



Scottish Labour at a crossroads: what next?

As the Scottish Labour Party moves to elect its seventh leader in a decade, FTI Consulting's Public Affairs Team sheds light on the two candidates for the top job, and considers the implications for the future of the beleaguered party in Scotland and the wider consequences for UK Labour.

Key Dates:

Sunday 17 Sept - Candidate nominations close

Monday 9 October - Last date to register to vote

Friday 13 October - Last date for supporting nominations from local Labour parties and affiliated organisations

Friday 27 October - Ballot opens

Friday 17 November - Ballot closes

Saturday 18 November - Result announced

A shock to the system

Whilst Scottish Labour Party insiders had been expecting a possible challenge to Kezia Dugdale's leadership, not even her closest advisers saw her shock departure coming when it did.

The party membership reacted with genuine sadness to see Dugdale go, but also with weariness following two general elections, one Holyrood election, Scotland-wide local authority elections, two constitutional referendums, two UK leadership elections and now the resignation of the third Scottish Labour Leader all in three years. After a tumultuous period, there is a real appetite for stability.

Arguably leaving at the worst possible time for moderates in the

UK Labour Party, Dugdale resigned with immediate effect, instead of staying on until a new leader is elected. She vacates her valuable seat on the NEC, just before Labour conference makes crucial decisions on the so called 'McDonnell amendment', which the left of the party are attempting to pass to make it easier to get a candidate on the ballot paper in any future leadership election. Dugdale relinquishes the seat to Alex Rowley, her Deputy currently acting as interim Leader, who will back the Corbyn line.

Scottish Labour, along with the Welsh Labour Party has been seen as holding the moderate line against Corbyn and his team. However, with Dugdale's departure, this could all change.

The candidates

Richard Leonard – First out the blocks in announcing his candidacy, Leonard is the left's candidate, cementing this perception by hiring former Corbyn campaign director Simon Fletcher as his campaign chief. Elected for the first time in 2016, Leonard is a new face at Holyrood, but is well known to the trade union movement in Scotland as a former GMB official, and to Scottish Labour apparatchiks, having sat on the Scottish equivalent of the NEC for many years.

It would however be wrong to paint Leonard in the same light as Corbyn. Arguably he was championing the Ed Miliband brand of soft leftism before even Miliband discovered it. However, the impact of being surrounded by devoted Corbyn supporters, including both Rowley and the popular MSP Neil Findlay, may push him to plough a harder left furrow if he believes it will lead to victory, or indeed to keep his supporters happy.

Leonard is a likeable, intelligent individual, but questions remain over whether the Yorkshireman has enough drive and ambition to lead a political party.

Anas Sarwar – With five years as an MP under his belt, a stint as Scottish Labour's Deputy Leader and now ensconced as an MSP and Scottish Labour's Shadow Health Secretary, Sarwar is a skilled political and media operator and well known amongst the party membership, as well as being one of the party's few publicly recognisable faces.

His politics are harder to pin down. A former vice-chair of Progress, he is generally considered to be on the right of the party, but he pitches left on foreign and defence policy, and has secured the support of Pauline McNeill, a left wing MSP most would have thought a natural Leonard supporter.

With an unrivalled work ethic and all the good looks, charisma and youthful enthusiasm anyone could want in a leader, Sarwar should be in pole position to win, particularly as the Scottish membership rejected Corbyn last year, choosing Owen Smith instead. However the prevailing winds are against him and if Leonard can cling closely enough to the coat tails of Corbyn's

perceived success in the general election this year, it could be enough to stop Sarwar in his tracks.

The campaign

Sarwar can arguably claim an early victory after the Party's Executive Committee met to decide the rules for the contest. A short timetable of 10 weeks was agreed, thought to favour Sarwar given his existing name recognition amongst the party faithful. The new leader will be announced on 18th November.

The Committee also agreed that anyone who registers as a supporter and pays £12 before the 9th October can have a vote in the election; this is in line with recent UK leadership elections, but goes against the usual rules for other internal party elections where often only those who have been members for a specified length of time before a contest begins can participate. Both candidates claim the ability to sign up new voters helps them out, with Leonard tapping into the trade union membership and Sarwar also confident of making use of the opportunity to sign up supporters.

The campaign has got off to a less than pleasant start with questions about the candidates' education at private schools dragged into the race. But it is Sarwar who has borne the brunt of the air war thus far with the decisions he has made about his own children's schooling highlighted, as well as criticisms that a family firm, in which he is a minority shareholder, does not pay the living wage.

The Scottish Labour Party is a small place. Loyalties run deep; grudges spill over from one decade to the next and with promises of more attack stories to come, this will not be a pleasant campaign.

Policies

Do not expect much in the way of substance to divide the candidates on domestic policy, although both are clever enough to attempt to paint themselves as the more radical or leftist of the two. Expect Sarwar to go heavy on health, a weak spot for the SNP, whilst Leonard will appeal to his base with promises on workplace rights and support for public sector workers.

The issues likely to cause the most heat at the 10 hustings across Scotland will be on the constitution of

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the country and the constitution of the Party. Both candidates will argue for more, and real, devolution to local authorities, but they will also have to answer how they would approach a potential second independence referendum and whether they support federalism, which Dugdale called for but never managed to explain how it would work or what it would mean for the UK. These matters still dominate Scottish politics and members have strong opinions on the future of their country.

It is hard to see what more anyone could offer on the devolution of party structures, but in an internal election these things matter. Sarwar, a natural campaigner and manager who has been close to the Party machinery for some time, is likely to have a solid plan for how Scottish Labour will operate in future. Leonard is likely to tap into the well plumbed 'more control for members' line.

Summary

At stake in this campaign is whether the gradual progress made under Dugdale's leadership can be built on. The Scottish Labour Party has had a traumatic few years; in the aftermath of the 2015 election even hardened supporters wondered whether it could survive.

After a rocky start, Dugdale managed to stop the haemorrhage of support from the party and, crucially, with the help of a new communications director, clarified the party's stance on independence.

Sarwar is the candidate who will stick most closely to the path she has set out. Leonard's approach is as yet undefined but it is likely to be more left wing on domestic policy and softer on the question of independence.

In the meantime, the left of the party will take advantage of an extra vote on the NEC in Dugdale's interim replacement, which could spell disaster for moderates over the crucial conference week, and in shaping future leadership elections.

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