

Lessons from '97: Keir Starmer's narrative problem



Looking back at New Labour's 1997 election campaign, [Nick O'Donovan](#) highlights the importance of ideas to opposition parties.

'Vote Labour and win a microwave'. To some, this [damning assessment](#) of Labour's 2015 general election pitch seems even more apt today. Commentators such as James Meadway, erstwhile advisor to the Shadow Chancellor during the Corbyn years, diagnose a '[suspicion of ideas](#)' among the current Labour leadership. Starmer has policies, these critics argue, but no

vision.

As we approach the 25th anniversary of the election that swept New Labour to power, the contrast between past and present is stark. The Third Way, the knowledge economy, [post-neoclassical endogenous growth theory](#): while you might disagree with the analysis, while you might criticise the results, New Labour undoubtedly had a clear governing philosophy. That philosophy underpinned everything from soundbites ('education, education, education', 'new Britain', 'young country') to detailed policy proposals (the New Deal on jobs, Sure Start centres, the [Wired Up Communities Initiative](#)). It contained an analysis of Britain's place within the world, an account of the limits of markets, and an understanding of the future of growth.

According to Blair, the emergence of a new knowledge-driven economy meant that innovation and skills were increasingly central to Britain's prosperity. In a [1996 speech to the CBI](#), he argued that 'wealth and living standards in the twenty-first century will be based on knowledge and its application to the goods and services that British companies must sell at home and abroad'. Left to their own devices, private households and businesses would not invest enough in education, research, and digital infrastructure. Consequently, the state had a vital role to play in positioning Britain at the cutting edge of the global knowledge economy.

To be sure, not all the policies implied by this analysis were successfully executed. For instance, the Individual Learning Accounts that were supposed to underpin adult education were rapidly abandoned amid concerns about [widespread fraud](#). Critics could also argue that Labour's knowledge-driven growth strategy did not go far enough. While education spending rose as a percentage of GDP after 1997, it still lagged behind levels in some other advanced democracies (notably, Nordic states).

Nevertheless, even this fiscal prudence could be linked to Labour's underlying analysis. While the economic theory of knowledge-driven growth emphasised the importance of social investment by the state, it also argued that capital and labour were internationally mobile (and thus tax levels had to be kept low), and that higher interest rates would discourage the long-term investment needed for innovation (and thus public borrowing had to be kept low).

By contrast, Starmer's team seem to believe that narrative does not matter. They appear content to focus instead on popular individual policies, such as the windfall tax on North Sea oil and gas, an extension of the warm homes discount, large scale investment in home insulation and a reversal of public sector outsourcing. Pressed on Labour's narrative problem at a political science [conference](#), Party Chair Anneliese Dodds dismissed the Third Way as 'academic jargon' of little interest to voters.

But effective opposition is not simply a matter of explaining to the electorate what you will do. As Blair and Brown understood back in 1997, it is also a matter of explaining to the electorate what you *won't* do. Whereas governing parties can point to their track record, opposition parties need a narrative. Without a coherent story to join the dots between individual policy announcements, there is a risk that voters will fill in the blanks themselves, ably assisted by rival politicians. In today's electoral arena, Labour needs to reassure centrist voters that it has turned its back on Corbyn, while also reassuring the voters who flocked to the party during Corbyn's leadership that it has broken with Blairism. Without a narrative, the doubts that both groups harbour are easy for Labour's opponents to exploit – particularly in an era of targeted social media messaging.

Narrative-making need not be rocket science. If you look a little more closely, it is possible to pick out the beginnings of a programme behind Labour's present-day policy announcements. Like Blair in 1997, Starmer's team claim that there are unused and underused resources that are going to waste in the British economy, which can be mobilised for growth through strategic state intervention. For Blair, this meant upskilling the lower-paid and unemployed, so that they could access the knowledge jobs of the future. Today, lack of skills remains an issue, but there are problems of demand as well as supply. The city-centred growth of the last forty years has left too many communities with insufficient spending power to inspire business investment and individual entrepreneurialism at the local level. The result has been shuttered high streets and stark inequalities both between and within regions.

Higher minimum wage levels in the private sector, better-paid public sector workers operating in the [everyday economy](#), public investment in ecological sustainability, more generous welfare entitlements (including pensions), and smarter public procurement policies could all help to push left-behind places (and thus the country as a whole) on to a more rapid growth trajectory. Levelling up the Labour way might be one element within a broader economic programme, joining the dots between different policy areas and connecting them to a deeper analysis of Britain's past, present, and future.

Ironically, however, the Labour Party's narrative deficit may not be a problem entirely of its own creation, nor a problem that it is itself able to solve. Looking back at the 1997 election, it is striking how much of New Labour's governing philosophy was not so much invented as assembled. Blair and Brown's vision of knowledge-driven growth drew on diverse sources, including the [OECD](#), the [Clinton administration](#), academic economics, thinktanks, business groups, trade unions, the work of newspaper columnists and media commentators. This meant that New Labour was tapping into ideas that were already part of mainstream political debate, ideas that already possessed intellectual heft and widespread credibility. (The same was true of Thatcher, who could reference the likes of Milton Friedman and the Institute of Economic Affairs.)

In comparison, a figure like Ed Miliband frequently had to act as his own intellectual vanguard, taking flak for championing then-unfashionable analyses such as his [producer-predator account of British capitalism](#). While he may have won the battle of ideas – the idea that not all businesses promote the common good is now widely accepted, bolstered by examples such as [P&O](#) – Miliband lost the 2015 election. For all the complaints about Labour's present lack of narrative, few of the complainants are advancing alternatives. For all the great policy ideas emerging from thinktanks, commentators and academics on the progressive left, they too are guilty of ignoring the bigger picture.

Perhaps Labour won't need a philosophy. It is certainly possible that anger at the constant trickle of Conservative Party misdemeanours, coupled with an emerging cost-of-living crisis, will suffice to carry Starmer over the line. But if not, Labour will need to tell a better story if it wants to win office.

About the Author



Nick O'Donovan is a Senior Lecturer at Manchester Metropolitan University. His first book, *Pursuing the Knowledge Economy: a sympathetic history of high-skill high-wage hubris*, will be published by Agenda in May 2022 and is [available to pre-order](#) now.

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