major source of employment, but the new towns offered much more than the promise of employment as a factory operative. Men could work in the warehouse. Some fo-



und work repairing the machines rather than working them. Others kept the books, collected accounts, or advertised goods for mill-owners. Then there was work to be done weighing and moving raw materials and finished goods around the country. Roads and railways needed to be built and maintained, carts and engines needed to be loaded and driven. In addition, there was a host of traditional employments – such as making bread, beer, clothes, shoes, furniture, and building homes for the large urban population who was fully occupied in industrial work and therefore unlikely to undertake such tasks for themselves. One of the most consistent themes amongst male autobiographers was that work in urban areas could be varied and interesting, and that men could derive considerable pleasure from it.

Not only that: in the expanding cities of Victorian England workers were in demand, and this meant they could command better wages. We tend to think that work in factories and in mines was badly paid. Yet in the context of the time, both were relatively well paid occupations. In the early nineteenth century, a male agricultural labourer could expect to earn around ten shillings a week. A skilled factory worker might earn thirty shillings, and a miner might earn more again. Although living costs were sometimes marginally higher in urban areas, this still left a substantially larger disposable income and helps to explain why workers moved towards the industrial areas in such large numbers.

This combination of good wages and abundant employment also produced a very real a rise in working-men's status and self-worth. Industrial workers and miners were far more likely to campaign for their rights and the autobiographies contain several examples of working men standing up to their employers. As a young man, Thomas Whittaker left "profitable employment" for what he later summarised as 'a little temper on the part of the master, with too much defiance on the part of the servant'. Some industrial workers were prepared to leave work over the frequency of their tea-breaks. Joshua Dodgson, a dyer in Halifax left a good position after just two weeks when he realised the tea-breaks he had been promised were to be discontinued. Here is John Wilson describing his father's attitude to irksome masters.

My father being a navvy, and the railway system in this country being in its early development, there was a great demand for workmen at high wages, and he, being a strong vigorous man, was sure of employment wherever he went. Being, however, of a very sharp temper, he would throw up his work at the first sign of harsh treatment or fault-finding, and thus he and I were very often on the move, for I was his constant companion where possible.

Repeatedly our writers tell us that work in cottage industry, factories, mines, warehouses, large cities, and construction was better than the labour that had consumed

their father's energies – and often their own early labours as well. And however much this might jar with our own expectations of earning a living during the industrial revolution, it is probably worth our while to take these comments seriously.

Industrial work offered the workers the opportunity of higher wages and provided them with greater power in the workplace. But this was not all. As men found their opportunities improved in the workplace, so they found that their opportunities outside the workplace also improved. The first half of the nineteenth century saw the entry of working men into trade-unionism and political activism. This kind of engagement in the public sphere required workers to enjoy a degree of independence from their employers, and this independence was only attained when work became more abundant during the era of industrialisation. The cities permitted men to spend their evenings at night schools, in reading groups or book clubs, or in political clubs, where they could discuss ideas that might directly challenge the interests of their employers and social superiors. It was no accident working-class political engagement developed in Britain's urban and industrial centres by 1800 whilst many such activities did not penetrate large swathes of rural Europe until well into the second half of the nineteenth century. These forms of recreational activity required a relatively autonomous and independent workforce of the kind only to be found in the high-wage industrial sector.

Working-class autobiographers provide us with a very different version of life during the industrial revolution to the one with which we are familiar. It is easy to be seduced by such powerful thinkers and talented writers as Engels, Dickens and Blake and more difficult to pick up what the unlettered workers themselves were saying. But working-men did provide their own account of industrialisation and it is important that we try to listen. Though it may jar with our expectations, these first hand witnesses teach us that Britain's mills and factories were not just "dark and satanic" but promised material advantage, personal autonomy, and cultural opportunity for those who worked them.



Emma Griffin is a Professor of British History at the University of East Anglia. Her main research interest is the social and economic history of Britain during the period 1700 to 1870, with a particular focus on popular recreation and the history of hunting. Her book *Liberty's Dawn: A People's History of the Industrial Revolution* was published by Yale University Press in 2013.

Thatcher's industrial revolution?

by Eric J. Evans

The political generation which ruled Britain after the Second World War was unusually bi-partisan on the big policy issues. Labour and Conservatives squabbled and jockeyed for supremacy, of course, but there was a strong consensus among the political classes after 1945 that the State had a crucial role to play in improving the lives of its citizens. In particular, and specifically as a response to the apparently insoluble inter-war problems of unemployment and limited economic growth, most politicians were enthusiastic about using the state both as a job-creator and to keep unemployment levels low. A healthy economy which generated increased job opportunities and the creation of a National Health Service "free at point of access": these were the two centrepieces of British social and economic policy.

Thatcher followed this interventionist consensus obediently enough until 1974 when she supported Sir Keith Joseph's candidature for leadership of the Conservative party. Joseph was a staunch right winger and had been strongly influenced by the work of two economists, the American Milton Friedman and the Austrian Friedrich Hayek. Under Joseph's tutelage, Thatcher's views moved rightwards. By the time of the general election of 1979, she was entirely convinced of the need for radical economic change.

Both Friedman and Hayek challenged the prevailing consensus head on. They urged the need for radically lower levels of taxation and - national defence always excepted - a lesser role for elected governments: the so-called "smaller state". It also helped that Friedman possessed wit, an attribute rare among economists. In arguing that most taxes were not only unnecessary but positively harmful he declared: "I am in favour of cutting taxes under any circumstance and for any excuse, for

any reason and whenever it's possible." The USA, the world's most powerful nation was also its most wasteful. "If you put the federal government in charge of the Sahara Desert, in five years there'd be a shortage of sand".

Although Margaret Thatcher became Prime Minister in 1979, it is far from clear that she came with a clear or detailed game plan for economic change. One school of thought holds that what was later referred to as Thatcherism had been anticipated by others. By the mid-1970s, the tide of economic orthodoxy had already begun to turn. In Britain, a run of weak governments with small, if any, majorities in the Commons was running up unsustainable debts; a crisis in the value of the pound ensued. In 1976, the Labour government was

forced to ask for a loan from the International Monetary Fund (IMF) to stave off the prospect of bankruptcy. The Fund provided £2.3bn but it came with strings attached. The IMF required substantial cuts in public expenditure along the lines advocated by Hayek and Friedman. They also favoured as much freedom of action for industry and, naturally, had little time for the rights of trade unions. Anti-union feeling increased in the lead-up to the election of 1979 when a series of strikes seemed to confirm that a Labour government could not control the trade unions, its primary paymaster.



Those who argue that Thatcher's policies were wrong-headed tend also to lay stress on the role of the IMF in the mid-1970s. Though its loan was massive, it was primarily intended as a short-term measure to "get Britain back on its feet" rather than a down-payment on a revisionist economic policy. It is fascinating to speculate how Britain's industrial strategy would have played out had Labour won the 1979 election. It might

well have been closer to Thatcher's balanced budgets within a "smaller state" than is generally allowed. Certainly Labour's outgoing Chancellor of the Exchequer, Denis Healey, was planning for a more cost-conscious economic policy, grounded in stiffer monetary controls. It seems, therefore, that important elements of what would later be seen as distinctively Thatcherite had already been anticipated by the right wing of the Labour party.

For much of the twentieth century the main hives of industrial activity became increasingly vulnerable to foreign competition, not least from other parts of the British Empire. Before the 1970s, governments, faithful to what had been a common desire to keep unemployment levels as low as possible, used a range of policies designed to keep in work those who lived in areas where jobs were becoming scarcer and family income was increasingly threatened.

Under Thatcher, priorities changed. The ongoing problem of price inflation took precedence over unemployment relief. The result was divisive. More Industrial wastelands resulted, particularly in areas which had thrived during the Industrial Revolution. Meanwhile, the government saw free trade as the solution to the nation's problems. The thinking was that an environment encouraging wealth-creation would benefit from "sustainable growth". In place of closely managed industrial policies, therefore, market forces were given a much freer rein. Successful entrepreneurs were rewarded with substantial tax cuts and opportunities for tax avoidance. The highest rate of income tax had stood at 83 per cent in 1974. The Thatcher government reduced this first to 60 per cent in 1979 and then to 40 per cent in 1988.

After her victory in the 1983 general election, Thatcher's government turned its attention to the nationalised industries, a special *bête noire* for the Prime Minister. In Thatcher's, rather over-heated prose: "Privatization was fundamental to improving Britain's performance [and] one of the central means of reversing the corrosive and corrupting effects of socialism. Privatization is at the centre of any programme of reclaiming territory for freedom."

Under this warrant British Gas, British Airways and British Telecom were among the largest industries sold off. The new owners were encouraged to consider profit the key objective. In the new free-market environment, workers had far less influence than had been the case before Thatcher came to power. The failure of a particularly long and bitter strike by coal miners in 1984-5 was a key turning point. Thatcher treated the strike as a constitutional and ideological Armageddon rather than an industrial dispute. The government's victory consigned the mine workers union to

virtual oblivion. When the strike began, 170 pits were in operation; twenty years later, only eleven survived. The trade union movement as a whole became demoralised in the face of an implacably hostile government. Membership, which stood at 13.5m in 1979 declined by more than 30 per cent in the first seven years of the Thatcher government. Trade Union powers which had stood for more than seventy years were reduced or removed. The criteria for legal picketing were tightened and strikes would only be legal after a majority vote in a secret ballot.

Perhaps the most significant consequence of Thatcher's policies, although less studied than most, was the decline of national cohesion. The effect of these policies was to remove about 15 per cent of the country's industrial activity. The government's economic and welfare policies also increased poverty and unemployment, especially in the older manufacturing towns of northern England, central Scotland and south Wales. Here diminishing employment opportunities, higher crime rates and a range of the social problems to which poverty often gives rise, saw these areas trapped in a cycle of decline. The Scottish electorate punished the Conservatives. In the 1997 general election, when the party lost all eleven of the Scottish seats it had held in the previous general election five years earlier.

By contrast, the southern half of England, and particularly the south-east, responded effectively to the opportunities which an administration committed to "small government" put in their way. Industries providing services, and especially financial services, grasped these new opportunities gratefully. By virtually all measures, the wealth and opportunities gaps between the southern half of the United Kingdom and the northern half increased throughout the 1980s.

The extent to which the United Kingdom remained truly "united" by the end of the twentieth century is easily exaggerated. The "hands-off" economic policies of the Thatcher governments contributed to a substantial revival of nationalist movements in both Scotland and Wales. The UK government would not consider full independence for either nation. However, by 1999 both were able to exercise substantial powers which had been devolved from Westminster.

England was also deeply divided. Except for London, Thatcherite Conservatism proved attractive to voters. In each of the general elections from 1979 to 1987, the Conservatives won the great majority of parliamentary seats in the south of England. Thatcher's constantly repeated message of freedom, low taxation and, above all, opportunities for improvement resonated strongly in southern England. Labour, however, was able to hold on to its heartland, which enabled them to secure an electoral base which helped the party to one of the big-



gest victories in electoral history. Despite the landslide electoral majorities by which the Conservatives won in 1983 and 1987, a substantial majority of the urban seats north of the River Trent stayed solidly Labour and mostly by considerable majorities.

With the exception of Major's narrow election victory 1992, the political fortunes of the Conservative party waned after Thatcher's departure. For some commentators, the reason was obvious. Major was no Thatcher and, under his weak leadership, divisions over Europe induced ideological splits which the party leadership could not heal. This, though, ignores an improvement in Britain's economic position during the second half of the 1990s. Ironically, the Conservatives suffered their biggest defeat of the twentieth century when most of the economic indicators were showing an improvement. Ironically, but not irrationally. For those who argue that the longer term consequences of Thatcherism were crucial. For them, its economic and social consequences were malign. They note that, levels of inequality increased.

Thatcher liked to play up the practical side of politics: "For me, the heart of politics is not political theory. It is people, and how they want to live their lives". How did Britain's people respond to Thatcher's mantra? A decade of Thatcherism the south of Britain produced more winners than losers. Substantial economic recovery was based on "new" industries, particularly IT and electronics, and on massive expansion of the financial sector. Unsurprisingly, assertions that "Thatcher tur-

ned this country around" and "put the 'Great' back into Great Britain" came from those who benefited the most from the enterprise economy she held so dear.

Although in some areas of northern Britain, greater inward investment during the Major years mitigated the worst effects of "market-forces" government, the Thatcher years bred anger and resentment both at the widening gap between rich and poor and at parsimonious and under-funded support for those in difficulty. Thatcher's legacy remains controversial.



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The rise and fall of the UK automotive industry

by Paul Stewart

The "British car manufacturing enjoyed its best month in 17 years in March fuelled by demand for vehicles from abroad. The number of cars to roll off UK production lines rose by 7.3% last month compared with a year earlier, to 170,691 - the highest number since March 2000. Of these, 130,838 were exported, up 10.6% compared with the previous month". Angela Monaghan, 27 April 2017.

The Guardian: "UK car production hits 17-year high as industry issues Brexit warning"

Then in October, not so good news,

"Vauxhall workers will hear [...] that nearly a quarter of jobs at [...] Ellesmere Port are being cut as the car-maker adapts to the decline of the traditional family car and rising costs. About 400 of the 1,800 jobs at the site are expected to go by Christmas, largely via voluntary redundancies, [...]. It insisted the decision was not linked to Brexit [...]"

Sarah Butler, the Guardian, 15 October 2017

In reality, the old truism that while there is a robust automotive industry in Britain, there is no British automotive industry, was always dependent on the peculiarities of sectoral history, government and economic circumstances. While foreign owned facilities have thrived since the late 1980s these too were a product of socio-economic circumstances largely dependent on Britain's access to continental European markets and suppliers as a result of EU membership, loose labour market regulation and the rise of new management practices, specifically lean production, encouraged and sustained by successive neo-liberal governments from 1979. Brexit may or may not change all this but it has introduced a significant degree of uncertainty into the operational considerations of firms in the sector. This highlights the extent to which management concerns with internal labour control and external regulation via vertical disintegration and other forms of cost cutting in the end play second fiddle to political economy. That said, anti-union workplace politics since the 1980s has limited to an extraordinary degree the ability of employees to engage and change the effects of retrenchment when firms use a host of arguments, spurious or otherwise, to advance company narratives about investment priorities.

It used to be argued that since the sector in Britain is in foreign ownership there is little anyone can do except follow the whim of non-UK manufacturers. That there has been a booming automotive industry in the UK increasing its investment year on year since Honda began working with British Leyland the late 80s, to be

followed by huge greenfield investment by Nissan at the end of the 80s, was always taken as a sign that the industry was confident in its base in the UK. Who cares that the automotive industry in Britain isn't British? Well, until recently, no-one to any significant extent except perhaps the trade unions.

Now, with Brexit looming, the picture has begun to shift somewhat and industrial strategy, or a lack of one, has been found wanting. Whether or not Brexit is hard or soft, whether it leads to increased FDI from Nissan, Renault, Toyota, Honda and the PSA group now in charge at Ellesmere Port, the scope for control by labour and local communities has been severely diminished. We are now in another era of concession bargaining but of a kind not seen since the massive closure programmes following denationalization in the late 80s in the early period of neo-liberalism. Labour, unions and communities are now experiencing a wave of job uncertainty as a result of company pressure on wages and conditions in advance of anticipated costs of leaving the EU's single market.

As Monaghan reported in the same piece,

"Hard Brexit 'could increase cost of making a car in UK by £2,400'. Some carmakers would be forced to move production overseas [...]. Mike Hawes, SMMT's chief executive [pointed out that m]uch of our output goes to Europe and it's vital we maintain free trade between the UK and EU or we risk destroying this success story."

Yet, Brexit or not, there are other underlying factors which have meant that those in the sector in the UK have experienced an increasingly febrile environment and management ideology has not helped. Perhaps the most prominent has been that of lean production, the supposed salvation of all problems, from production to labour relations. It shouldn't be forgotten that lean production did not save what had remained of the British owned automotive industry in the 1990s. British Leyland, later Rover, lost market share to manufacturers backed by significant FDI and the British government after 1979, famously by Margaret Thatcher, in her very public support for Nissan's investment in Sunderland in the north east of England. It was no mystery that Thatcher saw the sector, under the aegis of Japanese inward investment and the new lean management regime as the harbinger of new industrial relations premised on subordinated or no trade unions.

However, while the new lean management agenda opened the way to Greenfield developments and the greening of brown field plants, it did little to secure

long term investment and jobs in the British owned remnant of the industry. There are arguably two reasons for this relative failure, the first is to do with the implementation of a management agenda supposedly premised on industrial consensus and the second, the day to day practice of lean labour management regimes. Consensus was difficult to achieve in the older British owned sector, specifically Rover, when workers were being offered a new employment regime based on plant closure, job loss and diminution of employment conditions. Daily experience of work intensification amid health and safety concerns have also undermined management rhetoric.



In short, a labour management regime extolling the virtues of involvement was translated into UK employment relations as an adumbration of unitarism. For sure, the industry in Britain, as we now see survived, but in destroying the British owned sector, the industry has not become more secure for the straightforward reason the political and economic conditions today are very different from those of the late 1980s.

Transformation has come about due to changes in company agenda, production strategies (this is not only about lean production whereby management has become hegemonic), government policies/non policies (the Brexit concern) and model design. Company agenda refers to takeovers and consequent closures in the era of the ideology of shareholder value trumping all other considerations – and most avowedly in the UK. Takeovers and retrenchment has impacted less on Nissan's security (almost 45% controlled by Renault since 2013), more impacted by Brexit, but it has had a very specific negative impact on Vauxhall. Owned by GM since 1925, Vauxhall at Ellesmere Port was sold along with GM's other European assets to the PSA group (Peugeot and Citroen) in October 2017. Management strategies, whether in the form of lean management, model redevelopment, but certainly not government support which is non-existent, cannot breezily assume

its long term future and not in the current period of Brexit uncertainty. Nonetheless, failure of government intervention is hardly new and has been a feature of inaction and market servitude – not appreciated by companies such as Renault, PSA and Toyota, more familiar with government engagement and stronger union participation. Begun by Peter Mandelson when he was secretary of state responsible for overseeing the sector in the early 2000s British governments of all hues have allowed the "market to take its course".

This is significant largely because Ellesmere Port is the only remaining assembly plant in Britain with historical memory going back to its opening in the early 1960s, and with a strong union organisation sustaining independent worker activities.

Indeed, current prospects are dependent on the ways in which PSA plays the Brexit card. The Brexit question is facing all manufactures in the sector and the key one they are throwing back to the British government as they seek to ensure continued market entry and additional state support in various forms. It's a profoundly destabilising agenda allowing the firms to "whipsaw", to play plants and their workers off against one another, for company advantage at the expense of local communities. Increased uncertainty is frequently discussed as if it is all bleak for firms when in reality it is typically workers and their families who must endure the considerable pressures attending the fears, or fact, of closure.

Finally, it's possible to argue that since the 1960s, when the UK ceased producing most of the automobiles in Europe, industry strategy has been confounded by poor government policies including inept nationalisation followed by incoherent obsequiousness to market logic. Yet, lean management rhetoric may have run its course in terms of the powerful ideological effect it had in posing as the "one-best" way to save the industry. It did not save the British owned sector and it will not save the role of the sector in the UK. Now that lean has allowed management almost complete control we can see that management alone will not be able to respond to the uncertainty surrounding Brexit. Time for more labour involvement perhaps?

Paul Stewart is a Professor of the Sociology of Work and Employment at the University of Strathclyde. He has been researching the impact of lean production on auto workers for over two decades, working with assembly workers and UNITE at national and plant level, and co-authored: *We Sell Our Time No More: Workers' Struggles Against Lean Production in the British Car Industry* (Pluto Press, 2009).



The UK's rediscovery of industrial strategy

by Hugh Pemberton

Industrial strategy has returned to the lexicon of British politics, but history suggests that what is on offer is likely to be too lacking in ambition to be effective.

Britain's political economy has undergone two successive (and related) shocks in the past decade which have caused policy makers to think again about a strategy for industry. First, the 2007-8 financial crisis forced policy-makers to confront the way in which the British economy had become increasingly reliant on financial services. Most notably, it prompted George Osborne, the incoming Conservative Chancellor of the Exchequer in 2010, to promise voters a "march of the makers" that would be delivered via a policy to reinvigorate industrial investment and output, particularly in the declining Midlands and North of the country (most notably via his "Northern Powerhouse" initiative). Industrial strategy, except in rhetorical terms, largely neglected in the UK since the election of the Thatcher administration in 1979, was apparently back on the agenda.

The 2016 referendum's Brexit decision represents another shock. Leaving the EU plainly requires a major restructuring of the British economy, and there is a government recognition that it must necessarily help to achieve this. For example, Osborne's successor as Chancellor, Philip Hammond, used his November 2016 autumn statement to promise a "match fit" economy that would be capable of thriving outside the EU. Earlier, Theresa May had created an industrial strategy cabinet committee when she became prime minister in July and she had incorporated the term industrial strategy into the renamed Department for Business, Education and Industrial Strategy (BEIS).

In January 2017, BEIS published a consultative document (*Building Our Industrial Strategy*) in which the Prime Minister described industrial strategy as a "key part of our plan for a post-Brexit Britain". In that document the BEIS minister lauded the country's economic success and openness to foreign investors. But he also noted significant problems such as low productivity, the poor skills of many British workers, limited investment in research and development, and severe economic underperformance in much of the country. The consultation document set out many ideas for "a modern industrial strategy", and a white paper setting out detailed policy proposals is expected.

BEIS's consultative document paid little attention to the history of UK industrial strategy other than to promise that the government would not be pursuing the "fatal flaw" of the 1970s strategy. That flaw concerned an eagerness to protect industries and firms in difficulties as a result of the economic crises of that decade (and thus protect jobs) rather than to help encourage the industries of the future.

However, had BEIS cast its view further back – into the 1960s – it might have found some suggestive pointers to how to construct an ambitious, broad-ranging, systematic, and on the whole effective industrial strategy. It might also have learned some lessons about how to reconstruct industrial policy as a governing party and about how a Conservative government might justify active state intervention in industry and commerce. For in the history of Britain's postwar political economy the Macmillan government's embrace of a broad-based industrial strategy in 1961 is a notable, if somewhat neglected, example of how a Conservative government sought to use the active intervention of the state to modernise the British economy. The aim then was to build an economy with more capacity for growth in a post-imperial future that, it was hoped, would see the country join the European Economic Community (oh, the irony).

What stands out in this 1961 industrial strategy is both the scale of its ambition and the way in which the Macmillan government was able to build a consensus around it which ensured that it would endure for the rest of the decade, despite the election of a Labour government in 1964. That ambition was evident from the first in an internal Treasury memorandum that drove the policy shift: government would be willing and capable of intervening for a number of purposes: to raise the quality and mobility of the country's workforce, raise the level and quality of industrial and commercial investment, improve management skills, attack anti-competitive practices, expose British companies to greater competition via tariff reductions, and craft the government's fiscal policy with the explicit intention of creating "an efficient full-employment economy capable of sustained growth". From this, emerged the era of "indicative planning" whereby the government worked closely with employers and trades unions to set an overall target of 4 per cent annual growth. Moreover, with clear and public prime ministerial endorsement, that target was incorporated into the government's medium-term fiscal policy and investment plans. The aim was to create sufficient confidence in the private sector to encourage it to invest on an equally ambitious scale.

Despite a rise in the annual growth rate of GDP from 2.6% at the start of the 1960 to 6.4% by 1967, the Treasury ultimately came to regret its promotion of this strategy. In large part that was because the public spending required to pump-prime the economy served to destabilise sterling – the currency markets not being interested in the long-run return on the assets that public spending built – hence the devaluation of 1967. More generally, however, the "planning era" was seen to be discredited by a failure to meet headline growth targets in a sustainable way (though they had always been designed to be ambitious and hard to

achieve). The government was also criticised for the commercial failure of some of its high-profile projects (e.g. the Anglo-French Concorde supersonic airliner), which served to embed an orthodoxy that the state was always and everywhere unable “to pick winners”.

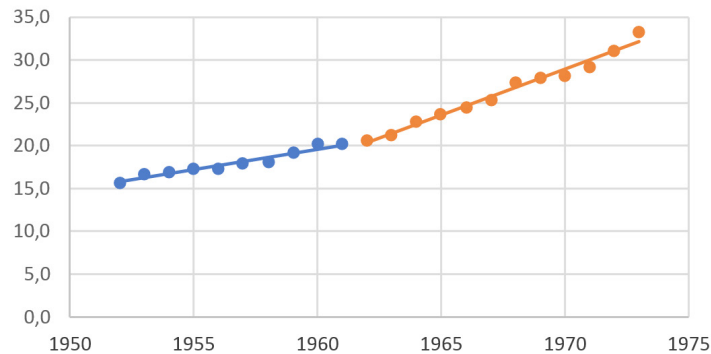
That was a tragedy of sorts, for in its wake it became a received wisdom that 1960s’ style planning had failed. Yet, in many ways, the industrial strategy of that era was a major success. For example:

- It raised the productivity growth trend over the short- to medium-term (see Figure).
- It supported a reorientation of UK trade towards advanced economies in the European Economic Community and helped pave the way for eventual membership in 1973.
- Investments in education and training were large, and they served to raise skills levels. There was a significant expansion of and improvements in schools, technical colleges, polytechnics and universities. And there was much innovation in stimulating more and better training in industry and commerce (most notably via the 1964 Industrial Training Act, which embodied a levy-grant system of considerably more ambition than that recently implemented).
- Extensive investment in infrastructure was all-too evident, for example with the building of a new motorway system, an entirely new national gas supply network, nuclear power stations and an improved national electricity distribution grid, and modernised state-owned industries.
- That laid the infrastructural foundations for longer-term growth. When growth restarted in the late-1970s and 1980s much of it was built on these foundations. Indeed, much of today’s economic output is still dependent on them.
- Despite high levels of government spending, the national debt as a proportion of GDP (in 1961, as today, over 100%) more than halved by 1973 because of rapid economic growth.

This story of real achievements against a background of perceived failures has important lessons for today. The great success of the industrial strategy of the 1960s lay in long-term investment in the future, particularly in infrastructure and skills investment but also in the breadth of that investment and the fact that it was sustained over many years – and for far longer than the usual political cycle. This was a programme of extraordinary ambition,

Index of UK manufacturing output per hour, 1952-1973 (with trends 1952-61, 1961-73)

Source: Office for National Statistics



and one that was explicitly designed to pull the country up by its own bootstraps via government giving the private sector the confidence to invest on a large scale and to grow as a consequence.

That stands in rather obvious contrast to the proposals set out in the government’s consultation on industrial strategy this year. What is on offer today is notably less ambitious than what was on offer in the early-1960s.

There is a rather obvious reason why: in a key passage in the introduction to the consultation document (one almost certainly insisted upon by the Treasury) the Minister for Business, Education and Industrial Strategy, Greg Clark, notes that his industrial strategy will be crafted in the context of the government’s continuing commitment to fiscal austerity. That commitment, he writes, is required in order to “return the public finances to balance at the earliest possible date in the next Parliament”; to ensure debt as a proportion of GDP is falling by the end of this Parliament; and to meet a specific target for the structural deficit (below 2% of GDP). But if government spending is to continue to decline, as this implies, then the government is severely limited in what it can do in industrial strategy.

In short, the government’s continuing commitment to fiscal conservatism serves to transform the Green Paper from a potentially innovative and workable strategy for higher growth and productivity into something that is not much more than a list of platitudes and relatively small-bore spending initiatives. In so doing, the government also succumbs all too easily to the myth of a flawed and over-ambitious industrial strategy of the past from which the only lesson is caution. Consequently, it is unlikely to achieve much.

If there is a lesson of history here, it is that it need not be this way.



Hugh Pemberton is Professor of Contemporary British History at the University of Bristol. He is an expert on the history of modern Britain, and particularly of British politics, from the Second World War to the very contemporary. His research focuses principally on UK economic and social policy; public administration and governance; party politics; and the politics of change. He has a particular interest in the means by which radical policy change occurs (and why it sometimes doesn’t).

The narrow road to the Northern Powerhouse

by Anja McCarthy and John Tomaney

The UK is characterised by exceptionally wide regional inequalities by EU standards. In England, these inequalities reflect the long-term relative economic decline of the former industrial regions of the North and, since the 1980s, the rapid growth of London and its surrounding region. In common parlance, England is thus characterised by a North-South Divide. The British state has sought to manage these inequalities and promote regional development, although through shifting means and instruments, without notably altering underlying relative socio-economic indicators. At the same time, notwithstanding devolution to Scotland, Wales, Northern Ireland and London, England is governed in a highly centralised way. Local government lacks the powers of its counterparts in the Nordic countries and elsewhere, and has few independent financial resources. Regional government is largely absent and efforts to create it have failed.

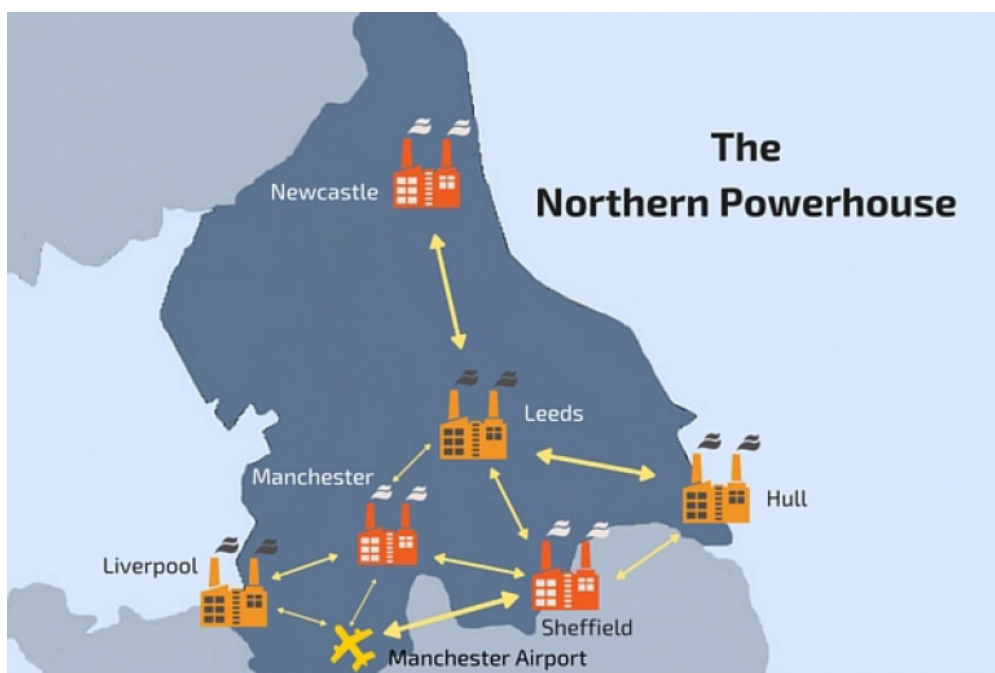
It is in this context that the latest attempt has been made to address this situation. The “Northern Powerhouse” was first introduced by the then Conservative Chancellor George Osborne in a speech in Manchester in June 2014, and it became the latest response to address uneven growth in England. The idea of a Northern Powerhouse stemmed from a mix of economic and political objectives, some made more explicit than others. The underlying vision is based on bringing northern cities together by providing improved transport connections, investing in science and the universities and devolving power and resources to local government. Osborne envisaged a Northern Powerhouse with the size, the population, and the political and economic clout to attract investment and skilled labour and benefit from urban agglomeration economies, better positioning the region to compete in the global economy.

The Northern Powerhouse emerged in the aftermath of the government’s decision to scrap the previous Labour government’s more significantly resourced Northern Way initiative which brought together the three Northern regions. Alongside this, Regional Development Agencies (created by the Labour government of 1997–2001) were abolished. The Northern Powerhouse was announced in the run up to the Scottish Independence Referendum 2014, which had reignited discussions about decentralisation and devolution, notably among England’s “Core Cities” – a UK network of local authority leaders and comprising the eight largest cities outside of London – on how a Scottish independence could potentially disadvantage Northern English cities.

There were several underpinning arguments and assumptions in the case for the Northern Powerhouse. First, the new Conservative-Liberal Democrat Coalition government in 2010 made the case for creating a fairer and more balanced economy across all regions and industries to address an overreliance on the City of London and dependence on a narrow range of economic sectors. The Northern Powerhouse idea emerged from this broader debate and sought to address untapped economic potential in the North across a more diverse range of sectors and based upon a preferred economic geography of city-regions rather than administrative boundaries. This argument chimed with the ambitions of some of larger cities and with the resurgence in cities and metropolitan areas in economic governance, in both Europe and the US.

Second, the Chancellor’s decision to focus on the Northern Powerhouse scale was built on the argument about economies of agglomeration which suggested that by connecting the northern cities – through transport, science and other investment – the whole would be greater than the sum of its parts. The clearest expression of this being Osborne’s advisor, Jim O’Neill, articulating a vision of “Man-Sheff-Leeds-Pool” with Manchester at the heart and which could provide a counter-balance to the growth of London.

Third, Osborne stipulated that new city-regions should be governed by directly-elected “metro-mayors”, an innovation in the English context. Greater Manchester was the first city-region to agree to a metro mayor to lead the city-region



grouping of 10 local authorities – known as the Greater Manchester Combined Authority – further establishing Greater Manchester as the blueprint for other large cities. The Greater Manchester Devolution Agreement signed in November 2014 was the first “devolution deal” with a city-region announced by the government. This included powers over transport, spatial planning and economic development initially and in subsequent deals, more substantial powers including health and social care and financial flexibility to raise and retain revenue locally. Among other things, these new political structures were perceived as giving a better chance for the Conservatives win power in traditionally Labour-voting northern cities.

It is now possible to make a preliminary assessment of the Northern Powerhouse as it entered a new phase under the Conservative government of Theresa May and following the departure of Osborne as Chancellor in July 2016. First, a powerful criticism levelled at the Northern Powerhouse, made by Neil Lee of the LSE among others, is that it is a vague and contradictory concept to guide economic growth. It can be understood both as an economic development strategy and as a political brand, giving focus to disparate and often pre-existing policies. It has meant few additional resources and little substantial institutional change, but is geographically fuzzy with insufficient funding to achieve its unclear aims.

Second, the extent of the government’s commitment to achieving balanced growth in the North occurs at a time of declining public resources and austerity at the local level. Local authorities, reliant on central government for funding, have borne a disproportionate share of expenditure cuts. Northern metropolitan councils faced the biggest cuts of all. These issues were highlighted in 2017 when the central government withdrew funding for major planned rail improvements in the North (while proposed investments in London were approved). In policy fields such as transport, levels of public investment are disproportionately high in London. Also, the emergence of the Midlands Engine, a similar brand to the Northern Powerhouse, covering a much larger economic geography around Birmingham, has emerged as a competitor for public and private investment.

Third, the recent failure to establish new city-region governance arrangements by local authorities, notably in the North East and in Sheffield, demonstrates that issues of territory and identity prevail alongside efforts to match policy interventions to functional economic geographies. Moreover, the logic underpinning agglomeration economies is being challenged as the benefits of growth are mainly captured by some parts of the urban core where there is a concentration of investment in jobs and businesses, and with weak benefits for other parts of the city, outlying boroughs and the wider region. The shift away from central government grants from to local government becoming self-sustai-

ning by 2020 – with revenue generated through business rates and council tax – means that individual areas are dependent on business and housing growth. In summary, the Northern Powerhouse provided the national government with a vehicle to progress its agenda of developing an agglomeration economy across the North and creating metro mayors. At the same time, it appeared to create a vehicle for Conservatives to make political inroads into the North. For the cities of the North it has contributed to building a brand that is recognisable to international investors but with minimal and variable benefits across places to date. Whether this is enough to reduce entrenched regional gaps remains unproven. Its close association with former Chancellor George Osborne contributed to its vulnerability and fragility once he left the government. Paradoxically, the weakness of Theresa May’s government and its apparent ambivalence toward the Northern Powerhouse, which has little success to show so far, has reinvigorated discussions among actors in the North about how to address disparities in economic and social outcomes and to achieve more inclusive growth. The growing “People’s Powerhouse” movement for change, made up of public sector, voluntary, community, civic leaders and business, aims to broaden the discussion about development beyond the narrow confines of orthodox economic growth considerations to focus on people as the key to growth and to include more voices in the debate.

The Northern Powerhouse is struggling for attention in the context of intense political uncertainty. Rather than providing a widely agreed solution to the North/South Divide, the Northern Powerhouse is now the terrain over which competing visions of the economy and society are being fought.



Anja McCarthy is a doctoral researcher in the Centre for Urban and Regional Development Studies, Newcastle University. Her research focuses upon the changing shape of the local state and its institutional arrangements. These are analysed within the context of economic development and regeneration.



John Tomaney is Professor of Urban and Regional Planning at the Bartlett School of Planning, University College London. He has published over 100 books and articles on questions of local and regional development including *Local and Regional Development* (2nd Edition, Routledge, 2017) and *Handbook of Local and Regional Development* (Routledge 2011), co-authored with Andy Pike and Andrés Rodríguez-Pose.

The importance of industrial strategy

Rt Hon Greg Clark MP

The Rt Hon Greg Clark (Conservative Party) was appointed Secretary of State for Business, Energy and Industrial Strategy on 14 July 2016. He has been a Member of Parliament since 2005, representing Royal Tunbridge Wells.



The following speech by Mr Clark was presented to the Institute of Directors annual conference in September 2016. In it, he discusses the May government's ambitions for industrial policy, thoughts that were developed further in the consultative document published four months later by his Ministry and discussed in Hugh Pemberton's article above.

It's a great pleasure to be here as the first Secretary of State for Business, Energy and Industrial Strategy.

It's an honour to serve in the role and a privilege to work closely with you as we develop an industrial strategy for the nation.

I'll say more about that in a minute, but first I'd like to pay tribute to Simon (Walker) for his extraordinary leadership of the Institute of Directors (IoD).

Ahead of the curve on issues like executive pay and governance reform, he has aimed always not just to represent British business, but the best of British business.

He's also nurtured a new generation of business leaders, making it easier for younger members to join and have their voice heard.

For all these reasons and more, his outstanding leadership is widely appreciated and will be greatly missed.

One of the greatest strengths of our country is that we are a nation of entrepreneurs. At a time of great change we can be inspired by the fact that more jobs have been created in Britain over most of the last decade than in the rest of Europe put together.

The people who created them are you.

The start-ups, the small and medium sized enterprises, the lynchpins of local economies across the land.

Britain is home to big name global businesses, but just as important – more important for job creation – are the entrepreneurs building businesses far from the spotlight.

Our job creators don't always get the respect they deserve.

But I believe that this country should be as proud of its entrepreneurs as it is of its Olympians and Paralympians.

Like everyone here I've been hugely impressed by the deliberate progress made over the last 20 years.

From 36th place and 1 gold medal in Atlanta to 2nd place and 27 gold medals in Rio.

Now I know that whether in sport or in business, it is the competitors who win the prizes not governments.

But I do think we should be prepared to learn the lessons from the success of following a long-term strategy.

Planning for the long-term is nothing to be embarrassed about.

In any other walk of life, it is essential.

Every business here forms a view of how you are going to earn your living in the future.

I've never understood why it has been considered controversial for a government to do the same.

A government that fails to look ahead and make the right long-term decisions on tax, infrastructure, research, education and skills, is one that has abdicated responsibility.

There's already enough uncertainty in business life without governments adding to it.

And yet an electoral cycle of 5 years; a budget and autumn statement cycle of 6 months; and a media cycle of 24 hours means that too often public policy is set restlessly and is an extra source of risk for business has to take into account.

So an explicit commitment to a sustainable industrial strategy is to aim for stability and predictability.

And to achieve that requires taking not a deliberately partisan approach – always edging for difference and finding something to make others disagree with – but seeking where it is possible to establish common ground.

In my view we have had enough drama in British politics over the last year – I want us to recover our reputation for stability and predictability as a business environment.

Building upon proven strengths is a cornerstone of good strategy.

This country has no shortage of them.

For a start, a powerful record on science and innovation; only America has more of the world's top universities, Nobel prizes and registered patents.

We excel at the cutting edge of industry.

For instance, our motor industry has the most efficient plants in the world.

A quarter of the satellites launched into orbit today are made – not in Houston or Cape Canaveral – but in Stevenage.

Our professional services – accountancy, law, consulting – our creative industries, many of our technologists – set the global gold standard.

We need to burnish these strengths.

We must provide the research funding to keep us out in front.

We must ensure that land and supporting services are available not just to major employers but also to the increasingly integrated supply chain of smaller, specialist firms.

And we must set the technical and legal standards that create long-term confidence in Britain as a place to do business.

Of course, a modern industrial strategy is as much about potential as it is about existing strength.

Every business here today was a start-up once.

We must never be the protector of incumbency – but instead be constantly looking to create conditions to be open to new competitors and indeed to new industries that may not exist anywhere today but which will shape our lives in the future.

In my view any successful industrial strategy has to be local. Governments are fond of quoting national figures – of economic growth, of productivity, of employment.

But the truth is economic growth does not exist in the abstract. It happens in particular places when a business like yours is set up, or takes on more people, or expands its production. And the places in which you do business are a big part of determining how well you can do.

And they're very different places.

It's obvious that South Kensington here has very different needs from Middlesbrough. If you stand at the Pier Head in Liverpool you couldn't be confused that you were in Manchester – just 35 miles away.



Yet for too long, government policy has treated every place as if they were identical. It seems to me that helping Cornwall make the best of its future is as vital to a comprehensive national success as helping Birmingham – but what is needed in each place is different, and our strategy must reflect that.

Many of the policies and decisions that form our industrial strategy will not be about particular industries or sectors, but will be cross-cutting.

For us to succeed in the future we need to have the right infrastructure – roads, rail, broadband and mobile – that can connect businesses to their workforce.

We need to have a rising generation of young people who are better educated than our competitors – and their predecessors – but also better trained.

In the debate about education we must make sure that vocational education – especially in engineering and technology – plays a much more prominent role in our country than it has for many years now; and that employers have a decisive role in making sure that skills training is meeting the needs they have to fulfil their order books.

We need a tax system that clearly and reliably encourages entrepreneurship and innovation. And a modern system of corporate governance – on which the IoD has been doing important work – that builds widespread confidence in business.

Ladies and gentlemen, the best governments are the ones that sense that the world is changing and that the country has to change too.

I believe we are at such a point in our history today; and not only because of the challenges – and opportunities – that Brexit requires us to confront.

Just as in 1979, the new government knows that Britain needs to change in order to prosper in the years ahead. I think we will look back in the years to come on 2016 as just such a moment.

The challenge facing us is this.

For all the excellence and entrepreneurial brilliance that I have described.

For all the assets and skills and reputation we have as a nation.

For all of the astonishing economic progress we've made in this country.

It is visibly uneven. Britain can boast the richest area in northern Europe – central London.

But we also have 9 of the 10 poorest.

These aren't remote provinces but great cities – a few hours away from where we meet today.

We have some of the most productive businesses in the world but also – compared to competitors like Germany – a disproportionate number of low productivity businesses.

We have people who are the most capable and best trained on the planet. But too many leave school or college without the education and training needed to hold down a job productive enough to support themselves and their family and to pay for a long old age.

We have new infrastructure like Crossrail about to open, but we have roads that are bottlenecked, trains overcrowded and broadband and mobile coverage that is simply unacceptable in 2016.

We have low carbon energy systems that lead the world, but also the failure of successive governments to replace the power stations reaching the end of their lives.

And we have a worldwide reputation for fair dealing, but also examples of behaviour that tarnishes the good name of business.

This is no time to lower our sights or our standards.

This country will never win a race to the bottom.

Looking ahead, it is clear that the only viable path is in the opposite direction.

Across the world and in different industries a big change

is taking place.

It used to be the case that products were never as good as the day they were made.

Eventually, they were out of date and replaced by new alternatives. That was true of products, industries, skills.

But we are today entering a world of continual upgrades.

Things can be improved – transformed – to be better than they were before.

Phones, software, industrial processes – and before long almost everything that an advanced economy produces.

I believe that it is time for our country to have an upgrade.

An upgrade in our infrastructure so that we have smart and modern connections – physical and electronic.

An upgrade in our education and training system so that we can benefit from the skilled workforce that we need in the future.

An upgrade in the development and regeneration of those of our towns and cities that have fallen behind the rest of the country.

An upgrade in our standards of corporate governance and in the relationship that government has with businesses of all shapes and sizes.

During the weeks ahead, I and my ministerial team will be travelling to every part of the United Kingdom to ask you to work with us to forge those relationships with you and your colleagues.


I have asked Simon and Stephen to arrange for events to take place in all of your regional branches, so that we can work together on this important mission.

And Simon and Stephen will meet with me frequently so that everyone here can know that whatever your advice or concern you have an open door to me and my colleagues in government.

When Theresa May became Prime Minister she said that she would build an economy that works for everyone.

That ambition can only be achieved by working together with you and your members in every part of the country. I look forward to doing so, and I'm very grateful to you for inviting me here today.

This article is the transcript of a speech held by the Rt Hon Greg Clark MP on 27 September 2016, kindly reproduced from <https://www.gov.uk/government/speeches/the-importance-of-industrial-strategy>



**“THE BEST
POSSIBLE DEAL
FOR BRITAIN”
WILL BE CRAP
AND WE WON'T**

British Politics Society seminar 2017

Brexit, crisis and leadership: Alan Finlayson in a conversation with Espen Aas

Monday 4 December 2017, at 18:00.
Venue: Litteraturhuset, Oslo (room: Nedjma)
Entrance: free

The United Kingdom has been through 17 dramatic months since the referendum on EU-membership on 23 June 2016, and the question of which route Britain should take out of the EU has proved controversial and divisive within both the two main political parties. At the same time as the overall strategy of Brexit is being fought out, the British state faces one of its greatest challenges in peacetime as the Union of England, Scotland, Wales and Northern Ireland has been brought to breaking point by, precisely, disagreements over Brexit. Prime Minister Theresa May's reputation has taken a battering, particularly as a consequence of the ill-conceived decision to hold a snap general election in June this year, while Jeremy Corbyn – the controversial Labour leader – rose to unprecedented heights through a solid campaign performance. Both leaders are, however, struggling to take command over the Brexit-strategy of their respective parties, as well as to retain order in their own ranks.

Professor **Alan Finlayson** is one of the foremost academics in the UK working in the cross-section of political science, philosophy and rhetoric. In his speech for British Politics Society, he will draw up a scenario of crisis and political leadership in the UK per 2017. **Espen Aas**, The NRK's London-correspondent from 2013 to 2017, will present his views on a Britain experiencing a crisis of leadership in a conversation with Finlayson.

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If you have any questions about membership, please do not hesitate to contact us by e-mail at mail@britishpoliticssociety.no

Forthcoming issue of British Politics Review

One of the very many issues which were brought up by the Brexit-vote last year was the future of Gibraltar. The Gibraltarians voted by an overwhelming majority to remain in the EU, and were deeply concerned about the impact Brexit might have for them: would it undermine Gibraltar's position as a British territory? Using Gibraltar as our point of departure, the first edition of British Politics Review for 2018 raises the broader question of the UK's relationship with its overseas territories, the remnants of the British Empire. What characterises this relationship today, and which issues are at stake?

The winter edition of British Politics Review is due to arrive in February 2018.