



BRIEFING | 002 | 22 SEPTEMBER 2020

What now?

Bridges to a new social contract for Britain

AUTHORS: ASH SINGLETON | ANTHONY PAINTER



Values matter: individual policies are important, but progressive policymakers in the UK must also bridge the ‘cultural values gap’ and frame the policies for a new social contract in a modern and inclusive vision of British identity.

60-SECOND SUMMARY

The RSA (royal society for arts, manufactures and commerce) commissioned Populus to poll 2,000 adults in Great Britain on the future of work and welfare, to find areas of broad political consensus. It found:

- Among the 48% of the British public who say they “have a lot of respect for British values”, 39% think the Conservatives best represent their views, compared to 22% for Labour.
- 43% of those who think it's a good thing that Britain is getting more diverse think Labour best represents their values, compared to 15% to the Conservatives.
- Labour leads among those who say 'it's important that my friends/neighbours see me as successful' with 35%, compared to 23% of Conservatives.

The poll also looked at what the Chancellor should do in the short-term to aid the recovery:

- 66% support continuing the furlough scheme in limited sectors – while just 39% support continuing the full scheme indefinitely throughout the pandemic. This breaks down as 57% of Conservatives and 78% of Labour supporters who back a targeted extension, compared to just 24% of Conservatives and 53% of Labour supporters who back a full extension. 48% of 18-24 year olds want to see furloughing continue indefinitely, compared to just 25% of over-65s.
- 64% think that the government should guarantee a job or training for the under-25s, including 62% of Conservatives and 72% of Labour supporters, including 68% of 18-24 year-olds and 68% of those over-65.
- Likewise, 64% support housing benefits to cover the whole of a person’s mortgage or rent, to prevent a wave of evictions and/or repossessions. Younger groups lean more heavily in favour.
- 50% would back a *temporary* rise in national insurance to fund a continental-style benefits system, pegged at 70% of previous earnings in order to enable workers to develop new skills and transition to new employment.
- 40% would support increasing income tax, national insurance and/or VAT to decrease the national debt. This includes 56% of over-65s, compared to just 31% of 25-34 year-olds; and 46% of the AB social class, compared to 32% of the C2 class.

The RSA concludes that the policy measures necessitated by the Covid-19 crisis create potential ‘bridges to the future’ for a new social contract for Britain. But progressives must frame these in a new narrative for Britain which brings together both cosmopolitans and traditionalists if they are to win the debate.



INTRODUCTION

This is the first of two briefings looking at the policies, political leadership, and public attitudinal shift needed to renew Britain's social contract. In this, the first of these briefings, we look at short-term solutions to aid Britain's recovery from Covid-19 and to prevent a wave of unemployment and declining quality of work. In the second briefing, we will explore the creation of a very different welfare system to deal with the challenges of the 2020s and 2030s.

At the RSA, we are committed to a future that works for everyone and where we can all participate in its creation. Nowhere is this more pressing than the future of work, and ensuring that the welfare system reflects the changing nature of employment. That means a welfare system which is flexible enough to support people for short, sharp periods outside work, especially the self-employed and those in the gig economy, as well as those who need long-term support.

Crucially, policymakers must ensure that the public participates in the creation of policy: not because of a commitment to focus groups as best practice, or to design-out glitches, but because only by engaging the public can we build the support and solidarity needed for policy to succeed. Policy designed by experts alone – whether in Whitehall, company board rooms or council chambers – rarely succeeds when it hits the real world.

To help create this shift in public attitudes and political leadership, the RSA commissioned Populus to survey 2,000 British adults on the future of work and welfare to better understand the complexities of the levels of social solidarity needed to – and where efforts to change efforts should be focused.

This complements our previous efforts to bring in the public via more qualitative and ethnographic methods – for instance, through our citizens' juries exploring with citizens in Fife how a Basic Income pilot could work, linked to the Scottish Government's proposed pilots.

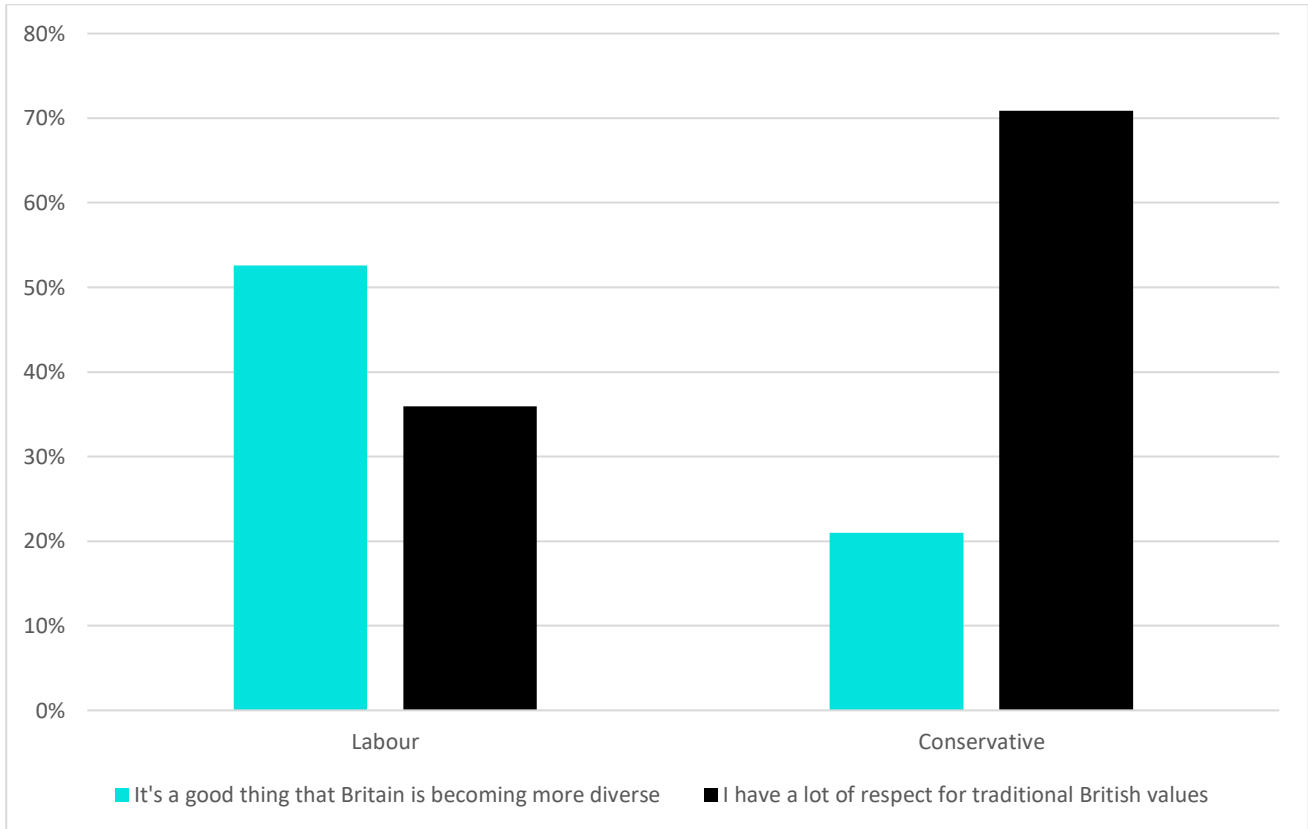
Why values?

Values matter. Policymaking must be evidence-based and robust, but political leadership, empathy, lived experience, habit, practice and public attitudes all matter too, though these are under-considered in the think-tank world. The RSA puts a strong emphasis on public attitudes and participation when it comes to positive social change. By exploring policy options by value types, we get a better understanding of the areas of existing consensus and where more leadership is needed to bridge the cultural divide between 'cosmopolitans' and 'traditionalists'.

To test this in relation to the future of work, we presented respondents with ten value statements ranging from "I have a lot of respect for traditional British values" to "I think it's a good thing that Britain is becoming more diverse". Respondents were invited to select which, if any, of the values statements applied to them. This allows us to see support for individual policies by political party support, as well as voters' cultural tribes.



Figure 1: Bar chart of stated values by percentage of party supporters



Party lines

As might be expected, the breakdown of party support falls on ‘traditionalist’ versus ‘cosmopolitan’ lines.

Figure 2: Breakdown by political party support by value statement

	All	Con support	Lab support
I love learning new things	56%	48%	59%
I have a lot of respect for traditional British values	48%	71%	36%
I think of myself as more working class than middle class	39%	32%	44%
It's a good thing that Britain is becoming more diverse	36%	21%	53%
I try to take a lot of measures to help save the planet	35%	32%	37%
Things were much better a generation ago than today	31%	36%	26%
I worry a lot that I will be worse off financially in five years	30%	20%	34%
It's important to me that my friends, family and neighbours see me as successful in life	14%	12%	17%
I would much prefer to live in the city than the countryside	13%	9%	20%

Taken further, these two values in particular act as useful cultural bellwethers of support for short, medium and long-term policies for the recovery from Covid-19.

What next?

Figure 3: Levels for options faced by the Chancellor, by net support and political party leaning

	NET: Support	Neither support nor oppose	NET: Oppose	Con Support	Labour Support
Allowing people with more than £16,000 in savings to claim full Universal Credit benefits for the duration of the crisis	38%	31%	30%	32%	47%
Allowing child benefit to be paid for all children, rather than just the first two	41%	22%	37%	27%	55%
Housing benefits to match all of a person's rent or mortgage if they are out-of-work due to Covid-19, to prevent a wave of evictions / repossessions	64%	26%	10%	53%	74%
Allowing the furloughing scheme to continue in sectors of the economy which are still struggling	66%	21%	13%	57%	78%
Guaranteeing workers who are made redundant receive 70% of their previous salary in benefits for at least six months, paid for by temporarily increasing national insurance	50%	30%	20%	43%	62%
Retaining the £20 per week extra paid to some Universal Credit recipients during the pandemic	45%	36%	19%	34%	61%
Guaranteeing a new job, or retraining course alongside the payment of benefits, for everyone under 25	64%	28%	9%	62%	72%
Giving everyone of working age a £2,500 cash payment, funded by turning the tax personal allowance (the amount you can earn before paying tax) into an active cash payment	47%	30%	23%	36%	58%
Continuing the furloughing scheme in full (e.g. for the foreseeable future)	39%	29%	32%	24%	53%
Increasing income tax, National Insurance and/or VAT to bring down the UK's large borrowing caused by Covid-19	40%	29%	31%	47%	43%

Net public support for various policies is often put forward by special interest groups, but here we can see that support for individual policies varies widely, with Labour supporters on the whole more supportive of active economic measures and Conservatives more inclined to disagree, although a majority of Conservatives back both a targeted furlough extension (57%), job guarantees for under-25s (62%) and more generous housing benefits (53%).



Perhaps most surprisingly, 47% of Conservatives back tax rises, compared to 43% of Labour supporters; likely explained by the Conservative's 2019 'red wall' coalition and the fact that Conservative voters tend to be older and pay less in working-age taxes.

The future of welfare and Basic Income

Finally, we also asked respondents for their views on the future of welfare generally, and in particular, which elements of a Basic Income they agreed or disagreed with.

On the future of work and welfare, we found:

- 56% of voters think that 'people like me get little or nothing from the government'. Conservatives were slightly more likely than Labour supporters to say this (by 56% to 52%), but the biggest gap was in regards to age, with 62% of 25-35 year-olds agreeing compared to just 43% of those over 65.
- Only 33% think out-of-work benefits should be linked to previous earnings. 37% of Conservative supporters are in favour, as are 38% of those who say they have a 'lot of respect for traditional British values and 40% of those who think it important others see them as successful in life.
- 48% of those who would rather live in the city than the countryside see new technologies such as artificial intelligence as more exciting than scary, compared to just 29% of those who think life was better a generation ago.
- Just 28% would be prepared to pay higher tax to fund more generous welfare benefits. Labour voters (39%) and Liberal Democrats (40%) were more likely to agree than Conservatives (17%), though 58% of Greens would pay more.

The RSA is a long-standing supporter of a Basic Income. Not because of an ideological commitment to the policy, but because practically, we see this as the most credible solution to modern economic insecurity – the core problem of our times. We have suggested various pathways to a Basic Income, whether through local pilots or at a national level. To further inform the debate, we asked people which elements (if any) of a Basic Income they supported, rather than net support or opposition for the idea:

- 46% would support a Basic Income pilot in their local area, with 16% opposed.
- There are concerns regarding who would pay (with 53% thinking they would lose out rather than benefit due to higher taxes) while just 33% were confident most people would use this money responsibly (with 35% disagreeing).
- Just 24% think they would benefit more from free council housing, public transport and free childcare ('Universal Basic Services') compared to a direct cash payment approach.

The RSA believes that a universal approach is critical to addressing economic insecurity in the long-term. A Basic Income is likely a key component of any new welfare system, combined with elements of contribution-based approach. We believe that while being fiscally progressive is important for the welfare system – and it should be noted that a Basic Income would disproportionately benefit those on low-and-middle incomes – the real-world impact is what really counts. Too many welfare schemes designed with the best of intentions in Whitehall fail when they come into contact with reality.



Figure 4: Survey responses to how respondents feel about Universal Basic Income

	NET: Agree	Agree strongly	Agree slightly	Neither agree nor disagree	Disagree slightly	Disagree strongly	NET: Disagree	Prefer not to say
I would welcome testing this idea in my local area	46%	19%	27%	35%	8%	8%	16%	3%
It would help me feel more financially and economically secure	38%	14%	23%	41%	8%	10%	19%	2%
It would help people prepare for a different future of work	47%	13%	35%	39%	6%	6%	12%	2%
It would help heal the divisions we see in Britain today	39%	11%	29%	36%	12%	10%	22%	3%
It would help Britain's recovery from Covid-19	45%	13%	32%	38%	9%	7%	15%	2%
Most people would use this money responsibly	33%	10%	23%	31%	20%	14%	35%	2%
People like me would end-up paying for this through higher taxes	53%	22%	31%	33%	7%	5%	12%	2%
Ultimately a universal approach would disincentive people from seeking work	43%	14%	30%	33%	13%	9%	22%	2%
I would benefit more from free council housing, free public transport and free childcare than a cash payment	24%	10%	15%	33%	11%	29%	40%	3%
It would give me much more control over my future	34%	11%	23%	43%	9%	12%	21%	2%



A new British social contract

Ultimately, while there are a number of clear areas of unity across the political divide, this polling shows that there is still a deep divide in terms of the policies for a new social contract.

With 56% of British adults believing “people like me get little or nothing from the government”, it is clear many feel that the state is not there for people like them.

The RSA believes that there is a clear role for an active state – one which has a greater part to play in improving the lives of its citizens - especially in ensuring basic economic security. We believe that, despite its flaws, a Basic Income is the best model for meeting this basic human need and would go a long way to addressing the divisions we see in society.

The levels of support for an active state – especially in the areas of youth unemployment, a targeted continuation of furloughing, and more generous welfare benefits – are potential bridges to a better future.

But political leadership has yet to create the sort of consensus for a shared future. The temptation on both sides is for policies geared towards a party’s base of supporters, rather than to reach out across the political divide. We believe that for individual policies to succeed, and for a fundamental renewal of the British social contract, policies must be anchored in a shared narrative – which reflects our national story, speaking to both traditionalists and cosmopolitans.

This is a challenging conversation for many progressives. We should be clear this is not a call to ignore Britain’s colonial role, harsher immigration rules, a dilution of Britain’s global responsibilities, or automatic deference to authority. Instead it is for a focus on that which unites us, today. That we have more in common than that which divides us.

And where better to look than the 2012 Opening Ceremony? As many critics rightly point out, the austerity and cuts to welfare ongoing at the time were, and are, a contrast to the Games themselves. But the vision of Britain on display at the Games – from Windrush to the suffrage movement to the celebration of our National Health Service – show how ordinary working people have helped create our national story.

In 1945, the welfare state was built on the promise to ‘win the peace’ after the war. We need this bold, ‘Danny Boyle patriotism’ on display in the future if we are to once again renew Britain.

CONCLUSION

Of course, this narrative must be married with robust and practical policymaking. The RSA sympathises with Bank of England chief economist Andy Haldane’s position that supporting jobs which are no longer viable is ultimately undesirable from an economic efficiency point-of-view. However, it is too early to make this judgment in many sectors, especially the arts, hospitality and entertainment; and if and when this decision is taken, it must be done at the same time as making the welfare system more generous, especially for those with higher housing costs than would be covered by Universal Credit, and extending the scope of those covered by out-of-work benefits.



We also support a more targeted approach to furlough and welcome the introduction of the Kickstart scheme. However, more must be done to support workers more generally to adapt in post-Covid economy — [a new 'British social contract'](#). This will require major government investment, including:

1. Support for workers who are made redundant or are at risk of redundancy with 70% of previous wages supported for six months up to a maximum of 70% of median earnings alongside opportunities to retrain.
2. A major expansion of training in the care sector, health, green technologies, and housing services with guaranteed jobs underpinned by public investment.
3. Commitment to move to a more comprehensive system of cash supports for families in the form of an “initial universal basic income” of £2,500 per person, [funded by turning the personal allowance into a cash payment](#) as well as the additional borrowing that would come from a full furlough extension. This would better enabling enable families to adapt to rapid changes in the economy we are likely to see in the next few years, with a major expansion of support for skills alongside this. At present, 56% of survey respondents said ‘people like me get little or nothing from the government’.

We will detail how this could work, alongside more detailed views on the future of welfare and voters’ views on a Universal Basic Income, in the second of these briefings.

We are also looking to complement this work on a just recovery from Covid-19 with further surveys and ethnographic research. Please do get in touch if you would like to hear more about this project.

Contact:

For more information, including the full survey cross-breaks, contact Ash Singleton, ash.singleton@rsa.org.uk, 07799 737 970.

Populus conducted an online sample of 2005 GB adults 18+ between 15th and 16th September 2020. Data is weighted to be representative of the population of Great Britain. Targets for quotas and weights are taken from the National Readership Survey, a random probability F2F survey conducted annually with 34,000 adults. Populus is a founder member of the British Polling Council and abides by its rules. For further information see <http://www.britishpollingcouncil.org/>

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