She's made her opening gambit. What's the chancellor's long game?

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Rachel Reeves' favourite chess move is the Sicilian Defence.

It's an opening move designed to open up the board for later in the game - and one the chancellor used often as a junior chess champion. It's “particularly good when you want to go on the attack," she suggests.

Growing up, Reeves was driven around the country by her parents to compete and beat privately educated boys, often as the only state school-educated girl.

The story has echoes of the fictitious chess prodigy Beth Harmon - the lead character in Netflix show The Queen’s Gambit, of which Reeves is a fan - playing out entire imaginary chess games on her bedroom ceiling, several moves ahead.

At No 11, Reeves is now applying the mathematics of constantly changing trade-offs to running the country’s economy.

As she told me at her general election count, four hours after the exit poll had dropped, “there’s not a huge amount of money there” and therefore she was “willing to have a fight” on ripping up red tape holding back the private sector from building new homes and rebuilding Britain’s infrastructure.

In the 72 hours that followed, Treasury officials worked through the weekend to put together Labour’s planning shake-up as part of a big bang announcement to communicate directly to business leaders.

It was designed to show total commitment to the growth agenda. Two green-belt data centres that had been blocked by local councils were given planning permission. Two house-building projects were unlocked, too.

In her first speech as chancellor, Reeves was stressing to investors that Labour was willing to use its landslide election majority to take politically controversial steps that would not have been possible under even a stable version of the previous government.

The presence of so many members of the cabinet at the speech was meant to signal an end to the years of soap opera, psychodrama and unstable personality politics.

Reeves wants the Treasury to be about more than tax and spend. It will be the “growth department” too, with the peer Spencer Livermore, now effectively her deputy for growth, alongside the Chief Secretary Darren Jones, who will focus on tax.

With her first announcements, she wants to convey an optimistic path for the UK that is attractive to investors.

Those in the room for her first speech as chancellor seemed enthused enough. In private, top business people have told me that stability of strategy, policy and the ministers in charge would indeed represent a huge change.

But the proof will be in the new investments, the spades in the ground, and eventually the number of wind turbines and new houses.

The hope is to not just accept the difficult situation on borrowing, tax and spend, but to “improve the trade-offs”, the chancellor says, again showing her chess thinking.

The more confident investors are in Labour’s plans, the more money will pour in, and the more tangible improvements in the economy will be.

The government’s independent forecaster, the Office for Budget Responsibility (OBR), has previously given credit to policies that it expects to boost the economy, for example factoring in former

Chancellor Jeremy Hunt’s childcare policy into its growth forecasts.

If it does the same for Reeves' planning policies, there might be less pressure for spending cuts and tax rises.

In next week’s King’s Speech there will be new legislation enhancing the independence and role of the OBR (Office for Budget Responsibility) which Liz Truss infamously and disastrously sidelined at her mini-Budget.

Later in the month, the chancellor will publish some details on the state of the public finances. This could help set early parameters for big tax and spending numbers in the autumn.

She has already said she will be tough on adhering to rules designed to limit borrowing for day-to-day spending.

Currently, Reeves would need to make some very tough choices, potentially cutting spending on councils, prisons and courts and raising some taxes to do this.

This will come to a head in an autumn Budget and Spending Review.

When pushed on whether she can really deliver a step-change to housebuilding, infrastructure and energy investment, while her government continues cuts to public investment planned by the Conservatives, Reeves is defiant.

“We need the private sector to build homes, we are not going to be in the business of constructing homes ourselves,” she replied,

The more the private sector steps up, the better these difficult trade-offs will get - with more money from outside, the less the government will have to make difficult decisions on spending cuts or tax rises.

Conversely, if the private sector is expected to do not just the heavy lifting but all the lifting on investment to power growth, it gives it strong leverage over policy.

For example, Labour says it will deliver 1.5 million new homes over this parliament, but what will it do if housebuilders ask which construction workers will build such homes?

How will it answer the energy firms saying that regulator Ofgem needs to free up regional pricing of electricity so that Scotland can benefit with cheap or even free energy arising from its surplus wind power?

The question is: what is Reeves prepared to sacrifice in order to meet Labour’s “number one” growth mission?

Looming large over Reeves' decisions is a desire not to create an overbearing strategy that leverages its power over the purse strings to dictate policy, as occurred on occasion in Gordon Brown’s Treasury.

The chancellor’s colleagues say now the “weight of opposition” has been lifted from her shoulders, she can now focus on changing policy.

Rachel Reeves’ team says her chess-like strategy is to fix foundations first, then to rebuild Britain, and then to make every part of the UK better off.

Her first moves this week show that she and her government are playing a rather long game.