

Summary of Chartwell's Evening Discussion, No. 38

"The Challenges and Opportunities of 2013"

*An evening discussion held at the Royal Automobile Club between
Executive Editor of the Times Danny Finkelstein, BBC Newsnight Presenter Emily Maitlis,
leading geo-strategist and risk analyst Rear Admiral Chris Parry, and award-winning sports
writer Matthew Syed.
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1. UK Politics

Over the next years, UK politics will continue to be dominated by two key factors:

(i) No money: Cutting public services in a way that is seen to be equitable by the ordinary voter is George Osborne and David Cameron's most pressing challenge. Failure to meet it will put their re-election in 2015 in serious doubt. However, to unseat the Coalition, Ed Miliband must first learn how to connect with voters and look like a Prime Minister.

(ii) No majority: The Lib Dems have invested too much political capital in the Coalition to risk it collapsing. Cameron's bigger challenge is whether he can keep the Tories committed. This will be particularly difficult over issues such as Europe and gay marriage (see 6.).

2. Governability

The pressures of low growth and unstable coalition politics have exposed weaknesses in democratic politics that need to be confronted. The system encourages short term thinking. Policies reflect the election cycle. Ministers hold posts for a short period and do not have time to develop expertise in their domain – as a result there is a danger that democracies like the UK can lurch from one controversy to the next. What's more, opportunistic political attacks, a vociferous media and public cynicism create a climate in which it is difficult for ministers to admit mistakes and change course.

One alternative might be to take strategic issues, such as energy policy, out of Parliament and treat them as cross-party issues – eg: by handing responsibility to the Privy Council.

3. Energy

Recent discoveries of oil and gas, in particular shale gas in the US and offshore gas around the world, suggest the Earth still holds sufficient carbon energy reserves to meet mankind's requirements for around eighty to one hundred years.

The US and Canada look likely to be the main beneficiaries, with the former likely to achieve energy independence within the next decade. A key geo-strategic consequence will be that the US no longer has to worry so much about stability in the Middle East to maintain its energy supplies. However, China will remain highly dependent upon the Middle East, and the shipping lanes that pass nearby. Expect China's engagement in the Indian Ocean Rim to increase.

4. The Middle East

A new "30 Years War" between Sunnis (backed by Saudi Arabia) and Shiites (backed by Iran) looks increasingly likely. The civil war in Syria should be seen as a microcosm of this wider and frightening conflict, over which the West has less and less influence.

Unrest in Egypt, Tunisia and Libya will continue because of failure to develop the institutions that allow citizens to express their values and aspirations.

Things could change quickly in Iran. Its people want change, and demographics increasingly favour revolution: uprisings are most likely to occur when the population contains a high proportion of marginalised men aged 35-45 (this was the case in the Arab Spring). Until now, this demographic has been under-represented in Iran because of the long term consequences of the Iran-Iraq War of the 1980s, which killed over 1 million.

5. Sport

The Olympics revived a dormant sense of British identity that has been under threat from the forces of globalisation. This is not a jingoistic nationalism, but rather a "soft-edged patriotism" that has enabled us to take pride in individual and collective achievements and recognise that in other nations too.

The 2012 "Summer of Sport" has demonstrated sport's social value, not only as a forum for showcasing the virtues we admire as a society, but also as a metaphor for human competition and struggle. It will continue to hold this place in the national conversation going forward.

But sport's value is not only as metaphor. It's a valuable way of harnessing male aggression and spare time. Broken societies like Afghanistan and Iraq have minimal organised sport.

6. Quick-fire 2013 predictions

Domestic: UK politics over the next 12 months will be dominated by the cuts, Iain Duncan Smith's Welfare reforms and David Cameron's speech on Britain's relationship with the EU.

International: North Korea will come out of the cold.

7. Our panellist's Sports Personalities of the Year

Danny Finkelstein: Mo Farah. Chris Parry: Bradley Wiggins (proving cycling can be done without drugs!). Matthew Syed: Andy Murray.