

What will politics look like if Labour has no money?

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As the [Guardian notes this morning](#):

The Labour party could lose as much as 90% of its annual income from the unions, the GMB general secretary, Paul Kenny, has said in the wake of Ed Miliband's reform plans.

Kenny said he will be balloting his union members in the autumn about whether they should retain an affiliation to the party, or to see if they individually wanted to affiliate. He said he would be lucky if more than 10% of his membership said they wanted to be affiliated to the party individually.

As a result, the union's annual donation to the party could cut from around £1.5m a year to less than £200,000. Kenny said "the consequences of this are very far-reaching."

I don't know if this is scare-mongering, or not. The rules are not clear yet. Some suggest the changes leave the unions with more funding over which they have discretion: I do not think anyone knows the answer to that yet.

But what does seem clear is that resolution to this issue has a massive impact on Labour's capacity to spend. Three questions follow. The first is can it survive without that money? It's been presumed not - but does anyone know, for sure? Second, will this change the whole political system? I suspect not because whilst Tory funding is much more abusive opaque and therefore corrosive than most Labour arrangements I can't see them giving up naked competitive advantage at present. Third, and intriguingly, what do the unions then do with the money? What if they funded alternatives? What then?

There are no doubt more questions. And even more answers.