# Communicating unpleasant reforms: experiences from Great Britain

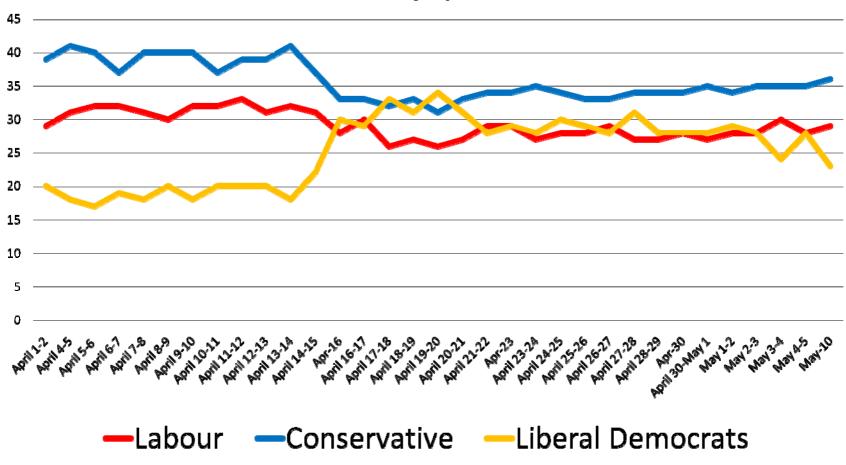
#### Martin Tod

8<sup>th</sup> International Conference for Political Communication, Konrad Adenauer Stiftung

#### **CONTEXT**

# May 2010: very unusual General Election

#### **YouGov Daily Opinion Polls**

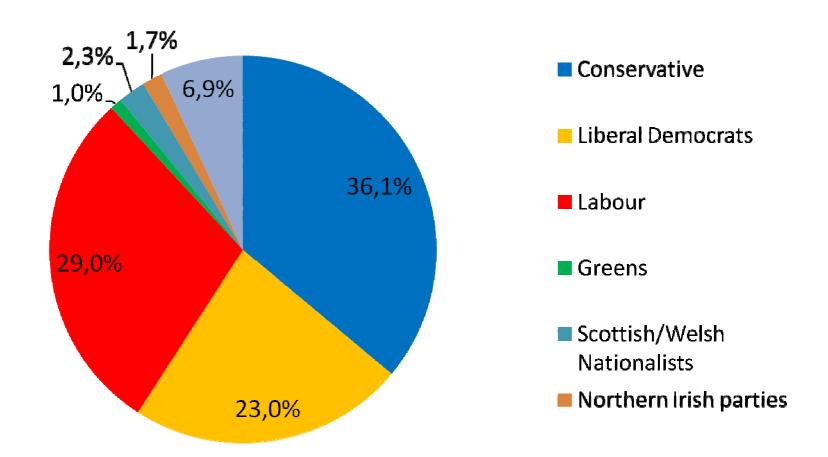


Source: YouGov

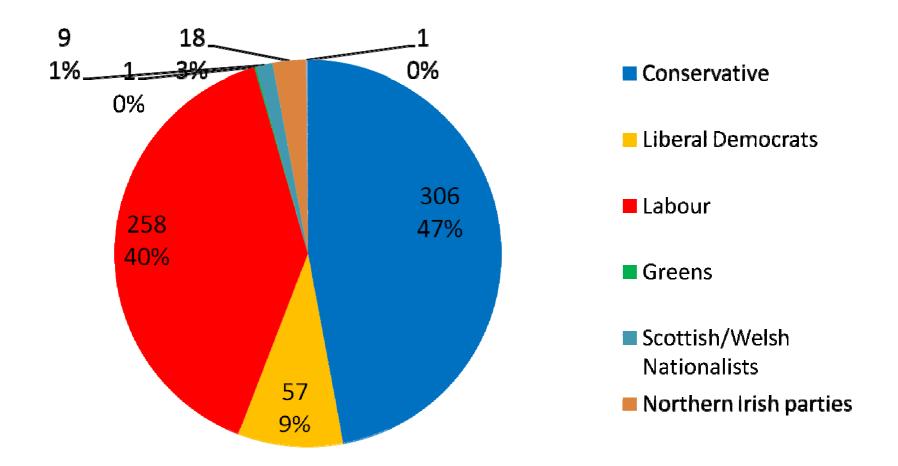
#### **UK** discovered TV debates



#### No clear conclusion in votes



### Finely balanced result in seats...



### High speed change...

Date	Day	Event
Monday 12 April	+0	Election called
Thursday 6 May	+24	Polling day
Tuesday 11 May	+29	Coalition agreed

# First peace-time coalition since the 1930s



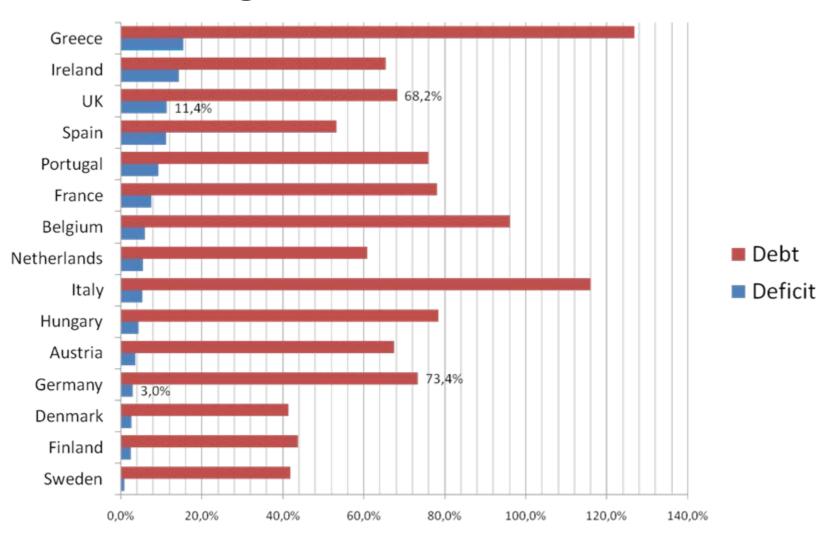
#### 5 days after election

- Coalition programme agreed
- "Tackling the deficit is essential, but it is not what we came into politics to achieve."



### BUT THE CORE OF THE PROGRAMME HAS BEEN THE DEFICIT

### 3<sup>rd</sup> highest deficit in the EU Highest in the G20



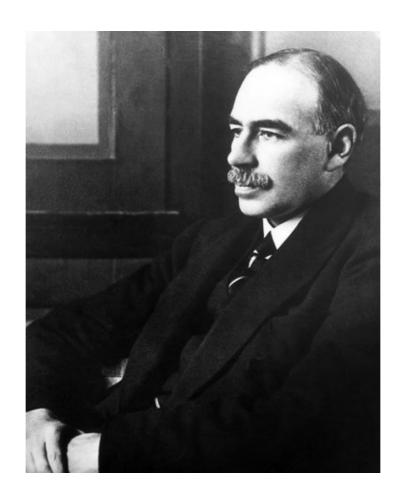
# Genuine feeling of crisis during negotiations







## Liberal Democrats The trauma of the thirties



John Maynard Keynes

# Conservatives The trauma of 'Black Wednesday'



Forced withdrawal from ERM on September 16, 1992

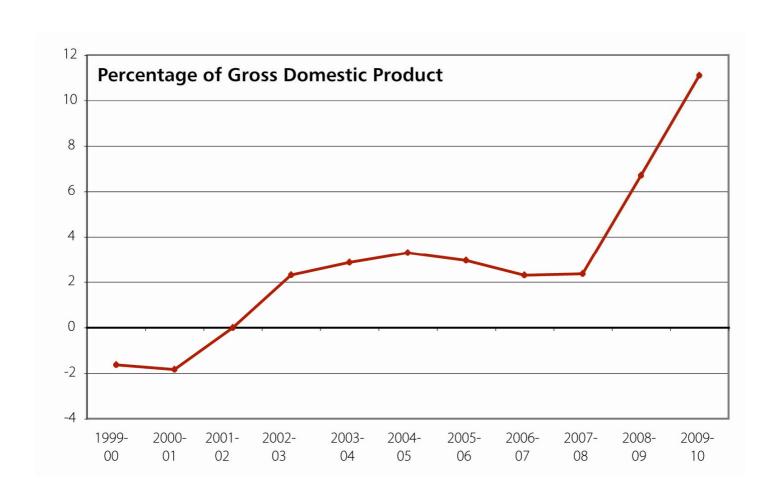
### Emergency Budget: June 22



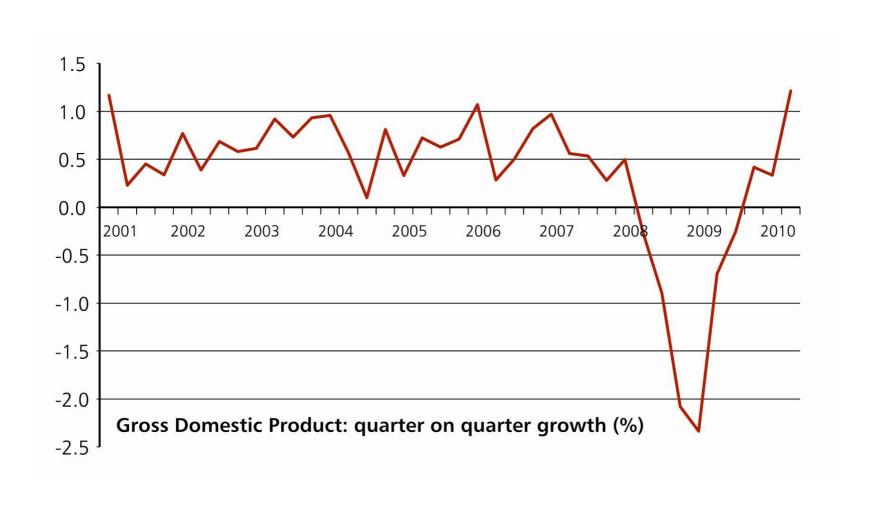
#### A shift in emphasis

"The most urgent task facing this country is to implement an accelerated plan to reduce the deficit."

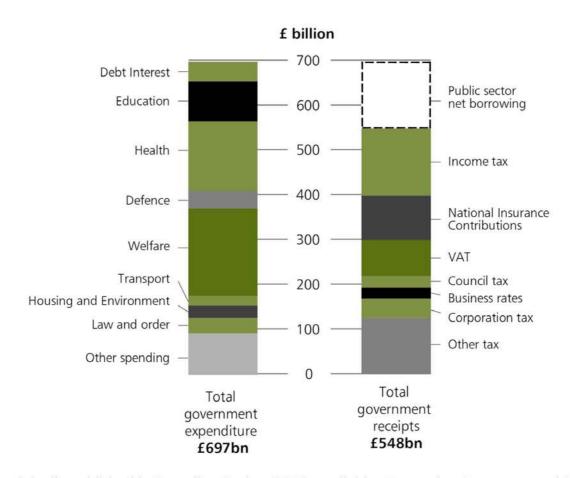
### **Exploding deficit**



#### Poor economic performance



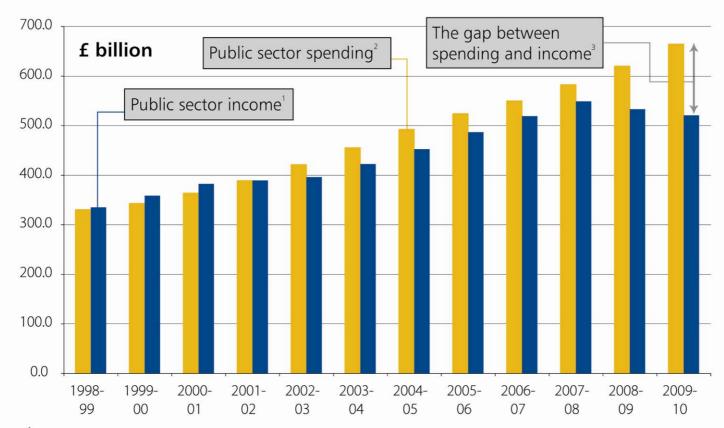
#### A gap in Government expenditure



This chart was originally published in Spending Review 2010, available at www.hm-treasury.gov.uk/spendingreview

#### A gap over the last ten years

Source: ONS. Public Sector Finances statistical bulletin, 21 September 2010 release.



Public sector current receipts.

<sup>&</sup>lt;sup>2</sup> Total Managed Expenditure, including the temporary effects of financial interventions.

<sup>&</sup>lt;sup>3</sup> Public sector net borrowing, including the effect of financial interventions.

#### Budget themes:

- Responsibility: deficit reduction
- Freedom: enterprise
- Fairness

#### Mixture of good news and bad news **Bad news:** Spending cuts

- £32 billion of spending cuts – 25% in 4 years
- Details announced to follow on October 20
- £11 billion of welfare reforms
- Public sector pay freeze for those earning > £21,000

#### **Good news: Spending** increased or protected

- Health & overseas aid protected
- Pensions increased

#### Mixture of good news and bad news

#### **Bad news: Extra taxes**

- £8 billion extra tax
  - VAT.
  - Capital gains.
  - Bank levy.

#### **Good news: Tax cuts**

- Increased personal allowances
- Cut corporation tax
- Freeze in council tax

#### October 22, 2010

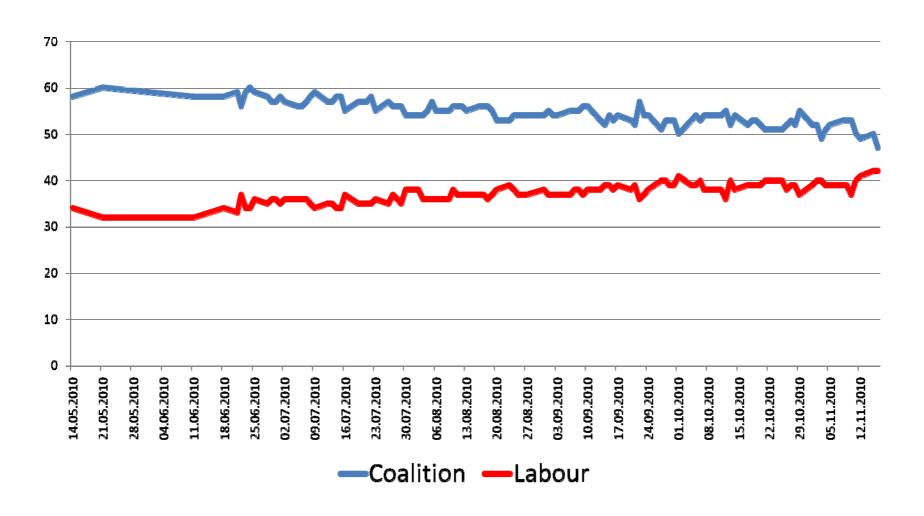


#### Much tougher – not much good news

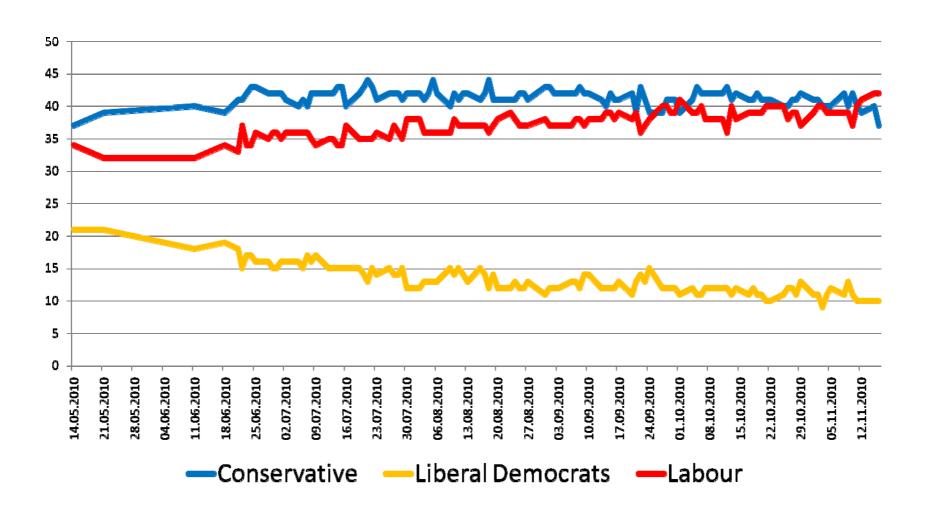
- About 490,000 public sector jobs likely to be lost
- Average 19% four-year cut in departmental budgets
- £7bn in additional welfare budget cuts
  - Heavy cuts to housing support
- Police funding cut by 4% a year
- Retirement age to rise from 65 to 66 by 2020
- Schools & NHS protected
- NHS budget in England to rise every year until 2015
- Regulated rail fares to rise 3% above inflation
- Bank levy to be made permanent

#### **RESULTS**

#### How well has it worked?

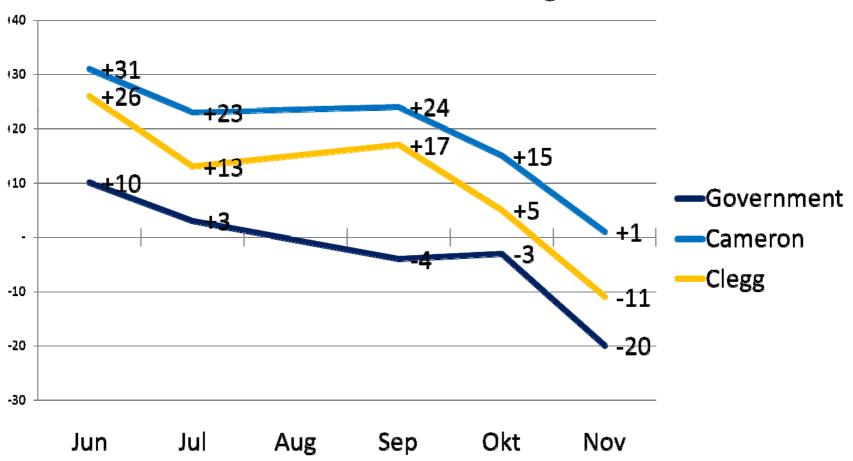


#### How well has it worked?



#### How has it worked?

#### Net satisfaction ratings



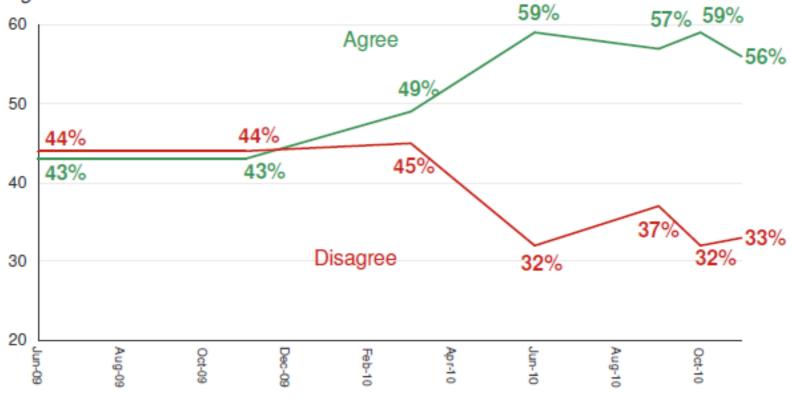
Source: IPSOS MORI

# Compared to other Prime Ministers after similar period of time

Blair	+57
Major	+13
Cameron	+1
Thatcher	-8
Brown	-16

### Won the argument on the need for cuts

There is a real need to cut spending on public services in order to pay off the very high national debt we now have



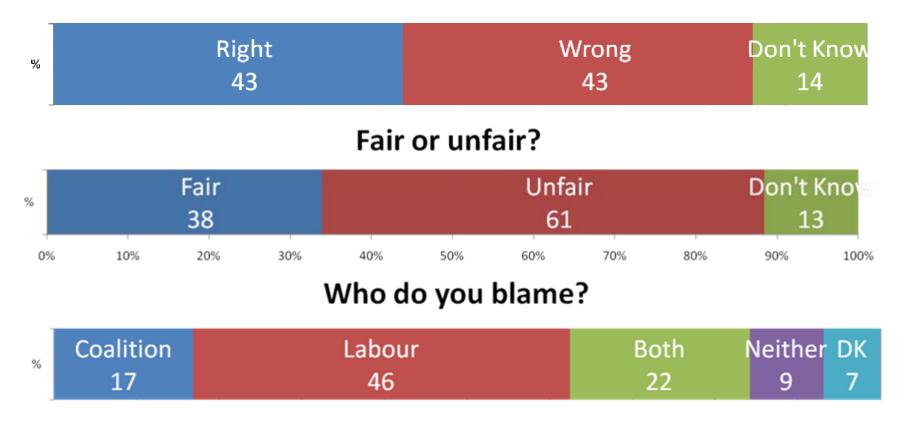
Ipsos MORI Base: c. 1,000 British adults each month

Source: Reuters/Ipsos MORI Political Monitor



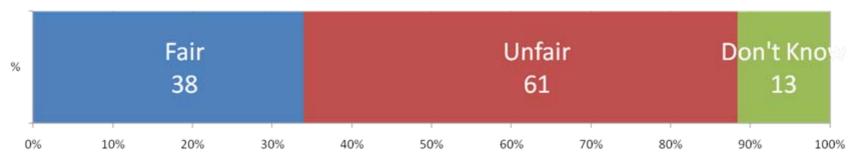
# Not sure cuts are right – don't think they're fair – but they blame Labour

#### Announced cuts & tax increases to cut the deficit...



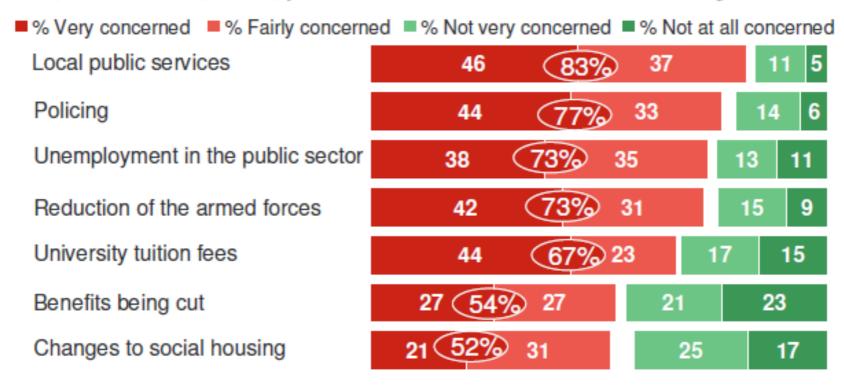
### Ring-fencing – popular

Right to protect Health, Education & International Development – while cutting prison, defence and local councils



#### Concerned when personally affected

A few weeks ago the government announced its plans for public spending in the Comprehensive Spending Review. As a result of the announcements, please tell me, to what extent, if at all, you are concerned about each of the following:



Base: 1,005 British adults 18+, 12th - 14th November 2010

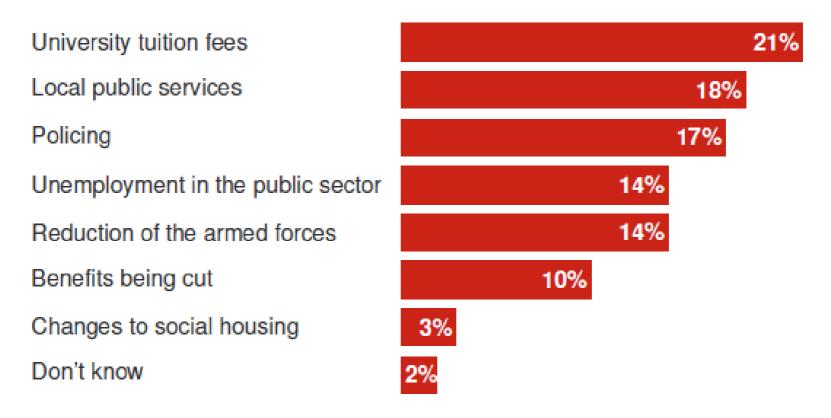
Ipsos MORI

Source: Reuters/Ipsos MORI Political Monitor



#### Which are you most concerned about?

And which one are you most concerned about?



Base: All those who said they are very concerned about one issue, combined with those who said they are very concerned about more than one issue and were asked "And which one are you most concerned about?" 848 British adults, 12th — 14th November 2010

Ipsos MORI

Source: Reuters/Ipsos MORI Political Monitor

#### **CASE STUDY: HOUSING BENEFIT**

# Housing benefit/ local housing allowance

- Rent support paid to people on benefits or low incomes
- Paid to a maximum of 50% percentile in a given area
- Based on 'housing need'

## Government proposals

- National maximum rate ('cap')
- Maximum bedrooms from 5 to 4
- Locally move to 30<sup>th</sup> percentile
- Change 'need' for under 35s

# Background

- Central London caps
  - -2% of people affected
  - -3% of total savings

# Start: demonising some exceptional cases in central London

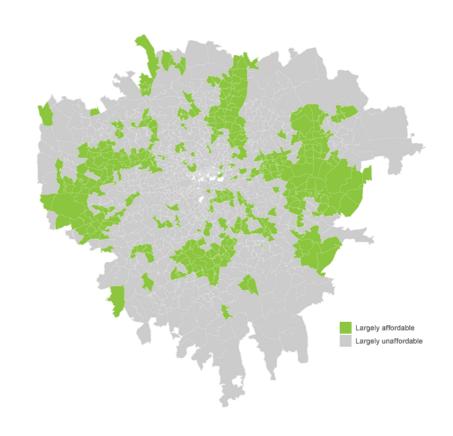


#### Next

- Announce outline proposals
- Keep the focus on central London

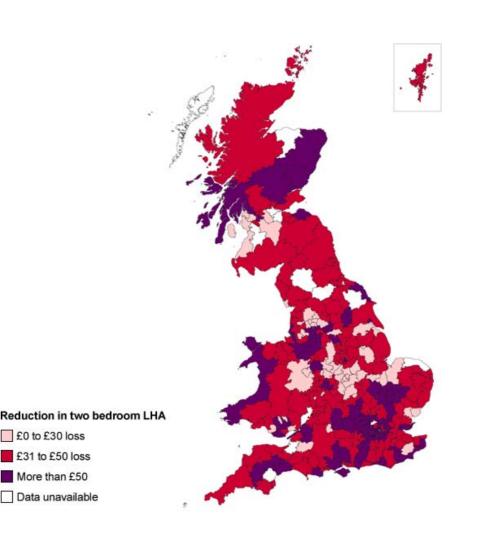
# Not a Central London problem

 Much of London will become unaffordable for working families



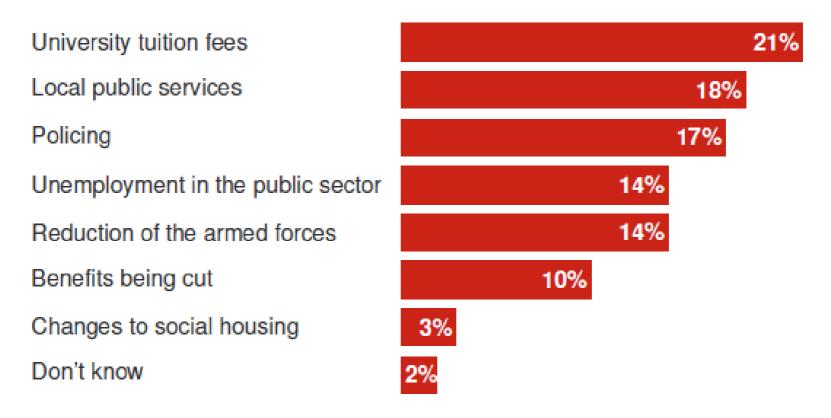
## Not a Central London problem...

- 98% of people affected live outside London
- More are working than claiming unemployment benefits



### Which are you most concerned about?

And which one are you most concerned about?



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#### **HOW TO COMMUNICATE**

## **Parliament**



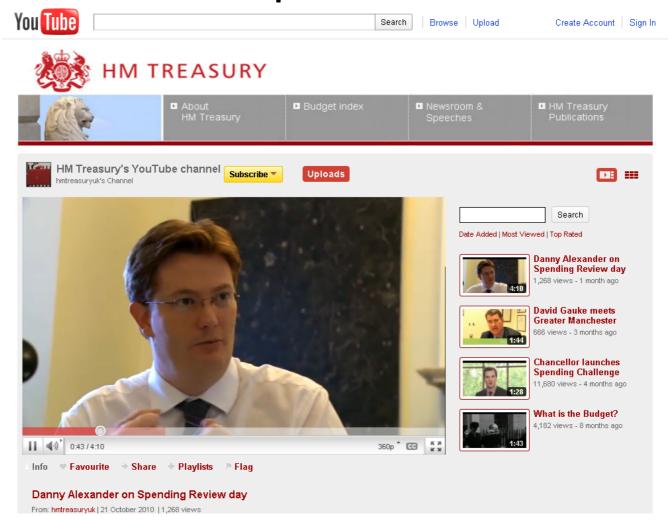
# 'Old media' still powerful



# Official 'new media' – not yet important



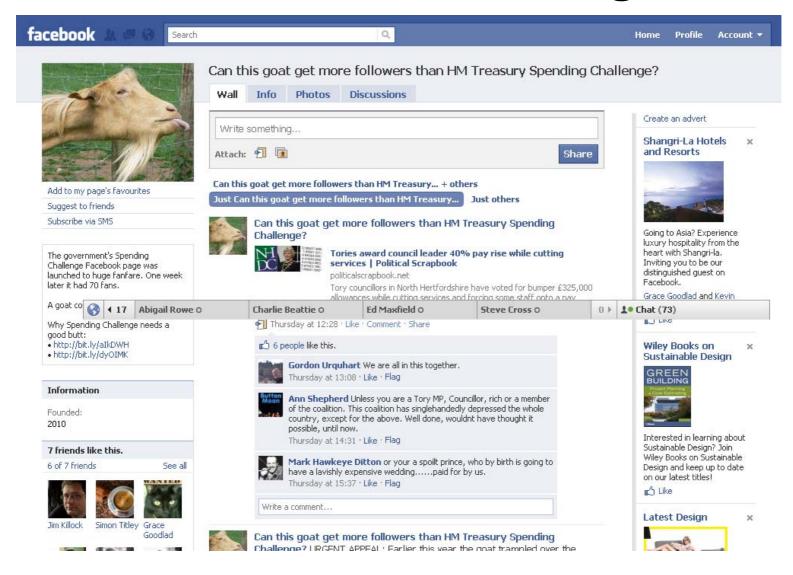
# 'Official' new media – not yet important



# ... though handy for presentations



# Facebook – can be dangerous

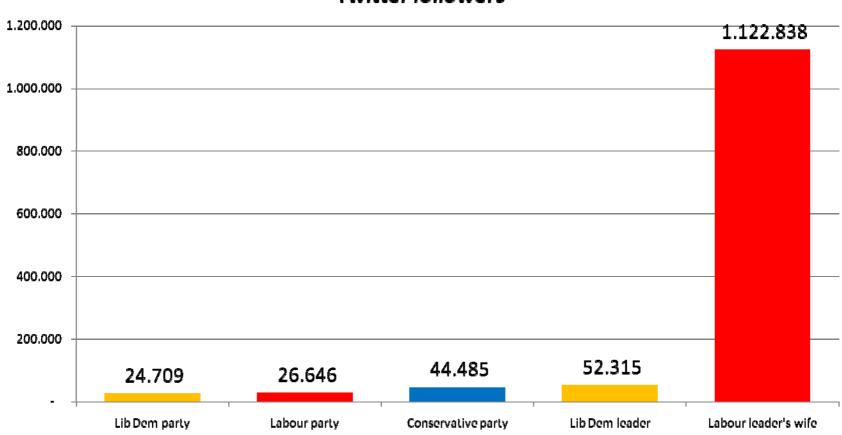


# Unofficial 'new media' (e.g. Blogs) - increasing importance



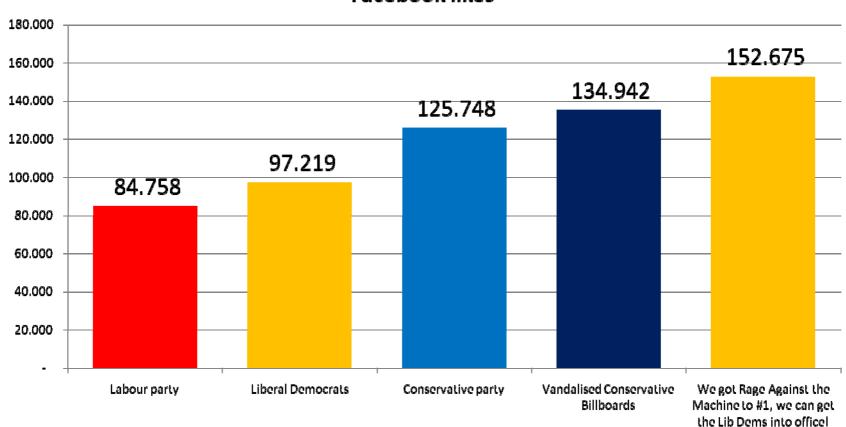
#### Official channels vs unofficial channels





#### Official channels vs unofficial channels





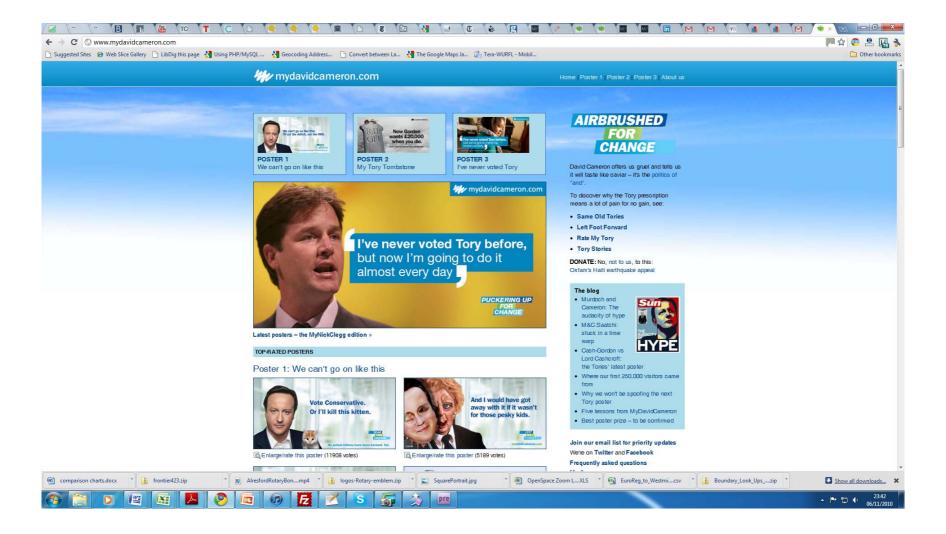
### First Conservative poster campaign...



# Old style modifications...



### mydavidcameron.com



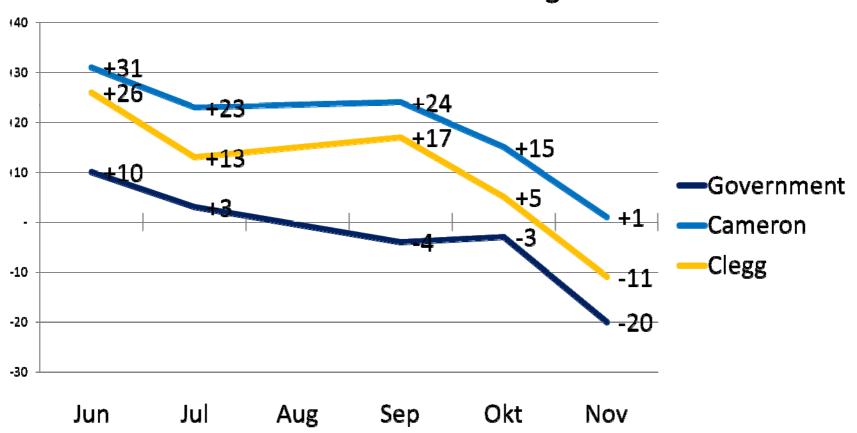
### Enabled this...



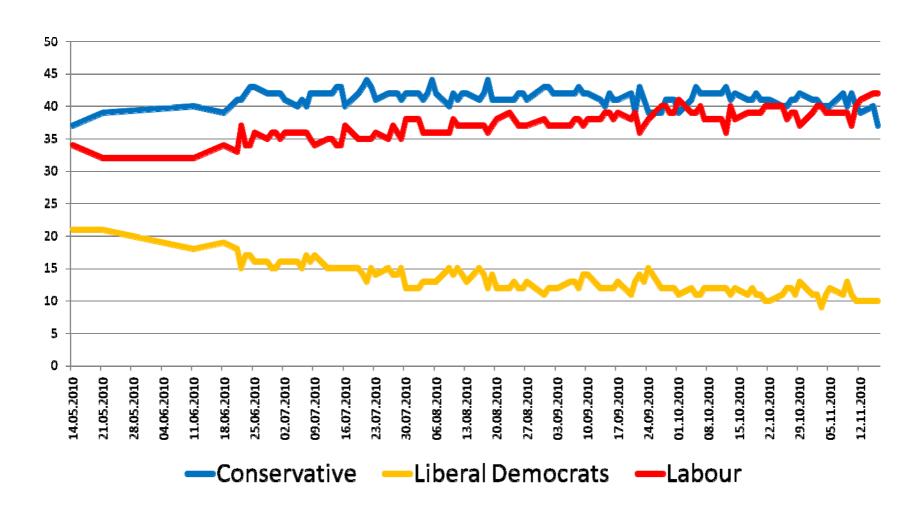
### **LESSONS LEARNED**

# Not yet found a way to cut heavily and remain popular!

#### Net satisfaction ratings

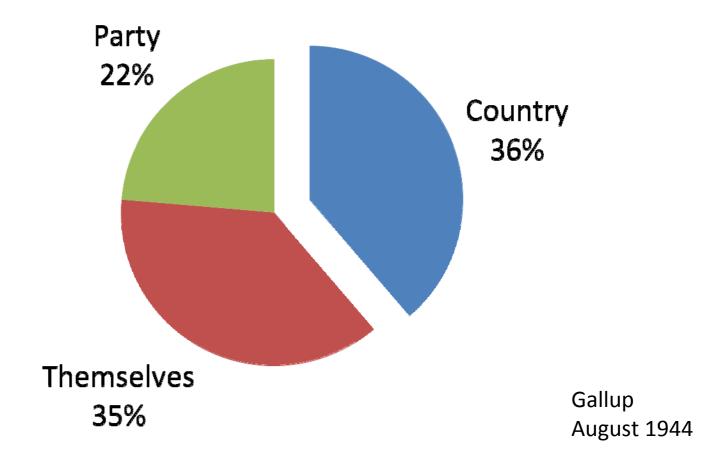


### Particularly hard for Junior Partners



# If you're a politician, it takes a lot to be loved

In whose interests do politicians act?



# If you need to sell a cut, find some extreme case studies



# Stay on message

- The vast majority of people in the country today they have never had it so good ever since this recession – this socalled recession – started...
- The remarks ... were both inaccurate and insensitive. I have... written to the Prime Minister to apologise profoundly for what I said.



## Blame your opponents

#### Who do you blame?

%	Coalition	Labour	Both	Neither	DK
	17	46	22	9	7

Source: YouGov

### Mix good and bad news

- Emergency budget worked well
- Comprehensive
   Spending Review
   less well

# Still an 'old media' game



## And finally....

- Introduce 5-year fixed term parliaments
- Hope that
  - A. Your programme works
  - B. People have forgiven you by 2015!