## Demos, architect of Cool Britannia, denies financial problems

Demos, the think-tank that helped create New Labour and the "Cool Britannia" brand, will play no part in this year's party conference amid speculation about the financial pressures it is facing.

By James Kirkup, Political Correspondent Last Updated: 10:40PM BST 28 Aug 2008 Telegraph.co.uk



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Tony Blair being greeted by hundreds of Union Jack-waving supporters as he arrives in Downing Street as Prime Minister for the first time Photo: PA

Questions were raised about the future of Demos, once seen as an incubator for Labour policy, after it emerged the that group has decided not to hold any debates or events at the annual party conferences this year.

The conferences are traditionally the showcase for think-tanks' research and their chance to demonstrate their political influence

Peter Harrington, a spokesman for Demos, said that decision to avoid the party conferences had been taken because the annual gatherings had become "too stifling and enclosed" for healthy political debate.

Insisting the move was not motivated by money, he said: "Yes, the financial environment is difficult, but everyone is in a more difficult financial environment. We have a huge range of funders and we are working on wide range of projects."

Demos was established in 1993, the year before Mr Blair became Labour leader. The organisation quickly became closely identified with the "New Labour" project.

Geoff Mulgan, its first director, later worked in No 10, as did several other Demos researchers.

But with Mr Blair's departure, Demos' influence on Labour fell sharply: Gordon Brown and his inner circle have never had much time for the organisation.

And like other left-leaning think-tanks, Labour's steady decline in the opinion polls has raised problems for Demos.

Many think-tanks fund research projects from donations from corporate sponsors, backers who are now keen to support thinkers who may influence David Cameron's Conservatives.

Policy Exchange, a think-tank sometimes linked to Mr Cameron's Tory modernisers, regularly publishes research reports and pamphlets that attract significant attention from politicians and the media.

And the Institute for Public Policy Research, another centre-left group whose alumni include many Labour advisers, has recently been reaching out to both the Tories and the Liberal Democrats.

Catherine Fieschi resigned as head of Demos in June saying it was time to "move on."

Following the resignation a rumour spread among think-tank staff in London that Demos could have to close down.

The group has since announced that Richard Reeves, a political author, will be the new Demos director.

Mr Harrington said Mr Reeves' appointment proved that Demos remains in good health.