

The New Economy, Social Change, and Polarized Places: A Changed Terrain for British Politics

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The bases of politics have changed fundamentally, with the rise of a globalised knowledge economy, the complexifying of social class divides, increasing geographical divisions, the rise of immigration and university attendance. While it doesn't make sense to reduce British politics to a battle between 'somewheres' and 'anywheres', we must understand how the dynamics of the contemporary phase of globalization have impacted different areas very differently. If Corbyn's Labour Party is to take power, it must understand and respond to these changes with a radical agenda for economic change, de-centralization, and cultural exchange.

Early in the morning of 23 June 2017, at the announcement of his re-election as MP for Islington North, the Labour leader Jeremy Corbyn declared that 'politics has changed' and 'isn't going back into the box where it was before'. What is the nature of that change and how deep rooted is it? These are the questions that we explore in this article.

Undoubtedly, the election campaign itself was marked by change and unpredictability. The Prime Minister Theresa May's leadership satisfaction ratings slumped just as Corbyn's ratings improved, counter to the expectations of most pundits. Commanding Conservative leads in the polls were slashed while Labour's support surged at a rate that was unprecedented for an election in the post-war era. The manifestos presented a dividing line between the two main parties, with popular Labour policies – such as on tuition fees and NHS funding – tending to cut through with voters, whereas the Conservatives' complicated and unpopular plans for care reform – the 'dementia tax' – were most remembered.¹

The result itself saw the Conservatives increase their share of the national vote by 5.5% from 2015 but lose 13 seats in parliament. Labour increased its share of the vote by 9.5% and gained 30 seats. UKIP saw its share of the vote collapse by 10.8%, with its candidates losing their deposits in over 300 seats. There were also losses for the Greens and the SNP in terms of vote share, with the latter losing 21 seats. There was no Liberal Democrat resurgence, though the party gained four seats on 2015's disastrous showing. On the surface, it appeared that British politics had returned to a pattern

¹ A.Wells, 'Manifesto Destinies.' YouGov blog, 25.5.17, <https://yougov.co.uk/news/2017/05/25/manifesto-destinies/>.

of two-party dominance familiar to the post-war period up until the 1970s, with the Conservative and Labour parties sharing 82.4% of votes cast. But nothing could be further from the truth.

What then is the big change that Jeremy Corbyn was referring to? Primarily it is the belief that the 2017 election marked the death knell of the neo-liberal consensus in British politics. The argument is that Labour's campaign tapped into increasing unease about the impact of austerity and concern about inequality and that its clear commitment to large-scale tax and spend, an expanded state, opposition to privatisation and warnings to 'fat cats' and big business marked a break from a neo-liberal policy consensus that had been forged in the era of Thatcher, nurtured under New Labour and sustained by the Cameron governments despite the financial crisis of 2007/8. According to this analysis, a new political terrain has opened that beckons Labour to sustain its challenging and radical agenda and, with the Conservatives in crisis over Brexit, to wait for another election opportunity that will see the formation of a Corbyn-led government. That government in turn would break the spell of austerity and tackle long-standing grievances to bring both economic growth and greater fairness to society. Paul Mason argues that the coalition of voters assembled by Corbyn's Labour 'is unique', being composed of former UKIP voters, mobilized younger voters, Green supporters and a large segment of the liberal salariat opposed to Brexit.² What is required for a majority at the next election is a fleshed-out anti-austerity programme, the neutralizing of voters' concerns over defence and foreign policy and better campaigning and party organization.

In this article, we argue that the path to success might not be so straightforward for Labour. We offer a diagnosis of the deep-seated changes that are transforming the terrain of British politics and argue that the significance of these changes goes beyond a revolt against austerity or a rejection of neo-liberalism. The Conservatives are struggling ineffectually to come to terms with this new world. Yet Labour under the leadership of Corbyn also appears to be only partially aware of the scale and nature of the change. Moreover, we argue that the political strategies that have helped to assemble the 2017 Corbyn-coalition are fragile and that it is likely to be difficult to sustain. We conclude that Labour needs a policy rethink that is both more fundamental and arguably more radical than that offered by Corbyn and that the party needs as much a process of cultural renewal as a revamp of its organisation and campaigning.

The changed terrain of British politics

Britain has been subjected to a de facto social experiment which in turn has led to a transformation of the context for politics in a little over three decades. To compare how Labour won electoral majorities in the 1960s or 1970s or even the 1990s with what it will need to achieve a victory in the second or third decade of the twenty-first century is like comparing a Ford Model T with a modern hybrid car. They share some similarities but are so fundamentally different under the bonnet that they require a transformed level of diagnosis. The British electorate is in a very different place to where it was three or four decades ago. It is possible to highlight three main areas of change: economic, social and cultural.

An economy divided by knowledge and connectivity

The idea that uneven development is characteristic of liberal capitalism is hardly novel, but what is new is that the dynamics of the contemporary phase of globalization has brought the effects of

² P. Mason, 'A Five-Point Plan to Bring about a Labour Victory – and Soon', *Guardian*, 9.6.17, <https://www.theguardian.com/commentisfree/2017/jun/09/five-point-plan-labour-victory-jeremy-corbyn>.

uneven development right into the heartlands of advanced capitalist countries. In very general terms Britain has moved from an imperially supported industrial economy to a knowledge economy located within a highly connected and open global economy. Towns and cities that were the stars of nineteenth and twentieth century industrial production or domestic tourism have found their role diminished while other places have seen a reinvention.

A key development is the growing divide between cosmopolitan and other settlements within the national boundaries of advanced capitalist societies. Some cities and more broadly metropolitan areas have been at the forefront of this development.³ These cosmopolitan locations have found a niche in the new global, knowledge economy. They are highly connected, decidedly innovative, well-networked, attracting skilled populations, often supported by inward migration and a dynamic university presence. But that experience is not universally shared. There are 'towns, cities and entire regions (that) are experiencing the outflow of capital and human resources, and are suffering from a lack of entrepreneurship and low levels of innovation and intellectual engagement'.⁴ The scale of change is such that the processes in operation go beyond cyclical explanations of growth and decline, since the entire system of production, distribution and consumption is being restructured. Successive and continuing waves of technological and economic change have and will bring still more economic disruption and widen the gulf between successful metro areas and smaller cities, towns and rural locations.⁵ They have exaggerated a divide that has antecedents in longstanding differences between urban areas as centres for change and rural areas as centres for stability.⁶ Moretti describes the regional divergence of educational attainment and productivity as 'the great divergence'.⁷ The forces that are driving rampant cosmopolitanism are also driving the gradual withering of other locations which have lost their reason to be. These forces can be viewed 'as a durable, structural component of urban development'.⁸

A more complex social ecology

Major changes in the social structure and patterns of work have added greater complexity to the social ecology of Britain, creating more fragmented connections and groupings. As Devine and Sensier argue, 'class has changed, and the class basis of politics is now changing too'.⁹ There has been a fragmentation and a polarisation of societal divisions that is creating a new set of demands for politics. The idea that there are two large blocks of voters with largely shared experiences to appeal to – broadly working class and middle class – if it ever was valid, is no longer so.

Two key changes to the social structure, connected to the changed form of the economy outlined previously, have created long-term changes to the demographic order of Britain: increased numbers of graduates and increased immigration. It is important to recognize the scale of the *de facto* social experiment created by these changes. In terms of graduates, Blundell et al., in a report for the

³ B.Katz, and J.Bradley, *The Metropolitan Revolution. How Cities and Metros are Fixing our Broken Politics and Fragile Economy*, Washington, D.C., 2013.

⁴ C.Martinez-Fernandez, I.Audirac, S.Fol, and E.Cunningham-Sabot, 'Shrinking Cities: Urban Challenges of Globalization', *International Journal of Urban and Regional Research*, 36, 2012, pp.213-4.

⁵ Katz and Bradley, *The Metropolitan Revolution*.

⁶ J.G.Gimpel and K.A.Karnes, 'The Rural Side of the Urban-Rural Gap', *PS: Political Science and Politics*, 39, 2006.

⁷ E.Moretti, *The New Geography of Jobs*, London, 2012.

⁸ Martinez-Fernandez, et al., 'Shrinking Cities', p.218.

⁹ F.Devine and M. Sensier, 'Class, Politics and the Progressive Dilemma', *Political Quarterly*, 88, 2017, p.31.

Institute for Fiscal Studies, note: ‘in the period extending from the mid-1990s to the present, the UK economy experienced a substantial transformation in educational attainment. Approximately 16% of the birth cohort born between 1965 and 1969 (who turned 25 in the early 1990s) held a university degree by age 30. For the cohort born just one decade later (who turned 25 in the early 2000s), the percentage with a university degree had more than doubled to 33%’.¹⁰ In 1993, 13% of 25- to 29-year-olds were graduates. This had risen to 41% by 2015. An unprecedented expansion in numbers of university graduates has had a major impact on the structure of British society.

This rise in graduates has not itself created new inequalities but may have stimulated a wider set of changes in patterns of work. The clichéd account that graduates are now employed in non-graduate jobs fails to recognize how a more skilled workforce has enabled changes in management styles and practices. Blundell et al. find that ‘increases in level of education induce firms to transit toward a decentralised technology in which decision-making is spread more widely through the workforce’.¹¹ In part as a result, the wage differential between graduates and non-graduates has remained the same but more graduates in the workforce has led to slimmer, less hierarchical management structures, with more autonomy but also more responsibility given to the workforce. Younger graduates are not always employed in ‘traditional’ graduate jobs, yet can find themselves assuming de facto management roles without corresponding gains in income and with only limited prospects for advancement within slimmed-down and flatter organisations. Education is also an important predictor of political values, in particular growing social liberalism, and so exerts influence on political values,¹² contributing to the divide we discuss later.

In respect of immigration, the impact of change has also been substantial. Between 1991 and 2016, immigration nearly doubled, from 329,000 to 588,000, while net migration rose from 37,000 to 256,000. Most of the increase since 2004 is due to arrival of migrants from EU countries. The impact of immigration has taken different paths in different locations. In London, there are more integrated communities but in northern towns the pattern is, generally, one of relative segregation. Sarah Champion identified one implication while reflecting on her sacking from the Shadow Cabinet in September 2017 following an article published in *The Sun* expressing her disquiet about attitudes and practices among some men in Asian communities that had led to the grooming and sexual exploitation of teenagers. ‘London is not representative of the UK and it’s definitely not representative of the North of England in relation to race,’ she said. ‘Rotherham and many post-industrial towns are still segregated’. There are complex issues to explore here, but it is difficult to argue against the idea that immigration on the scale experienced in recent decades has had transformative effects on the communities and places in different ways. It also has increasingly structured electoral politics.¹³

These two great social changes – the growth in the graduate population and the rise of immigration – have been accompanied by wider changes in social class as related to occupation. An understanding of the complexities of what is involved is provided by Mike Savage, Fiona Devine and colleagues who map out a more fragmented social class structure for Britain that mixes economic,

¹⁰ R.Blundell, D.A.Green, and W.Jin, *How Did a Large Increase in University Graduates Leave the Education Premium Unchanged?* London, 2016, p.1.

¹¹ Ibid.

¹² P.Surridge, ‘Education and Liberalism: Pursuing the Link’, *Oxford Review of Education*, 42, 2016.

¹³ A.F.Heath, S.D.Fisher, D.Sanders, and M.Sobolewska, ‘Ethnic Heterogeneity in the Social Bases of Voting at the 2010 British General Election’, *Journal of Elections, Public Opinion and Parties*, 21, 2011; A.F.Heath, S.D.Fisher, G. Rosenblatt, D.Sanders, and M.Sobolewska, *The Political Integration of Ethnic Minorities in Britain*, Oxford, 2013.

social and cultural dimensions in drawing its distinctions.¹⁴ They identify seven classes and detail the types of occupations associated with those classes and also their geographical locations. The mix differs between cosmopolitan areas – big cities and university towns – and suburban communities, post-industrial towns, rural and coastal areas. The latter have more of ‘traditional’ social groups such as the established middle class and the traditional working class as well as a share of new technical middle class, affluent workers, and the precariat, with marginal incomes. It is necessary to note that diversity and inequality also mark cosmopolitan areas.

Cosmopolitan areas have (in London especially) the highest concentration of a very small elite class – with high income, wealth and social and cultural capital. At the same time these areas are home to large numbers of the technical middle class and new affluent workers, with more reasonable economic standing, good (if limited) social capital networks and moderate cultural capital, especially focused on emerging cultural foci through engaging in the internet, social networking, pop music and gigs, gyms and sports. Crucially, cosmopolitan areas also contain a large proportion of those classes not doing so well, including emergent service workers and the precariat. The emergent service category includes many working as bar staff, chefs, entertainers, customer service workers and in other relatively low paid positions. They have reasonable social capital and high emerging cultural capital. The precariat score low on economic capital but also on social and cultural dimensions, but as cleaners, care workers, van drivers, retail cashiers and caretakers, for example, they are essential to these cosmopolitan areas. The only two classes that would be relatively absent from many cosmopolitan areas would be the traditional working class and the established middle class, as identified within this new seven-fold class structure. It can also be noted that cosmopolitan areas have high numbers of graduates, but in new social class terms they are to be found not only in the elite and established middle classes but also in some proportion of the five other classes identified by Savage et al.¹⁵ Cosmopolitan areas are dynamic but they also display to a considerable degree the inequalities that have generally characterised periods of intensive capitalist development.¹⁶ Squeezed incomes, high living costs and intensive work cultures create a degree of insecurity and discontent. These are having a significant impact on electoral change, being manifested most obviously in terms of generational differences in political attitudes and behaviour (since changes in education and social class are both interlocking with age).

A growing cultural divide

There is a danger in some commentary on the divide between cosmopolitans and the rest of painting a picture of the former as achieving graspers and those left behind in other areas as rooted in nostalgia and community. The former are people from ‘anywhere’ but the latter are people from ‘somewhere’ and it is the latter group that need to be better understood (and, it would appear, sympathised with more). This is the language used in David Goodhart’s *The Road to Somewhere*.¹⁷ That there is a value and cultural divide is clear, but it needs to be seen in more subtle terms.

¹⁴ M.Savage, F.Devine, N.Cunningham, M.Taylor, Y.Li, J.Hjellbrekke, B.Le Roux, S.Friedman and A.Miles, ‘A New Model of Social Class? Findings from the BBC’s Great British Class Survey Experiment’, *Sociology*, 47, 2013.

¹⁵ *Ibid.*

¹⁶ N.Toly, ‘Brexit, Global Cities, and the Future of World Order’, *Globalizations*, 14, 2017.

¹⁷ D.Goodhart, *The Road to Somewhere. The New Tribes Shaping British Politics*, London, 2017.

Ford and Goodwin have helped to bring attention to these issues but tend to express differences in stark terms, where cosmopolitan areas are the strongholds of a socially liberal outlook ‘that regards diversity as a core social strength; sees discrimination by gender, race, religion, or sexual orientation as a key social evil; regards national identity as a matter of civic attachment, not ethnic ancestry; and thinks that individual freedoms matter much more than communal values’. Non-cosmopolitan areas, in contrast, are bastions of people who take more nationalistic and authoritarian attitudes where ‘national identity is linked to ancestry and birthplace, not just institutions and civic attachments, and Britishness is far more important to them than it is to liberal graduates’. Within this group there is more focus ‘on order and stability than on freedom and diversity, so the very things that social liberals celebrate—diversity, mobility, rapid change— strike them as profoundly threatening’.¹⁸

There are several reasons to be cautious in characterising this value divide as starkly as commentators like Goodwin, Ford and Goodhart do. Firstly, within both cosmopolitan and non-cosmopolitan areas there is a mix of attitudes and the extent of opposition to core social liberal values is still limited. To explore this, we consider survey responses to a number of questions asked by the British Election Study Internet Panel between April 2016 and May 2017, disaggregating respondents according to the profile of their constituency – distinguishing between cosmopolitan, provincial-coastal and post-industrial areas (drawing on the geodemographic classifications we have previously developed),¹⁹ in addition to the 50th most and least densely populated constituencies (i.e. contrasting cities and peripheral areas). Table 1 shows the percentage of respondents expressing particular attitudes or identities (as indicated in the left-hand column). While there is a values divide between types of place, it is rather messier and more nuanced than might sometimes be implied. For example, although there are differences in terms of attitudes on equal opportunities for ethnic minorities having gone too far and to some extent on equality for gays and lesbians (at least between cosmopolitan and provincial-coastal areas), there is little divergence in support for equal opportunities for women. At the same time, while cosmopolitan and populous areas are far less likely to identify as very strongly English, they are not particularly European in their identity. The populations of post-industrial towns are, on the other hand, less trusting of MPs and experts, and more nostalgic about the past than their city-dwelling counterparts. Yet even in cosmopolitan areas there are high levels of distrust of national politicians. Attitudes on economic and cultural benefits of immigration are, however, clearly demarcated by place – with greater support for the reduction of immigration found in non-cosmopolitan areas and more widespread belief that immigration is bad for the economy.

¹⁸ R.Ford and M.Goodwin, ‘A Nation Divided’, *Journal of Democracy*, 28, 2017, pp.19-20.

¹⁹ W.Jennings and G.Stoker, ‘The Bifurcation of Politics: Two Englands’, *Political Quarterly*, 87, 2016.

Table 1. Political attitudes by place, English constituencies

Attitudes (British Election Study Internet Panel Wave)	Cosmo- politan areas (%)	Provincial- coastal areas (%)	Post- industrial towns (%)	50 th most densely populated constituencies (%)	50 th least densely populated constituencies (%)
<i><u>Social Change (Waves 7 to 9)</u></i>					
Equalities for minorities gone too far	23	34	34	21	32
Equality for women gone too far	11	10	14	9	12
Equality for gays and lesbians gone too far	21	29	23	21	27
<i><u>Trust and experts (Wave 9)</u></i>					
No trust in MPs in general	54	56	61	53	54
Trust ordinary people rather than experts	27	35	39	27	31
<i><u>Identity and nostalgia (Wave 11)</u></i>					
Very strongly English	33	54	51	30	53
Very strongly European	12	9	10	13	9
Things were better in the past	36	39	45	38	37
<i><u>Immigration/Europe (Wave 11)</u></i>					
Immigration bad for the economy	18	29	34	15	27
Immigration undermines cultural life	32	43	45	27	44
Should allow many fewer immigrants	49	63	59	44	61
Voted Leave in the EU referendum	41	58	56	37	55

Source: British Election Study Internet Panel, Waves 7 to 9 = April-July 2016, Wave 9 = June-July 2016, Wave 11 = April-May 2017.

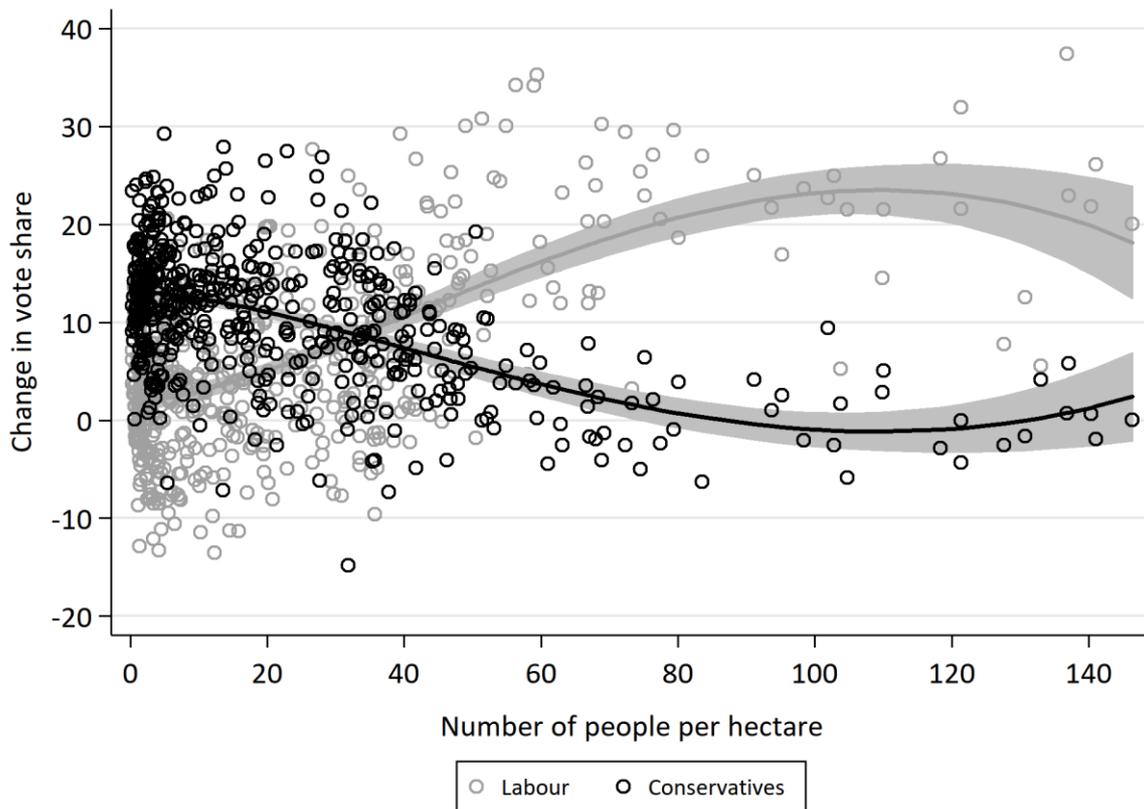
A political divide: Two Englands

The political effects of this divide and the dynamics of social change noted above can be observed in shifting patterns of support for the Labour and Conservative parties. Broadly, Labour is doing better in areas where cosmopolitan dynamics are most prevalent – in larger and more economically vibrant cities and university towns – whereas the Conservatives tending to be making electoral advances in areas of relative decline.

Figure 1 plots the change in the vote received by the two parties between 2005 and 2017 by English constituency (on the y-axis) against population density (on the x-axis). This reveals that Labour's vote has tended to rise in urban areas, often substantially, whereas the Conservative vote has tended to increase in less densely populated towns and rural areas. In the most densely populated areas, Labour's vote has consistently risen by 15 points or more over this period (with just a few exceptions). In contrast, the Conservatives have made gains of 10 points or more in many less heavily populated areas – whereas its vote has been largely static in urban centres. We find similar patterns when considering change in the vote between cosmopolitan and provincial-coastal

parliamentary constituencies,²⁰ and between cities and towns²¹ – with a growing gap between cosmopolitan and non-cosmopolitan areas over this period. While there is substantial within-place variation, today's politics is marked by considerable geographical difference.

Figure 1. Population density and change in vote share 2005-17, English constituencies

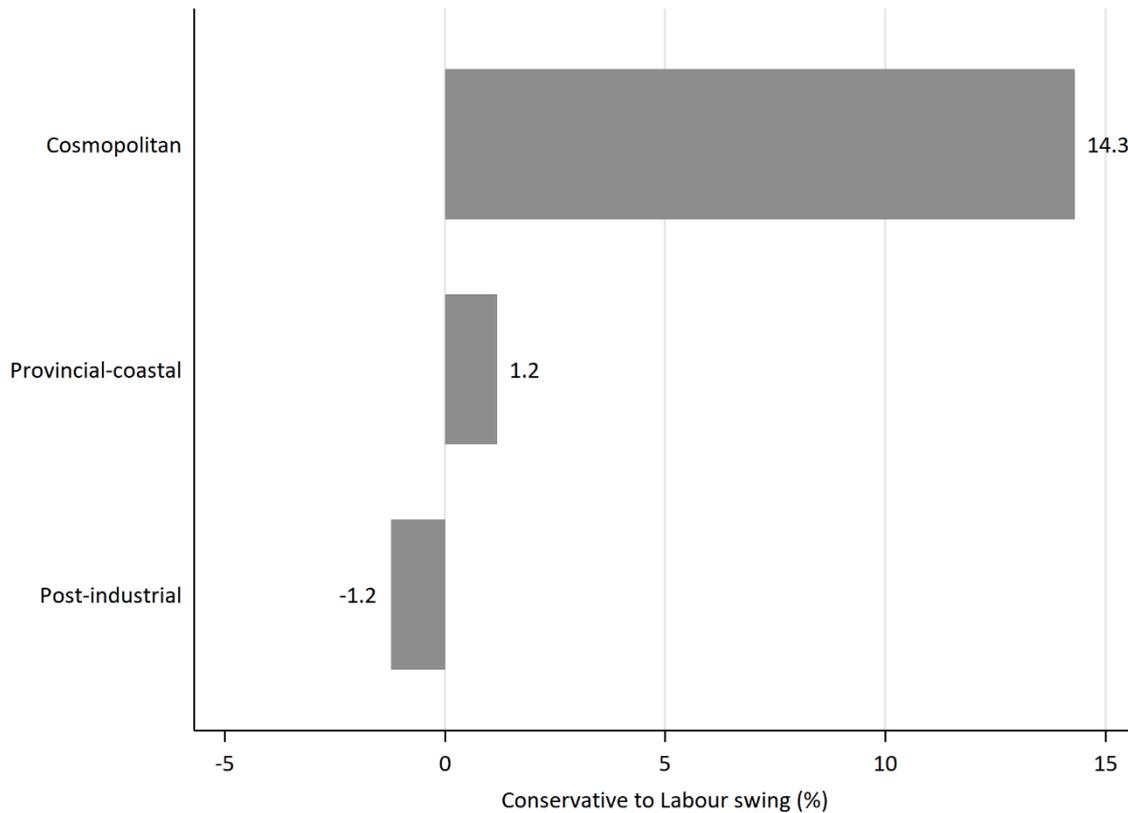


We see a similar pattern of geographical polarisation if we consider the swing from the Conservatives to Labour in the 2017 election in our three sets of fifty cosmopolitan, provincial-coastal and post-industrial English constituencies. This is shown in Figure 2. Whereas Labour on average lost ground in post-industrial areas (-1.2) and made marginal gains in provincial-coastal areas (+1.2), it secured huge swings in cosmopolitan settings of nearly fifteen points. As such, the national result tells an incomplete story about how the fortunes of the parties differed by place.

²⁰ W.Jennings and G.Stoker, 'Tilting Towards the Cosmopolitan Axis? Political change in England and the 2017 General Election', *Political Quarterly*, 88, 2017.

²¹ W.Jennings, A.Bua, R.Laurence and W.Brett, *Cities and Towns: the 2017 General Election and the Social Divisions of Place*, London, 2017.

Figure 2. Conservative to Labour swing in cosmopolitan, provincial-coastal and post-industrial constituencies, 2017 general election



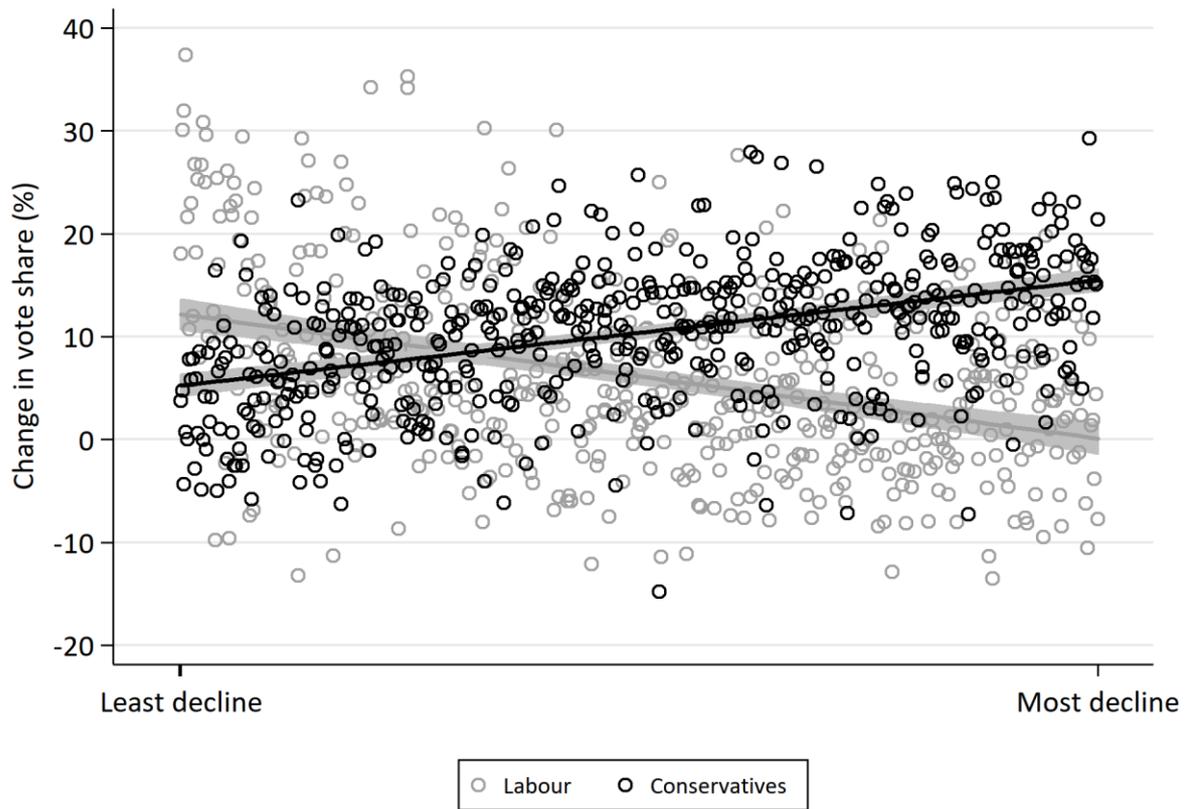
This geographical divergence is a function of the processes of social, economic and cultural change we outline above. In the 2017 general election, constituencies with a higher proportion of graduates and younger people (aged 18 to 44) swung heavily towards Labour, as did those where there had been less growth in real pay and where greater numbers of people were below the national living wage.²² In contrast, the Conservatives made advances in areas where manufacturing had declined in recent decades and areas with greater ethnic homogeneity. While the Conservatives made gains in areas where there had been a higher Leave vote in the EU referendum, and Labour made gains in areas where there was a higher Remain vote, the correspondence is more pronounced over the longer-term between 2005 and 2017 – pointing to the importance of deeper social, cultural and economic forces, rather than a Brexit-realignment in the British party system.

There is a crucial economic dimension to these trends. Figure 3 shows that between 2005 and 2017 the Labour vote tended to be static in constituencies subject to relative decline (using a measure ranking constituencies from least to most decline that combines economic and population indicators),²³ and yet made large advances in areas of higher growth. The Conservative vote, in contrast, tended to rise most in areas subject to most decline, making little electoral ground in areas of growth. Overall, these patterns reveal how the long-term decline of towns (and other areas),

²² See Jennings and Stoker, 'Tilting towards the Cosmopolitan Axis?'

²³ Jennings, Bua, Laurence and Brett, *Cities and Towns*.

combined with the new dynamic in cosmopolitan areas, has shaped the tilting of the political axis in England specifically – and may continue to reshape British politics in future.

Figure 3. Relative decline and change in vote share 2005-2017, English constituencies

Labour's strategic response: triangulation, populism, and charisma

Labour has shown some awareness of division between parts of the electorate, and its own vote. Its response has been tactical, and not without success, but it arguably will be difficult to sustain. Three devices stand out: triangulation, populism, and charisma.

The triangulation approach uses the space created by Corbyn's reputation for authenticity that has enabled him to triangulate very effectively. Triangulation was a classic tactic of the Clinton and Blair era, where a position is offered that appears to be a new blend of left and right positions (such as the famous Blair slogan 'tough on crime, tough on the causes of crime') and so is able to neutralise an issue or even present itself as a new solution. As Matt Bolton explains:

The idea that Corbyn is a truly authentic man who has stuck to his principles through thick and thin is prevalent even amongst his fiercest critics. It is also his greatest weapon when it comes to keeping the left (and the youth vote) onside while in reality triangulating as ably – if not more so – as any Blairite. Labour's policy on immigration in this election was well to the right of the 2015 manifesto ... While the effect of this was to almost entirely drain the 'immigration debate' from the election in a way unimaginable even six months ago, this was only due to the total capitulation of both Corbyn and the broader left on the issue.²⁴

²⁴ M. Bolton, 'Reassessing Corbynism: Success, Contradictions and a Difficult Path Ahead', Sheffield Political Economy Research Institute blog, 13.6.17, <http://speri.dept.shef.ac.uk/2017/06/13/reassessing-corbynism-success-contradictions-and-a-difficult-path-ahead/>.

Immigration was just one example where triangulation tactics were employed in the 2017 election campaign. Labour's ambiguous position on Brexit meant it lost fewer votes than expected in Leave-voting constituencies. Triangulation is a classic tool for appealing to both sides of an argument. Its strength is persuading voters in the campaign, its weakness is that delivering in government after an election becomes problematic.

The second feature of Corbyn's leadership during the campaign was the use of populist rhetoric to appeal across the cosmopolitan and non-cosmopolitan divide. The standard formula of populists is to position their movement of 'the people' against the corrupt ruling elite or establishment.²⁵ Labour's campaign emphasised it was on the side of the 'many rather than the few'. In his first speech of the campaign Corbyn set a clear populist tone:

Much of the media and establishment are saying this election is a foregone conclusion. They think there are rules in politics, which if you don't follow by doffing your cap to powerful people, accepting that things can't really change, then you can't win. They say I don't play by the rules – their rules. We can't win, they say, because we don't play their game. They're quite right, I don't. And a Labour Government elected on June 8 won't play by their rules ... Of course those people don't want us to win. Because when we win, it's the people, not the powerful, who win.

Labour's manifesto also framed traditional policies in populist terms. It proposed increased spending on education, health, social care, housing and other areas with a clear indication that someone else – the rich and big business – would pay for it through higher taxes. It included commitments to renationalise core utilities, notably where there were popular grievances against their performance. Labour's populism argued that Britain's economy is rigged for the rich and needed to be given back to the people. This populist turn might be seen as having appealed across both cosmopolitan and non-cosmopolitan areas, especially once the former are understood, as we have argued, not as areas of undiluted wealth but rather of areas of dynamic capitalism with the growing pains and inequalities associated with such developments. But, again, the issue is populism can be effective as a campaign tool but it is less easy to deliver on if elected.

Finally, there is little doubt that Corbyn's leadership and style of campaigning broke from the recent focus in general elections on managerial competence and polished media presentation to appeal to a different source of authority, though competence did still matter as the campaign proved fatal for Theresa May's reputation.²⁶ What was on offer to voters was less transactional and more transformational leadership. This pitch for followers was charismatic rather than exchange-based. A crucial feature of this style of leadership is not the qualities of the leader, but rather what supporters project onto them. As Willner notes in an extensive study of charismatic political leadership: 'charisma is defined in terms of people's perceptions of the leader. It is not what the leader is but what people see in the leader as that counts'.²⁷ Labour's campaign encouraged voters to project onto Corbyn their hopes, ambitions, and ideas. In effect, voters did the work in giving their support. However, just as we argued previously: this may be an effective campaign trick but less easy to sustain if, when in office, the many projected hopes and desires are not delivered.

Towards a new politics and approach to public policy

Politics has changed but in ways that are so far-reaching and deep that Labour's tactical response to date will not be either sustainable or effective in the long-run. We would argue there are three paths that offer the prospect of a more substantial response.

²⁵ C.Mudde, 'The Populist Zeitgeist', *Government and Opposition*, 39, 2004.

²⁶ M.Ashcroft, *The Lost Majority*, London, 2017.

²⁷ A.Willner, *The Spellbinders: Charismatic Political Leadership*, New Haven, C.T., 1984, p.14.

The first rests on recognising that neo-liberalism has not been defeated, but rather the particular model to support it has been found wanting. Thatcher's offer of a property-owning democracy – that was extended by New Labour – where hard work and entrepreneurialism is rewarded, appears to younger generations to be a busted flush. The housing crisis and the costs of home ownership for younger people, combined with a decade of wage stagnation, welfare cuts and rising debt, have made an economic model that relied on consumer spending underwritten by rising house prices unsustainable. But Corbyn's rhetorical offer – promising renationalisation and taxation of the rich as a solution – makes only a weak case for a new, better economic model. Certain key values, attitudes and goals that we associate centrally with the age of neoliberalism live on: in people's desire to be aspirational, distrust of big government and commitment to reward for hard work. Indeed, through their economic and political socialisation younger generations have absorbed many Thatcherite values in terms of redistribution and welfare.²⁸ The defining question for our time is which party can devise a new hegemonic model of how to achieve economic success that benefits the many not the few, to coin a phrase. That hegemony cannot simply consist of policy enticements aimed at buying-off particular groups of voters, but must transform how the state and the market are organised in such a way that also shifts social values.

The second path requires once and for all a break from the centralising tendencies of the British state and rejection of the idea of designing policy on the basis of one-size-fits-all. The scale of place-based difference in Britain makes this established approach to governing a substantial block on progress. Public policies need to be tied to the particular circumstances of cities, towns and regions, especially when it comes to industrial strategy, education, transport and housing. What will help improve the education system in Rotherham will differ from what might work in Cambridge. Beyond place-sensitive national policy-making there is a need for greater commitment to devolution and local control. In the short-term, mayors in the new metropolitan authorities should be supported in pioneering policies and innovations, while in the longer-term a stronger programme of governance needs to be developed to break the stranglehold of centralisation.

Finally, a process of cultural exchange is required within the party so that its activists and those in elected office can understand better the different circumstances in which they are operating – whether in new cosmopolitan hubs or in Labour's traditional heartlands. On the ground experiences are so discordant in different places that both activists and MPs need to find time to explore each other's constituencies and worlds, and appreciate the divergent expectations of local people. Indeed, a national programme of cultural exchange is arguably needed in British society to bridge the divide in outlook and identity between cosmopolitan and non-cosmopolitan areas.

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²⁸ M.Grasso, S.Farrall, E.Gray, C.Hay, and W.Jennings, 'Thatcher's Children and Blair's Babies: A Trickle-Down Theory of Value Change', *British Journal of Political Science*, 2017.