



# Under The Radar

*A dive into the news  
you might have missed*



**TRAFALGAR** STRATEGY

# Nothing is oven-ready when it comes to British trade

## *What happened?*

Following a visit by US Secretary of State Mike Pompeo, the Conservative government announced it did not anticipate concluding a free-trade deal with the United States despite promises to have a deal in place by the New Year. The downgrading of expectations on US-UK trade came as UK negotiators failed to unlock their parallel negotiations with the European Union following another round of talks.

UK Trade Secretary Liz Truss re-affirmed that Britain would not be putting any part of the NHS up for sale as a condition of free trade with the Americans, an accusation levelled by the opposition Labour Party during last year's general election. For his part, lead EU negotiator David Frost said he was still optimistic a deal could be agreed by September should the two sides be willing to move.

## *What does it mean?*

The lack of progress in both series of trade talks means the United Kingdom is on track to leave the European Union without a free trade deal with its two largest trading partners, further compounding the economic devastation wrought by Covid-19.

And while Johnson is sanguine about

Britain's prospects of crashing out with a deal, it's clear his counterparts in business aren't, and would prefer some kind of deal with Europe, if not the United States.

The slow progress is yet more proof the British people were sold a false bill of goods during the December 2019 general election when ministers and MPs travelled the country touting their 'oven-ready' Brexit deal. The sight of lorry parks emerging across the Kent countryside will add further discomfit to those who thought leaving the European Union would be a snap.

As perverse as it might sound, the massive economic shock of the coronavirus pandemic is likely to help the Johnson government downplay a hard Brexit. After all, what's a further 5% hit to GDP when the virus has already taken many multiples of that away already?

Alas, British goods will need new markets if the economy is going to recover. The idea that Britain could magically conjure up a trade negotiation capability after years of outsourcing it to the EU and then use it to negotiate agreements with the EU, US, Japan, Australia and others at the same time was always a stretch.

The one benefit of downgrading the US talks is the UK can now focus more of its efforts on the EU, which should have always remained the sole priority for this calendar year. Despite the bluster and bravado, Boris Johnson knows he needs a deal with the EU to start the great British comeback.

# Getting with the times?

## *What happened?*

The New York Times' Chief Operating Officer, Meredith Kopit Levien, will succeed Mark Thompson, the former director-general of the BBC, as the media group's Chief Executive.

She has been credited with developing the newspaper's advertising business in recent years and will now be tasked with growing overseas expansion, with the ultimate aim of attracting 10m subscribers within five years.

## *What does it mean?*

Levien will take the reign of the paper in a significantly better commercial shape than it was in 2012, when Mark Thompson arrived as Chief Executive. With 6 million subscribers and 600,000 added this year, advertising revenues have been booming.

But there is a growing sense that the paper has taken its eye off the ball, in the game it should be playing – shaping debate and opinion. A lot like the BBC, public trust in the paper has eroded, with antipathies of the establishment media outlet growing in equal measure on the left and right.

And it's not other papers like the Jeff Bezos bankrolled Washington Post that the NYT should be worried about. Platforms like YouTube and Spotify have

benefitted from faster streaming speeds in recent years and deliver more addictive and engaging content - commuters with air pods listening to the latest episode of Joe Rogan or another alternative media commentator is the new normal.

Yet the NYT shouldn't and can't compete with Spotify, which will soon boast exclusive rights to a diverse range of popular commentators, including Michelle Obama and Joe Rogan. But there is still a demand and need for disciplined fact-based reporting that holds power to account; smaller digital challengers like Tortoise have demonstrated this with their subscription service that prides itself on 'slower' and 'wiser' news.

*“There is a growing sense that the paper has taken its eye off the ball, in the game it should be playing – shaping debate and opinion”*

This is why Levien should abandon her predecessor's approach, which created a 'substantially' larger newsroom. Thompson views this as his greatest success, but it's actually caused the NYT to chase reactionary outrage in an attempt to keep up with social media, creating a toxic culture that has degraded the paper's output and eroded public trust.

Levien is a safe and sensible choice, but she would be wise to scrap the “move fast and break things” approach in favour of something slower and more considered.

# Taxi for Uber

## *What happened?*

On Tuesday the long running court case between Uber and two former drivers reached the UK Supreme Court. Yaseen Aslam and James Farrar claim that by classifying drivers as contractors rather than employees Uber denied them basic employment rights such as paid rest breaks, holiday pay and the National Minimum Wage.

## *What does it mean?*

When the judgement is delivered in autumn the knock-on effect for the gig economy will be widespread and profound. Irrespective of the verdict, the political landscape has shifted rapidly since the beginning of the case five years ago.

Several firms across sectors refer to workers as 'contractors' or 'partners' and this underpins their business model. This terminology saves them considerable sums of money and in Uber's case, they claim to act as an agent - connecting freelance drivers with customers via an app - rather than as a traditional employer.

If Uber loses the case, the most immediate ramifications will be financial.

Nigel Mackay, a partner in the employment team at Leigh Day, said: "If Uber loses, it will have no other option but to compensate those drivers who have brought claims for failures to provide holiday pay and where the company has paid them below the minimum wage". Estimates suggest that drivers could claim up to £12,000 each.

The previous rulings all went against Uber and it is hard to see how they could prompt a change in narrative, particularly as the issue of worker protection has gained renewed prominence. The financial hit would compound an already difficult year, which has saw them post a quarterly loss of \$2.9bn in May and lay off almost [7,000 staff worldwide](#).

The UK gig economy as a whole will be watching closely, poised for the inevitable fallout. For those whose business model is based upon having a skeleton crew of staff, and a majority of workers that are dubbed freelancers, the verdict will be crucial. Some of the most prominent gig economy firms burn cash at an astonishing rate and are still loss-making businesses. The outcome of the case could even prove to be the death knell for some.

A widespread movement for increased worker protections will likely follow any ruling in favour of the claimants. A judgement in favour of Uber may trigger a collective sigh of relief for the ultra-free market advocates of the gig economy, but any respite is sure to be short lived.

# This Weeks Must Reads

## Joe Biden's Vice President Could Be the Most Powerful in History

[The Atlantic](#)

“The woman Biden picks could be seen as a potential president-in-waiting, a signal for the Democratic Party’s agenda in the years to come, and perhaps the most significant player trying to help Biden manage a country—and a federal government—in crisis”  
- Christian Paz on Joe Biden’s search for a running mate.

## Boris Johnson fighting on too many fronts in his first year

[The Times](#)

“He faces ten challenges, fiercer than any of his 54 predecessors confronted one year in.  
Fail to address them and progress will stall”  
- Sir Anthony Weldon on Boris Johnson’s uphill struggle.

## The Hagia Sophia Was a Cathedral, a Mosque and a Museum. It’s Converting Again.

[The New York Times](#)

“Changing the secular space back into a religious one is a risk for the World Heritage Site.”  
- The NYT Editorial Board on the Hagia Sophia in Istanbul.

## Why is Xi Jinping pitting China against the world?

[The Guardian](#)

“A more assertive China has emerged under Xi, one more willing to confront its critics and brave damage to its reputation.”  
- Lily Kuo on China’s place on the world stage under President Xi.



**TRAFALGAR** STRATEGY

What we do

**CORPORATE  
COMMUNICATIONS**



**CAMPAIGNING**



**CRISIS  
MANAGEMENT**



**PUBLIC  
AFFAIRS**



**LITIGATION**



**DIGITAL**



**CHARITY**



For more information about Trafalgar Strategy  
and our services, get in touch:

Email:

[info@trafalgar-strategy.co.uk](mailto:info@trafalgar-strategy.co.uk)

Phone:

+44 (0)207 043 1308

Or visit:

[www.trafalgar-strategy.co.uk](http://www.trafalgar-strategy.co.uk)

Twitter:

[@trafalgarstrat](https://twitter.com/trafalgarstrat)