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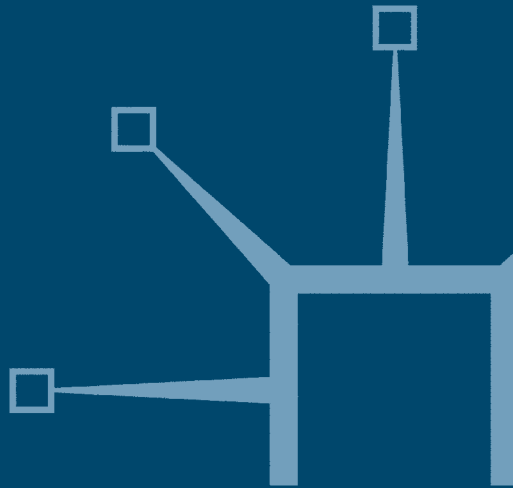
British Party Politics and Ideology after New Labour

Edited by

Simon Griffiths and Kevin Hickson



British Party Politics and Ideology after New Labour

Also by Kevin Hickson

THE IMF CRISIS OF 1976 AND BRITISH POLITICS

CONSERVATIVE THINKERS (*co-author with M. Garnett*)

LABOUR'S THINKERS (*co-author with M. Beech*)

THE POLITICAL THOUGHT OF THE CONSERVATIVE PARTY SINCE 1945 (*editor*)

THE POLITICAL THOUGHT OF THE LIBERALS AND LIBERAL DEMOCRATS SINCE 1945 (*editor*)

NEW LABOUR, OLD LABOUR: The Wilson and Callaghan Governments of 1974–79 (*co-editor with A. Seldon*)

THE STRUGGLE FOR LABOUR'S SOUL: Understanding Labour's Political Thought since 1945 (*co-editor with R. Plant and M. Beech*)

British Party Politics and Ideology after New Labour

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Preface by
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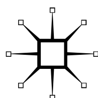

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The idea for a book on contemporary party politics and ideology stemmed from a series of conferences at the University of Liverpool on the theme of 'UK political ideologies', now in its third year. Many of the contributors to the book have presented at one or more of these conferences and they have provided the forum for academic discussion of these issues. Liverpool University is well represented in this volume with contributions from Dennis Kavanagh, David Owen and Jon Tonge.

Kevin Hickson would like to thank the University for financial and practical support with these conferences and, as always, staff and students in politics for stimulating intellectual discussions. He would also like to thank the British Academy for providing financial support for the first conference in 2007. Simon Griffiths would like to thank Louise Thomas for her tolerance, when he should have been planning other things.

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Preface

David (Lord) Owen

Political ideology needs to be grounded in practicality, reflecting the real, not the imaginary, world in which politicians have to operate. After the consensual Butskellism of the late 1940s to the late 1960s the hitherto stable background to British politics experienced various divisive and destructive periods from 1970 to 1990. This polarised ideology drove a wedge into the body politic. In part, this ideological debate was necessary and the role of the economic market, in particular, had to be fought through. Partly as a reaction to this ideological strife, British politics from 1991 to 2008 approached an ideological free zone. This became almost an article of faith from 1997 with the advent of New Labour.

Since the Falklands War in 1982 there has been – with a few pauses – an ever-growing domination from No. 10 of Cabinet government which has stifled dialogue and debate.[1]

As the next election in 2009 or 2010 draws near this book aims to restore the rightful place of ideology in the electoral programmes of the three major political parties. Some issues have been largely settled, few argue for more nationalisation of industry and privatisation has won out. The command and control state that fought from 1939 to 1945 for survival has been replaced by a considerable devolution of power to Scotland, Wales and Northern Ireland. Membership of the EU has led to, what Dennis Kavanagh calls, 'the hollowed out state' (p. 20), where the levers of the state are fewer and to Kavanagh appear to be less effective. The debate is now about what are the limits, if any, to EU integration.[2]

Today most of the fundamental aspects of the ongoing economic debate have been contextualised by two words, the 'social market'. Indeed those words proposed in the EU Constitutional Treaty are now enshrined in the Lisbon Treaty. All the political parties now accept that we operate within the context of a social market economy and so do this book's authors, with the exception of Duncan Brack (pp. 173–88) who appears at odds with his Liberal Democrat leader, Nick Clegg. Of course, the political parties within the EU will differ on the respective weight to be given to each of these words. They will emphasise as part of their identity one or other or stress the combination. But it is important that the parties are now able to accept one conceptual umbrella. It both narrows the ideological debate in the sense that economic issues are contained

and widens the debate in that it has now become one with which the vast majority of British citizens can identify.

It is constructive to recall the way in which the term social market economy emerged in the UK. It was Sir Keith Joseph, when founding the Centre for Policy Studies (CPS) in 1974, who agreed to use the term in its Memorandum of Association. The word social, however, had little resonance for Margaret Thatcher, despite her regard for Joseph. When she became Prime Minister she even went on to question the role of society. In 1981, soon after the Social Democratic Party (SDP) was formed, I gave a lecture on the social market.[3] The concepts underpinning the social market were endorsed by the SDP after a passionate debate at its conference in Torquay in 1985, a time when the SDP/Liberal Alliance was out-polling both the Conservative and Labour parties. But the term social market was disparaged by Roy Jenkins and to a lesser extent by David Steel and only formally adopted by the SDP in 1988. The Social Market Foundation (SMF) was founded in 1989 by Tom Chandos, Alistair Kilmarnock and myself. David Sainsbury supported it both intellectually and financially. It was chaired for many years by Robert Skidelsky, the biographer of Keynes, and is now chaired by David Lipsey, who worked for Anthony Crosland in government from 1974 to 1977.

In 1999 Skidelsky wrote that the key 'condition' that the market system should be socially acceptable marked a decisive break from Crosland's view that 'market capitalism was simply a superior means of producing taxable wealth for redistribution' and argued that 'making the market economy a primary value – by virtue of its association with liberty, self-reliance, entrepreneurship, dynamism and efficiency – entails limiting the claims of redistribution'.[4] This description does not, however, exclude either arguing for redistribution or challenging the limits to redistribution, particularly in the context of John Rawls's principles of a 'just' or a 'fair' society.

Tony Blair had little time for any discussion of redistribution and that, despite many continuities, has been one of the defining differences between the SDP and New Labour's 'Third Way synthesis' (Dennis Kavanagh, p. 32). It is noteworthy that both the CPS and the SMF at their foundation saw the German connection with the term social market an advantage. Alfred Muller-Armack invented the phrase, the Christian Democrat Ludwig Erhard first practised the more market-orientated version and the German Social Democratic Party, SPD, adopted the more social version at Bad Godesberg in 1959. German experience with the social market economy, over the years, has helped bridge the historic ideological economic differences between continental European countries and, particularly after the financial shocks of 2007–08, this will do the

same for the UK. There is plenty of scope within this concept for genuine ideological difference and debate within Gordon Brown's 'British way of top-down modernisation' (Simon Lee, p. 88); Nick Clegg's 'economic and social liberalism' (Duncan Brack, p. 184) and David Cameron's 'liberal Conservatism and social responsibility' (Philip Lynch, p. 123).

There are excellent essays dealing with many constitutional ideas from different political parties. Of particular interest are specific measures for all MPs voting on second and third Reading of English Bills but only English MPs voting at Committee and Report stages; various forms of decentralisation; reforming the voting system with the dismissal of the Alternative Vote and advocacy of proportional representation on the Jenkins Commission compromise; also an elected Second Chamber distinctively revising legislation yet not supplanting the primary legislative role of the House of Commons.

After the election in 2009 or 2010 we know that any incoming government will face many harsh economic choices, over sustaining export-led economic growth, following the considerable depreciation of sterling; alleviating high levels of unemployment; cutting back on the expanded, but announced as temporary, levels of public expenditure and repaying the greatly increased levels of government debt. The election may provide for a government with an overall majority and the certainty of from four to five years in power. What the UK cannot afford – given the gravity of its economic problems – is a repeat of the experience of the weak governments of 1924, 1929, 1964 and 1974, which had no effective majority.

In my judgement there is merit in the introduction of fixed-term Parliaments in general. But if, after the next election, the electorate have voted in a way that no single party has a majority of MPs sufficient to remain in power for a period of from at least three to four years, the UK will need a specific mechanism to enforce stability. It will be an overriding national interest for a government of more than one party to be formed that can last for a number of years. Such a government cannot be credible if the largest party within it can cut loose and call an election at the earliest moment that they feel they can win. A minimum requirement will be that immediate legislation is passed stipulating a fixed term for that parliament during which there can be no election. Though fixed-term Parliaments are not discussed in this book, I hope the book's broad content will stimulate a debate on this subject. The arguments for new Boundary Commissions covering all the UK and a referendum on proportional voting systems for the Westminster Parliament, as already operating in the devolved parliaments, are both important issues. But they will be contentious and the government's first years, at least, will have to focus on economic recovery.

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Introduction

Kevin Hickson and Simon Griffiths

We are now said to be living in a post-ideological age in British politics. The purpose of this book is to argue that this is not the case. It is certainly true that there is less ideological division than existed in the early 1980s when the Labour Party moved radically to the left and the Conservatives to the right. However, there is still considerable ideological tension, not just between the parties but within them also. The first aim of the book is therefore to analyse these ideological disputes, while the second is to provoke discussion and debate about these issues. In order to initiate such discussion and debate chapters are followed by a response. The editors believe that this is in itself a radical departure from the standard format of academic political texts. Space is given to the ideas of each of the three major parties – socialism/social democracy, conservatism and liberalism. The final section provides discussion of a number of cross-cutting issues. In addition to outlining the structure of the book in more detail, the introduction provides an historical overview with the aim of asking how we got to where we are in British political ideology.

Before doing so we need to deal with two preliminary issues. The first concerns the nature of political ideology. We take ideology to mean the interrelationship of values held by political actors.[1] We may be able to draw up lists of core values of conservatism, social democracy and liberalism but such a process would be arbitrary. Instead we largely follow the approach favoured by Michael Freeden, who has argued that there are core values to each ideology but these change their meaning over time.[2] For instance, there is considerable debate over the meaning of equality – one of the core values of social democracy – given by traditional social democrats and that given by New Labourites. The former tend to hold to greater equality of outcome whereas the latter tend to define equality much more in terms of equality of opportunity. This does

not mean, despite what some may claim, that one form of equality is the 'correct' meaning of the term but rather that the meanings of ideologies change as core concepts change. The meaning of an ideology, such as social democracy, changes over time. These changes are partly because of the way thinkers interpret changing circumstances – for instance, the rise of globalisation led some in New Labour to argue that the pursuit of greater equality of outcome had become more difficult – and partly because core values are open to different definitions. That is to say, the meanings attached to core values are contestable. Freeden's conception of ideology fits other ideologies, such as conservatism and liberalism. Much of the discussion in the following chapters takes this form, by asking what the current circumstances facing those who hold to a given political ideology are and what meanings are attached to the core values of the given political ideology.

The second preliminary issue concerns the role of political ideology in shaping public policy. There are several factors which shape public policy. These include the influence of professional and producer interests, the constraints imposed on politicians by the nature of the economy and society, the international context and of course electoral necessity. However, political beliefs also shape public policy and it would be simplistic to see politicians merely as constrained actors. Political elites have the capacity to pursue their beliefs and persuade other key actors in the policy process and the electorate more generally of those beliefs. In arguing the central importance of this point, the book follows a healthy tradition within political analysis which stresses beliefs and ideas in politics and rejects the argument of those who hold that ideology plays no part in the formulation of policy.

The evolution of British political ideology since 1945

In order to understand the nature of contemporary ideological debates in British politics we need to place them within the wider historical context. Broadly speaking there have been three phases of political ideological development in Britain since 1945: the postwar consensus, the New Right and New Labour. The aim here is to outline these phases broadly utilising the approach outlined above.

The postwar consensus

The election of the Labour Government in 1945 marked one of the three major turning points in British politics during the twentieth century – the

others being 1906 and 1979 (it is a matter of debate as to whether 1997 was a turning point of the same significance). The Labour Government implemented a series of radical policies including the National Health Service, universal welfare benefits, full employment, government regulation of a considerable part of economic activity and public ownership of 20 per cent of industry. It did so because of a clear social democratic commitment to the positive outcomes of state activity. The Labour Party was united around its manifesto commitments, but once they had implemented most of its core programme the left of the Party wanted to move beyond it whereas the right called for a period of 'consolidation'. The most significant criticism of the Labour Government came largely from outside the Party. First, from the radical left, who argued that all the Government had done was to implement state capitalism rather than mark a more fundamental transfer of power from capitalists to workers. It was equally criticised from the free-market right for extending the inefficient and coercive powers of the central state.[3] The Conservative Party was initially interested in these laissez-faire ideas but realised that if it was to return to power it needed to embrace much of what Labour had done. This shift in Conservatism was encouraged by a group of modernisers including Harold Macmillan and R. A. Butler who drew on the 'One Nation' label to associate their position with the Disraelian tradition within the Conservative Party, emphasising the duty of government to improve the condition of the people. Once the Conservatives were returned to power in 1951, very little of what the Labour Government had done was reversed. Thus the postwar consensus of a shared policy framework including the mixed economy, Keynesian economics and the welfare state was established and lasted until the 1970s.[4] There were a number of factors involved in shaping the postwar consensus, including the structure of the economy based around large-scale manufacturing and the wishes of the electorate. However, there was a clear ideological dimension as well. It would be incorrect to label post-1945 politics as 'socialist' or 'social democratic'.[5] The Labour Party certainly held to social democracy, but those who dominated the Conservative Party in this period – from its moderate wing – would regard social democracy as an alien ideology and instead are better seen as One Nation or progressive Conservatives. The postwar consensus was therefore not an ideological consensus and what is interesting in this period is how two different ideologies came to support the same policies, which they did by defining them in terms of their respective ideologies. For Conservatives the post-1945 policy framework was justified in terms of maintaining social unity and avoiding class conflict through the realisation of the

rich and powerful to perform their duties to the poor. For Labour it was about the pursuit of greater economic and social equality.

The New Right

From the late 1960s, there was a fundamental questioning of the legitimacy of the post-1945 settlement. Keynesian economics was deemed not to be working since there was higher inflation and unemployment, the welfare state was seen as a heavy burden on the economy, while poverty still remained. There was growing trade union militancy and talk of ungovernability, government overload and the decline of the nation. Although there were attempts to maintain a radical centre with the formation of the Social Democratic Party in 1981 and the development of a radical left Alternative Economic Strategy from the mid-1970s, it was the radical right which succeeded with the election of the Thatcher Government in 1979. Many of the Thatcherites were overtly ideological and held to the New Right view of politics, which had been gathering influence since the 1960s. The New Right contained two overriding objectives – the restoration of social order and a particular view of individual liberty. These two ideas were arguably incompatible at a philosophical level and, as a number of commentators pointed out, there was an essential tension between conservative and liberal strands of the New Right.[6] However, for much of the 1980s the tensions were masked to a significant degree since the proponents shared the same enemies – nationalised industries, left-wing local authorities, the welfare state and the trade unions. The tensions that did exist really came to the fore in the 1990s when there were major disputes over the future direction of the Conservative Party first in government under John Major and then in Opposition from 1997. Again, the development of the Conservative Party since 1979 can be seen as fitting the framework outlined above. The changing nature of the international and domestic economy together with the changing outlook of the electorate and experiences of the 1970s legitimised and encouraged the development of a New Right ideology, but this ideology also created lasting economic and social change and encouraged the electorate to think differently than it had prior to 1979.

New Labour

One of the consequences of the 18 years of radical Conservative government was that the Labour Party had to change significantly. The exact nature of this change is still subject to considerable debate. As noted above, the Labour Party moved radically leftwards in the early 1980s

partly as a response to the perceived failures of the 1974–79 Government and partly in response to Thatcherism. However, following the crushing defeat in the 1983 General Election, the Labour Party moved back towards the centre ground first under Neil Kinnock, then John Smith and finally Tony Blair. Many on the left regarded this as the betrayal of the Party's clear socialist commitment in 1983 and as a gradual accommodation to the New Right, and argued that the New Labour Government elected in 1997 marked the continuation of New Right policies. Such instances as the acceptance of privatisation and trade union legislation are held as examples of such Thatcherite accommodation. For those more sympathetic towards the post-1983 political trajectory of the Labour Party these developments marked nothing of the kind. Instead they merely reflect an attempt to modernise social democracy in the light of radically changed circumstances between 1979 and 1997.[7] In addition to all of the Thatcherite reforms, the incoming Labour Government has also faced the constraints of globalisation. Again the discussion of the changing nature of the Labour Party in Opposition between 1979 and 1997 and the experiences in government since 1997 demonstrate the interplay of ideas, interests and circumstances outlined above. The structure of the economy had changed dramatically with the shift from heavy industry to services, and the role of the state had changed dramatically after 18 years of neoliberal reform. The international economy had also changed with the emergence of globalisation and, finally, the structure and attitudes of the electorate had also changed. However, the role of ideology was again important. The issue is whether the ideology held by leading figures within New Labour was social democratic or New Right. On this issue there is much debate and so the book begins with an analysis of Tony Blair's legacy.

Structure of the book

The above outline of British political ideology since 1945 has sought to provide a balanced perspective. No doubt we (the editors) have strong views on all of these issues. However, what we have sought to do throughout the book is to avoid the imposition of a clear editorial line of argument. We have done this in order to promote discussion and balance between different perspectives, drawing on leading figures from all sides. One important way of doing this is to allow for a series of responses to the chapters. Each section therefore contains both longer chapters and shorter responses.

The first section of the book seeks to evaluate the Blair decade, in particular by asking if he developed social democracy. Three responses to this question are given and the three contributors to the discussion of Blair's ideological legacy – Alan Finlayson, Dennis Kavanagh and Jonathan Tonge – therefore provide the basis for the remainder of the book which is to examine the post-Blair era. How one perceives contemporary ideological politics in Britain very much depends on how one views Blair's contribution. There are a range of views here and the contributors stress various aspects of Blair's legacy, but if one verdict is offered it is that if Blair was a social democrat it was only in a very soft form.

The second section analyses contemporary social democracy. The first two chapters – by Judi Atkins and Will Leggett – discuss the Third Way, asking if it was a coherent ideological position, if it was part of the social democratic tradition and if it is of continuing relevance or whether it ceased to be of importance with the resignation of Blair in 2007. The chapters are responded to by Tony Giddens, an important influence on Blair and architect of the Third Way, but who now expresses scepticism about the term. Simon Griffiths traces an alternative social democratic position, centring on the contribution of Raymond Plant – perhaps a more obvious influence on Gordon Brown – with the former Deputy Leader of the Labour Party, Roy (Lord) Hattersley, responding. An interesting feature of contemporary social democracy – especially following the introduction of devolution in 1999 – is the emphasis on national identity, with Gordon Brown placing considerable emphasis on British values. His ideas are reviewed critically by Simon Lee and further evaluated by Arthur Aughey.

Contemporary Conservatism is discussed by Mark Garnett and Phil Lynch, and the discussion here highlights the ongoing debate between the relative importance of ideology and statecraft in understanding the politics of the Conservative Party. Garnett places David Cameron within the One Nation tradition of Conservatism, whereas Lynch places more emphasis on statecraft. Andrew Gamble, who has been one of the leading commentators on the politics of the Conservative Party for over thirty years, responds to this discussion. The following chapter by Charlie Ellis discusses neo-mutualism, an idea running through many accounts of contemporary Conservatism seeking to supplement the realms of state and market activity with an active civil society. David Willetts MP responds to this discussion, having made an important contribution himself to the ideas of Civic Conservatism.

The Liberal Democrats have also undergone considerable ideological discussion in recent years. Matt Cole discusses constitutional reform,

where the Liberal Democrats and the Liberal Party before them have made an important contribution. Recent debate has been based around a social liberal group who have sought to maintain the dominant position of this tradition within the Party as distinct from an economic (or classical) form of liberalism, much more sceptical of the state and sympathetic to the market. The debate is most clearly represented in two recent publications, *Reinventing the State* and *The Orange Book*.[8] Duncan Brack has made an important contribution to the latter and discusses the ongoing debates over economic and social policy within the Party. The section on the Liberal Democrats includes a response by Alan Beith, the longest-serving Liberal Democrat MP.

The final section discusses cross-cutting issues. Two issues are identified. The first is that of public service reform, where all three of the parties have made an important contribution. The discussion here rests on the extent to which points of ideological difference remain between the parties. Rajiv Prabhakar argues that there are important differences between the parties, whereas Noel Thompson in reply stresses the degree of convergence around the extensive role of markets in public service delivery. The second issue discussed is that of social justice. Social justice has traditionally been central to social democracy but more recently modernised social democrats have questioned the validity of traditional conceptions of social justice in the face of globalisation. In contrast, the Conservatives have in recent years become much more interested in the idea of social justice and the nature of the Conservative conception of social justice is also discussed. Raymond Plant, who has made a distinguished contribution to social democratic thought is responded to by David Willetts. It may be argued that there are other ideas which cut across party political boundaries, but the major ones are discussed earlier in the book – for instance the issue of national identity is discussed largely in relation to Brown and the environment in relation to Cameron.

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Part I
Did Blair Advance Social Democracy?

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1
Alan Finlayson

To many casual observers the purpose of Blairism was always simple and clear: to win power. It was no more than an electoral strategy combining market research and political branding with party discipline and micro-managed public relations. But this truth, while it may be obvious, is not complete. Blairism certainly was a response to Labour's strategic political weakness and failure. It was also a reaction to the ideological and intellectual failure of British social democracy. However, the precise nature of that reaction is neither clear nor simple. Analysts remain divided over whether to understand it either as a continuation of the kinds of reform initiated by Thatcherism or as an attempt to rescue social democracy by adapting the welfare state to the needs of the twenty-first century.

Evidence for both claims can be found easily. As confirmation of its fundamentally neoliberal orientation we can look to new Labour's extension of the involvement of the private sector in public sector activities, either through partial privatisations (such as those of air traffic control and the Post Office) or extensive Private Finance Initiative (PFI) schemes.[1] We can also note the continued importation into government and public services of private sector methods and concepts (such as 'choice' and 'competition') or contrast Blair's varied forms of praise for the dynamism and innovation of private sector entrepreneurs with his criticism of public sector workers as 'forces of conservatism' who have left 'scars' on his back.[2]

Yet the Blair years also saw consistent and far from insignificant increases in expenditure on health and education as well as reforms to welfare that targeted the poorest in the name of equality. Taxation was reformed in an effort to assist the poorest families, and throughout his time in power Blair made regular pronouncements on the collective

interest and the importance of social solidarity and expressed an idea of Britain defined by 'not each person for themselves, but working together as a community to ensure that everyone, not just the privileged few, get the chance to succeed.[3]

That evidence for contrary cases can so easily be adduced need not be thought indicative only of incoherence within Blairite ideology. New Labour ideologues and policy innovators – in the government and in orbiting think-tanks – drew on a wide range of sources. They had some roots in the culture and values of the Labour Party and in the traditions of social democracy and social liberalism. They also accepted assumptions embedded within British public administration, including those put there by the Thatcher administrations. Trends in management theory were also an influence as were rational choice theories of social action, the public choice critique of state provision and the theory of social capital.[4] In combination these sources gave rise to a particular way of construing the problems facing the United Kingdom and of formulating policy solutions. This was not reducible to either social democracy or neoliberalism but it lacked the logical coherence that would warrant its classification as a novel 'Third Way'. It was a definite 'attitude', however, a way of looking at the world and deciding what to do to it and for it. Central to that attitude were the belief that contemporary trends in economic organisation are unalterable and that, as a consequence, the most important aim of government policy is to adapt institutions and persons with regard to that economy – to reshape their economic attitudes and aspirations.

Governing aspirations

In his 2005 speech to the Labour Party Conference Tony Blair said

> the world is on the move again: the change in the early 21st century even greater than that of the late 20th century. So now in turn, we have to change again … step up to a new mark a changing world is setting for us …

Advancing the argument that 'now, as before, our values have to be applied anew in changing times', Blair asked the rhetorical question, 'so what is the challenge?' answering, 'it is that change is marching on again … The pace of change can either overwhelm us, or make our lives better and our country stronger. What we can't do is pretend it is not happening.'[5]

Change was always central to Blairism. In 1994 Blair declared that 'today's politics is about the search for security in a changing world'.[6] In 1995, with reference to technological change, he spoke of 'a new revolution scattering in its wake, security and ways of living for millions of people ... we live in a new age but in an old country'.[7] In 1997 he said that we 'face the challenge of a world with its finger on the fast forward button; where every part of the picture of our life is changing'[8] and in 1998 Blair's pamphlet on *The Third Way* called for transformations in the outlook of the nation as a necessary response to technological, economic, social and cultural change.[9]

For Blairism the most important of these changes were the development of a knowledge economy and the irreversibility of economic globalisation. The former was understood in a distinctly Schumpeterian way – as driven by creative, innovative and skilled individuals competing with each other for market advantage, their dynamism the essential force behind growth and prosperity.[10] Meanwhile, Blairism held that globalisation requires the nation to compete with other countries and regions for investment from global economic enterprises. Since it can't compete with low-wage 'third-world' labour the UK must attract investment by promising minimum regulation and a skilled workforce of creative innovators. Economic policy must thus focus on macroeconomic credibility and competitiveness and on the supply of human capital.[11] For Blair this gave rise to an historic opportunity to resolve conflict between the demands of social justice and those of efficiency. Since in the new economy wealth comes from people, anything that hinders those people in their economic activity (such as prejudice or poverty) is economically inefficient. As Blair put it in his 1994 speech to the party conference, 'every person liberated to fulfil their potential adds to our wealth. Every person denied opportunity takes our wealth away. People are the contemporary resource that matters.'[12]

Blairism, then, embraced a particular interpretation of the present. It construed the fundamental challenge as that of adapting various aspects of national life to forces of change that were external to it. Indeed, Blair often talked of 'globalisation' and the development of the knowledge economy as forces of nature that cannot be resisted but to which we can adapt. He rejected the social democratic idea that politics might be used to free us from the buffeting of history and to direct change in the name of a common interest but did not conclude that the state had no role to play at all. The task of government was to drive through the reforms needed to adapt us to the new situation – to enact 'modernisation'.[13]

In this way new Labour redefined the project of social democracy making it seemingly compatible with the extension and liberalisation of markets. State withdrawal from the provision of services, or their subordination to market practices, was accompanied by attempts to become actively involved in the creation of a supply of talent-bearing individuals able to look after themselves and to prosper in the new economy. The state was perceived to have a legitimate interest, on behalf of the nation, in changing the way in which people see themselves and understand their own needs and desires. It must get them to recognise that they are their own best source of capital and should invest in themselves in order to reap the returns in later life. In 2004 Blair explained his Government's welfare reforms as a move from 'the traditional welfare state to the opportunity society' in which there is 'genuine opportunity to make the most of your talent' and defined the goal of new Labour social policy as: 'to put middle class aspirations in the hands of working-class families and their children'.[14] And in this sense the generation within people of certain kinds of aspirations was indeed a goal of government policy.

Blair's New Labour was committed to the social democratic practice of public activity in order to bring about improvements for all. However, it sought to make such improvements within the confines of a Schumpeterian rather than Keynesian conception of economic life. It pulled back from the grander ambitions of social democracy to oversee collective economic life in the name of social, cultural and political development. Instead it focused on intervening into individual life in order to shape aspirations and abilities. New Labour has sought to enable the retrenchment of the welfare state by enabling individuals until they are able to act independently of it. But what Anthony Giddens had envisioned as a 'social investment state'[15] came to be focused primarily on making individuals economically viable and able to be responsible for themselves in an open labour market. Welfare schemes such as Sure Start and educational reforms such as the Early Years Foundation Stage enable intervention into the lives of families and individual children to engender within them long-term thinking about self-development, aspiration and employability. The individualising of welfare delivery has facilitated a direct focus on individual responsibility for capacity building and employability so that people can be put back into the labour market regardless of family circumstances or medical condition. Reforms to pension provision demand that individuals more clearly regard the present as a time of financial investment for the future. The marketisation of higher education induces young people to regard education as primarily an investment in the future marketability of their employable

self. The school curriculum focuses to an increasing degree on what is believed to be relevant to labour marketability and the qualifications regime has been fused with the training programmes of private companies. Asset-based welfare policies such as the Savings Gateway and Child Trust Fund are platforms from which to integrate children and families into the market for financial services and the encouragement of home-owning has been intended to provide people with the assets on the basis of which they can become more open to the risk-taking associated with entrepreneurialism.[16]

From Blair to Cameron

Blairism and New Labour have been committed to the view that there is a positive role for government in the management of society but they have also let go of fundamental concerns of social democratic thinking. Economic, technological and social changes have been regarded as immovable objects to which we must adapt rather than as fluid processes that can themselves be moulded. Rejecting the fundamental social democratic idea that governments can and should regulate institutional economic activity in order to safeguard a sphere of non-economic social life Blairism ultimately failed to bring to public-sector reform anything other than the language of economic efficiency and choice. Setting himself against public-sector workers Blair hedged them in with requirements and targets that renewed and extended state centralisation. Consequently, New Labour failed to reinvent the public ideal for the twenty-first century.[17]

The Blairite justification of policies to reduce inequality always tended to be technocratic and pragmatic rather than ethical or solidaristic. Equality was proposed as good because it limits the 'social exclusion' which leads to problems of crime and anti-social behaviour, and is economically wasteful. This has meant that social policy measures, for all the benefits they brought to some of the poor, failed to contribute to the sustenance of the sense of common interest on which social democratic values can build. As a consequence the legitimacy of welfare provision has further weakened. Labour under Brown has thus begun to propose a yet greater role for punitive measures against what much of the media tends to represent as an undeserving poor. The resources with which to defend an ideal of a collective egalitarian good have been depleted.

As we have seen, new Labour made individual aspirations an object of government policy. But it was above all concerned with the aspirations of the poor and did not consider the social exclusion of the rich a priority.

The cultivation of a sense of social responsibility among them has not been a governmental concern. In addressing manifest social problems around diet, alcohol consumption, environmental responsibility and violence New Labour has focused primarily on the behaviour of individuals. Its interventions have been confined to exhorting individuals or mildly manipulating their choices through the provision of incentives. It has rejected the idea that government can and should sometimes regulate institutional economic activity. Indeed, the food and alcohol industries have been deregulated.

It is against this context that we should place the crises of the Brown administration. The forging of New Labour involved the denigration of core principles of social democracy. As times have become harder new Labour ideologues have not been able to return to them and have found themselves drifting. They have hoped that more targets and more public disciplining of benefits claimants will constitute 'reform' of the public services; and in addressing economic turmoil they have emphasised the stimulation of individual consumer spending. Eschewing the opening of a wider debate about the regulation of finance and the redistribution of wealth Brown's Labour has emphasised the temporary nature of regulatory and interventionist measures and continued to focus policy on attempts to modify the behaviour of individuals. The failure to sustain understanding of (and sympathy for) social democratic approaches to government has meant that Brown's adoption of a thus far superficial Keynesian approach has been all too easily represented by opponents as either panic or simply 'tax and spend'.

In the meantime the Conservative Party under David Cameron has sought to claim for itself the language of social responsibility and the public good, connecting it to Conservative traditions of social duty and commitment. Cameron has tried to point beyond the possessive individualism on which his generation was raised and to suggest that British Conservatism is capable of seeing more in people than self-interested, utility maximising, rational-choice *homo-economicus*. But this has not been a conversion from Conservatism to Social Democracy. Rather it has meant opposing the socially interventionist state with the socially interventionist community, 'state welfare' with what the Conservatives have called 'social welfare'. In this vision people are socially minded and will be responsible if, through the revival of local politics, they can take individual responsibility for themselves and their local community.[18] As New Labour under Brown continued to speak the language of punitive welfare, marketisation of public services and economic individualism the Conservative Party added to its repertoire a language of social responsibility

and community. In response to the financial crisis this has been supplemented by the sort of 'fiscal conservatism' imagined to have been successful in the 1980s with the two connected by an emphasis on the responsibility of individuals for themselves and to society.

Conclusion

After Blairism the future of social democracy is unclear. Although it held on to the idea that the state had a role to play in overseeing social and economic life New Labour subordinated that role to the perceived demands of the economy. It detached the idea of state action from values of collectivism and solidarity. It asked that governments be judged in terms of their pragmatic efficiency and their competence and as these became so easy to question Labour did not know where to turn. New Labour lost sight of the core rationality behind the social democratic ideal: that while markets and economic individualism are a vital source of dynamism and prosperity, in the wrong place they can become corrosive of the very social bonds and collective institutions that make free-market activity possible in the first place. As a consequence the Conservative Party have sought to claim that terrain by bringing it under the banner of 'social responsibility' while employing a rhetoric of community and fraternity the better further to distance British politics from the social democratic goal of equality.[19] The Brown Government has been forced into a policy of intervention and has begun to attempt to open up political space between itself and Cameron's Conservatives by advocating a fiscal stimulus paid for in part by taxation on the highest earners. But the extent to which it will use these policies to argue for and embed a form of social democracy is not yet clear. Economic upheaval makes possible a profound reorientation of the compass points around which British political ideologies arrange themselves. But at present it remains most likely that Cameron's anti-egalitarian individualisation will be the long-term legacy of Blairism.

2
Dennis Kavanagh

One doubts that Tony Blair would accept the challenge implicit in the question of did he advance social democracy. His use of the appellations New Labour and the Third Way reflected his belief that his own politics was beyond political left and right. In his first Labour conference speech as leader in 1995, he used the word 'new' more than 50 times and socialism just once. What he did do was attempt to redefine social democracy – traditional values in a modern setting, and all that.

A problem is that social democracy has meant different things to different people at different times. Some, on the left, might look for: extensive public ownership or more regulation of private capital; a return to pre-1979 income tax levels or a 50 per cent rate imposed on incomes of £100,000 or more; an end to private health care and education, or making conditions more onerous for their providers; and a rebalancing of relations between trade unions and employers in favour of the former. Since 1997 the Labour Government has shown no inclination to adopt any of these policies, rather the opposite.

I take social democracy to involve moves towards greater equality in society and the use of state power to tame capitalism and make it work in the interests of wider society. In some respects Blair advanced social democracy, in others retarded it.

Blair always had links with the former Social Democratic Party, largely a break-away group from Labour in 1981. But for Blair, the term social democracy was too redolent of the old politics, with which he wanted to break; hence his reluctance to espouse the term. He was, of course, always relaxed about the use of the private sector in provision and of co-payments in the public services. As a pragmatist he was for 'what works' in policies and labels.

Martin Smith captures the difficulty of pinning Blair down with one ideological label when he writes: 'New Labour has drawn on complex contradictory and conflicting traditions of social democracy, social conservatism, Thatcherism and pragmatism.' He adds, 'the leadership can draw on varying traditions according to the principal goal of advance at a particular time'.[1] Other commentators have observed that New Labour was both post-Thatcherite and post-social democracy. For Eric Shaw the Blair project of party modernisation in the 1990s was about 'detachment from Labour's established values and objects and an accommodation with established institutions and modes of thought'.[2]

Blair, in 1997, had a number of objectives. He wanted to:

- Make Labour the normal party of government, that is, winning elections and governing in a way that promoted re-election.
- Improve the working of the economy in part to refute the idea that the Party did not run the economy competently and in part generate funds to make improvements to public services.
- Put Britain at the heart of the EU.
- Make Britain a major player in world affairs and act as a broker between the EU and the USA.
- Make Labour a one-nation party, appealing to all classes, rather than one appealing predominantly to the working class.
- Make Britain a fairer society (not necessarily a more equal one) by improving opportunities for all.

What was not intended but certainly occurred and forms a major part of the Blair record was also the closer relationship to the USA in foreign policy, the British involvement in wars and the curtailment of civil liberties as part of the campaign against terrorism. It is not clear that the term social democracy would cover the above and even the objective of making Britain fairer is shared across the main parties.

The starting point for any analysis of the Blair record has to acknowledge the acceptance of much of Mrs Thatcher's settlement in economic and social policy. Perhaps John Major's victory in the 1992 general election helped to entrench the Thatcher settlement by forcing Labour to accept some of the changes it had until then resisted. Blair further consolidated them after he became leader in 1994. These include privatisation and the extension of PFIs, acceptance of most of the trade union laws and a more flexible labour market, less progressive taxation, maintaining public spending as a share of GDP at around 40 per cent, extending means testing in the benefits system, regarding welfare as a pathway to

work and opportunity and, finally, presiding over the decline of what David Marquand calls the public ethos, where the values of targets, privatisation, value for money and the new public management have challenged those of public service and community in the public sector.[3] The above are difficult to reconcile with most definitions of social democracy. Compared to his predecessors, John Smith and Neil Kinnock, Blair was open about his intention to show that Labour had changed, not just since 1979 but since 1992 also, and acceptance of the Thatcherite agenda was crucial to achieving this.

It is telling that, in spite of tax credits, the minimum wage and big increases in child benefit and pensions, progress on social mobility and on greater equality have ceased. Why, therefore, have there been limits on active government and the social democratic agenda? Why has the record of the government since 1997 paled in comparison with that of, say, 1945–50? After all, the Blair Governments had record parliamentary majorities, faced a feeble and divided opposition, had a sympathetic media for the first five years or so, and enjoyed two full terms in office. Previous Labour governments lacked an overall parliamentary majority or were faced by an economic crisis or were in office only for a short time, and often all three.

The Blair record suggests that there have been several constraints which advocates of active government need to come to terms with. They include:

1. The hollowed-out state. A result of privatisation, Bank of England independence, devolution, membership of the EU and the greater impact of global institutions and forces (see below) is that the state has fewer levers to direct society, social and economic change. The levers are fewer compared to 1945 or appear to be less effective.
2. Deficiencies in the state or, in John Reid's immortal words about the Home Office, its departments and agencies are not 'fit for purpose'. The New Right critique of the state and its agencies as a deliverer of services – because of a lack of commercial discipline, weakness of competition, over-bureaucratisation and a heavily unionised public sector – are well known. Since 1997 the Labour Government, perhaps as an acknowledgement, has provided a cornucopia for management consultants and new public management gurus and brought in business to fund city academies and private providers in the NHS. Yet the list of failures is long – the Child Support Agency, Tax Credits, school truancy, immigration controls etc. Some of these failures have been unanticipated side-effects of measures, or because of a lack of

joined-up-government. Successive Audit Commission reports have laid bare the deficiencies. Growing awareness of deficiencies led Blair and Brown to turn to the private sector and the PFI and a regime of targets. But Paul Ormerod has argued that the failures are in large part a result of over-centralisation, policy-makers' excessive optimism and top-down decision making.[4] A generation ago the Wilson Government drew up a National Plan for the economy and governments were confident that they possessed the policy instruments to deliver stable prices and full employment. The old Fabian confidence that if the right hands (theirs) were on the levers of power all would be well had been replaced by a growing sense that ministers, particularly in governments of the left, have to learn the limits of central control. This is a challenge to traditional ideas of social democracy in Britain.

3. Electoral calculations. The decline in size of the working class and trade unions has meant that Labour's traditional electoral base has shrunk. The Party has deliberately reached out to new groups, crudely called Middle England. A seminal text for New Labour was *Southern Discomfort*, the study of non-Labour voters in south-eastern marginal seats after the 1992 election.[5] These showed that voters mistrusted Labour because of trade union power, perceived weakness on crime and worries over taxation. In future, the Party's focus groups would target these voters, that is, 'weak' or non-Labour voters in Tory-held marginals prompted a more socially and economic conservative agenda. Campaigning was left to professionals from public relations companies. This was all part of a larger transformation to what has been called a more electoral-professional party.[6]
4. Social change. In recent decades social-class lines seem to have hardened; the middle class appears to be managing to maintain its advantages for its offspring while an underclass perpetuates itself. The Conservative education spokesman David Willetts recognised this when he restated his party's policy of not creating more Grammar Schools, arguing that academic selection was no longer the engine of social mobility it had been because of the emergence of an underclass.
5. Globalisation as a result of more liberal financial markets and the mobility of highly skilled entrepreneurs. In its 1997 election manifesto Labour accepted that Britain had to adapt to an international market and asserted 'we accept the global economy as a reality and reject isolationism'.[7] The new Clause IV of the Party constitution not only replaces the old blanket commitment to public ownership but also declares New Labour's acceptance of markets and competition. An additional constraint on active government is the EU and its drive to

> the liberalisation of the internal market. In economic policy, national governments are more prudent and concerned to observe constraints in the form of allowing the independent monetary committee of the Bank of England to set interest rates, pursue a low inflation target and low borrowing limits. Keynesianism in one country is no longer possible. Risky economic policies may lead to a flight of capital, less investment and currency pressures. But Keynesianism was important in justifying an active role for the state and enabling social democrats to show they could manage capitalism.

The above may be too determinist. Electoral strategy and globalisation do challenge the party of the left following its traditional goals of redistribution and directing industry. But within these constraints there remains a degree of choice. And advocates of an active state can point to new challenges of climate change and the environment, dealing with market failures (e.g. the credit crunch) and restoring the infrastructure as tasks for government. Social democracy may have to reinvent itself. After all, this is what Blair and Brown were doing before 1997.

One possible path might be in the direction of more devolution to local government and tolerance of more diversity in policy outcomes, as Simon Jenkins and Paul Ormerod advocate. 'Letting go' has happened in Scotland, Wales and, more modestly, in London. But Blair, in *The Third Way* (1998), claimed that the aim of social democracy was the promotion of 'social justice with the state as its main agent' and, by implication, equal provision of services. The Blair–Brown talk of decentralisation – although it followed years of tighter controls on local government – would, as Bogdanor notes, 'be likely, if carried out, to increase geographical inequalities in England, not to mitigate them. It therefore runs counter to social democracy as traditionally understood.'[8] But states like Sweden and Denmark, with leftist governments, have been willing to trade some diversity in outcome as an acceptable consequence of greater localism.[9]

Much of the New Labour agenda has until late 2008 been accepted by the Cameron Conservatives – the constitutional changes, Bank of England independence, minimum wage, spending on key public services ahead of tax cuts and variable tuition fees in higher education. But how much of this is social democracy, as generally understood? And how successful has Labour been in reshaping public opinion in the past decade? John Curtice has noted how public opinion has moved to the right over the past decade and there has been a decline in the proportion of voters giving 'left-of-centre' responses on questions about the level of benefits

and support for income redistribution. He states: ‘it appears that during Blair’s tenure in office, Britain changed from being a predominantly left-of-centre country to a majority right-of-centre one’.[10] The shift was most marked among Labour supporters and probably a response to Labour’s repositioning of itself to the centre and appealing to the middle class and southern England, in other words, Labour’s opinion leadership. The Fabian Sunder Katwala reflects: ‘the test of a progressive party is how it can, over time, shift the terms of political trade, addressing … issues (of strong public concern) in a way which creates a hearing for its broader argument’. For Katwala winning the bigger argument is about inequality and it is done not just in an election campaign but ‘it depends on government making inequality an issue over a broader period’.[11] Our verdict is that a pale version of social democracy emerges from a decade of Blair.

3
Jonathan Tonge

Assessing the ideological and policy impacts of Tony Blair is difficult, given the lack of time that has elapsed since his premiership, the ongoing outworking of the Blairite policy agenda and the apparent lack of desire of the former Labour leader to associate his name with an 'ism'. The rejection of a firm 'ism' may be construed as indication of the solidity of Blair's social democratic credentials. Social democracy has always lacked the precision of ideological 'isms', instead amounting to a progressive reconciliation of neoliberalism with strong welfare and social agendas, the combination of which are designed to facilitate equality of opportunity not outcome. From his election as Labour leader in 1994 until his departure as Prime Minister in 2007, Blair repudiated the old capital versus labour, neoliberal versus state control, politics in favour of a less distinguishable ideological approach which favoured neither 'side'. Blair's valedictory 2007 speech in his Sedgefield constituency encapsulated his centrist approach, as he claimed of the 'old' politics of public spending versus low taxation and of liberalism versus statism: 'None of it made sense to me.'[1] Given this, the question begged is whether Blairism, if the term can legitimately be used, amounts to merely a pick-and-mix of the supposed best of neoliberalism and statism, or whether it represents a new, distinct form of social democratic thought, offering a novel fusion of market and state. Allied to other forms of modernisation such as constitutional reform did Blairite social democracy yield an innovative and radical policy agenda?

'Blairism' assessed

Blair's personal rejection of what he regarded as dogma has not halted the remorseless academic attempts to label 'Blairism'. Some see Blair's

New Labour as essentially Thatcherite neoliberalism, albeit with a more human face, and as such a major departure from 'Old' Labour traditions, values and policies.[2] Other assessments ascribe slightly less ideological significance to Blair's adaptation of Labour values to a modern setting, arguing that New Labour was, variously, a complex modernising accommodation with processes of globalisation;[3] a Keynesian rebirth,[4] or a social democratic revival after a rude neoliberal interruption.[5] Political historians suggest that the distinction between Old and New Labour has never been clear-cut, given Labour's ideological or policy shifts in previous decades and that New Labour was a necessary marketing device designed to obliterate the electorate's memory of previous Labour internal strife.[6] Those who have sought to infuse Blair's Labour leadership with a deeper ideological significance have located ideological development within the notion of a 'Third Way'. Insofar as the Third Way could be identified as a distinct entity, the concept lay in the repudiation of rampant neoliberal individualism and rejection of blanket state absorption for all social and welfare issues, in favour of a marriage of individual responsibility to communal values.[7] A significant driver behind such a social-political outlook tended to be ignored until more recent accounts of Blair's inspirations, namely, his religious beliefs, which have become more overtly discussed only since his departure from office.[8]

Whether the Third Way has ever risen above the vaguely aspirational to a tangible, definable guide to policy remains questionable. The antecedents of Blair's approach may lie more in the fusion of market economics with extended social provision and support for modes of collective consumption evident years earlier in David Owen's aspiration for a social market.[9] While it might have been assumed that Owenite ideas died with the demise of the Social Democratic Party, they arguably provided a basis for Blair's attempted reconciliation of liberalism with social democracy.[10] For the Conservative opposition, however, Blair's social democracy was essentially statist democracy. While the Conservatives concede that Labour's 'provision-theory accepts the free market as the engine of economic growth', they argue that New Labour still 'see the central state as the only possible guarantor of well-being through direction and control'.[11] On this reading, Blair advanced social democracy by conceding victory to capital over labour in terms of the economy, but declined to recognise the equal validity of market-based solutions in terms of social provision.[12]

Given the lack of clarity over the Blairite ideological vision, it is unsurprising that few academics impugn Blair's landslide election victory in 1997 with the significance accorded to Attlee's 1945 Labour victory or

Thatcher's 1979 Conservative triumph. YouGov's 2005 survey of Politics academics found that 85 per cent of respondents viewed either the 1945 and 1979 contests as the most important post-war elections, compared to a mere 5 per cent lending such a perception to Labour's 1997 triumph. There are significant differences between political scientists (favourable, at fifth-best post-war Prime Minister) and historians (less impressed, ranking Blair a mere tenth) in terms of Blair's legacy rating, possibly reflecting longer-term reflections among the latter which see New Labour as less 'new' and more a modern outworking of Crosland's 1950s revisionism.[13] Political scientists may have been more impressed by the constitutional and political achievements of the Blair Governments. It is surely the creation of devolved governments in Scotland, Wales and Northern Ireland and the achievement of peace in the lattermost country that will prove Blair's most enduring legacies.

Devolution, Blairism and social democracy

Devolution was not Blair's only significant constitutional reform. The abolition of most hereditary peerages, for example, provided an example of New Labour's willingness to confront a transparently undemocratic status quo which had survived for a prolonged period through a combination of a lack of political will and inertia. However, devolved government for the nations of the United Kingdom represented a far more substantial and risky project.

Devolution was hardly a Blairite policy, being virtually the only 'Old Labour' policy inheritance from the 1970s to survive the modernising Labour purges of the 1990s. Indeed, Blair's commitment to devolution appeared lukewarm. Rather than herald the policy as a fundamental, necessary repairing of the disjuncture between nation and state, or as a radical reappraisal of the relationship between government and governed within a wider project of constitutional reform, Blair adopted a more defensive posture. True, devolution was associated with democratic modernisation, but Blair's nervousness was indicated by his desire for the introduction of a second referendum question (insisted upon by him and presented as a fait accompli to Scottish Labour) on whether the Scottish Parliament would accrue tax-varying powers.[14] Moreover, Blair's comment that the tax-varying power was akin to that afforded to a 'parish council' appeared to highlight a lack of faith in strong fiscal devolution.[15] Equally, Blair's early efforts to ensure that 'his' First Minister, Alun Michael, headed the devolved administration in Wales indicated a nervousness of the implications of the project. Devolution

was sometimes portrayed in somewhat negative terms as a means of shoring the Union, a device to ward off the nationalist upsurge, rather than as a positive political reform undertaken for the common good.

Whatever its origins in Labour's calculation of the SNP threat, devolution nonetheless became associated with New Labour's reformist agenda, an old policy wrapped in a cloak of 'New Labour, New Britain'. The creation of multi-level governance and modernisation of a strained union state represented an important departure for Labour's social democratic vision, which hitherto had been suspicious of diversion from economic programmes. As Wright and Gamble contend, 'one key area where social democracy has much to offer, as well as much to reflect upon, is the constitutional arrangements for governance, at the level both of organisation and of political systems. In the past this has been largely neglected'.[16] Labour's introduction of devolution was perhaps the most far-reaching redress of this neglect since the creation of the Party. It was not reducible to mere electoral expediency, not least because the subsequent rise, rather than sating, of the Scottish National Party within the Scottish Parliament was entirely predictable. The closing of the gap between electorate and rulers introduced via devolution has facilitated significant further changes, including the reform of local government and variation in electoral systems. Furthermore, healthy access to decision-makers in the devolved nations of the UK has contributed to the bolstering of civil society. Asymmetrical devolution, reflecting local circumstance and the strength of nationalism in each country, has produced a consensus in each over the desirability of devolved government, although caution among Labour leaders has meant that the further transfer of powers has been slow to arrive.[17]

Blair's other major legacy, the arrival of peace in Northern Ireland, can be regarded as a considerable achievement, given that the project had defeated previous British Prime Ministers. Here, the religious underpinnings of Blair's approach to politics were again evident in his retrospective insistence that he 'always felt it [Northern Ireland] could be solved ... it seemed so out-of-date ... this dispute between Protestants and Catholics'.[18] While this overstated the religious essence of a territorial dispute, the conflict did appear increasingly anachronistic and futile, with the IRA and its political associates within Sinn Fein unable to achieve a united Ireland by a combination of 'armalite and ballot box' and the British security forces unable to achieve an outright military defeat of Irish republicans. Whatever the asymmetry of forces, with the British clearly holding the upper hand, huge IRA bombings in London and Manchester in the year before Blair became Prime Minister

indicated that a political process which attempted to exclude Sinn Fein was doomed to failure.

Blair's achievement was far less in creating peace per se, given that the IRA was already seeking to exit from its unwinnable campaign, than in displaying the pragmatism and persistence required to sustain political progress, culminating in the far-reaching consociational power-sharing deal headed by the Democratic Unionist Party and Sinn Fein in 2007. The pragmatism included downgrading the requirement for upfront decommissioning of paramilitary weapons. The persistence involved painstaking negotiations and difficult compromises designed to secure a durable political settlement.[19] Blair's success owed much to his predecessor, John Major, the weariness of Irish republicans and a changing global context. Moreover, Blair's triumph did not yield a politics designed on social democratic norms in terms of either institutional or economic organisation.[20] Northern Ireland's association of political elites is bereft of a normal system of majority government and minority opposition. Nonetheless, Blair's rejection of any prospect of a return to unionist majoritarian government and his explicit acknowledgement of the previous injustices endured by nationalists facilitated progress. New Labour's promotion of devolution for Scotland and Wales also ensured that full integration of Northern Ireland into the United Kingdom was no longer a realistic option within a restructured collection of nations.

Conclusion

Any assessment of Blair's contribution to social democracy needs to go beyond the economic reductionism entailed in analyses grounded in whether New Labour was essentially neoliberal or statist in outlook. For those wishing to downplay the lasting significance of Blairism as an ideology, the location of his main legacies, those of devolution and Northern Ireland, outside the socio-economic sphere, merely confirms the lack of ideological distinctiveness of New Labour. Moreover, neither of arguably Blair's two most significant successes can be said to be Blairite policies: devolution was an Old Labour inheritance and Northern Ireland was located in the in-tray of 'gifts' from the outgoing Conservative Government in 1997. Nonetheless, New Labour's constitutional reform agenda, which embraced devolved government far more comfortably than its 1970s predecessor, did fundamentally alter the relationship between government and the governed. Devolution acted as a rejoinder to those associating New Labour with encroaching centralisation of

power and its evolutionary processes are likely to ensure further diminution of Westminster authority, if not sovereignty. The introduction of devolution was an indication of how social democratic governments can broaden their political agenda to embrace constitutional reform; in this respect, Blair was not an architect of social democratic advancement, but he led its implementation.

Beyond constitutional reform, Blairism represented an updated version of ideas concerning the social market, even if the desired Blairite version was more market than social. New Labour did engage in more redistributive measures than is sometimes assumed by those critics who see the project as largely undiluted Thatcherism. The introduction of the minimum wage, the £5 billion 'windfall' tax on public utilities, reduced taxation rates for the lower-paid and a clear acceptance of state responsibility for levels of employment and unemployment amounted to a social agenda different from that offered by neoliberal Conservative governments for the previous years. This social agenda was accompanied by considerable state direction and intervention, most notably in the education arena, although such central direction was in evidence from the late 1980s, before the advent of New Labour. It was in the later Blair years in office that the emphasis switched more sharply from social agendas towards a desire – largely unfulfilled, not least due to a distracting entanglement in foreign policy difficulties – to make public institutions more receptive to market forces.

4
Response

Alan Finlayson

When future historians come to assess the administrations of Tony Blair they will surely do so with reference to the traumas of New Labour under Gordon Brown. And perhaps they will ask themselves if Blair's departure was a cause of that collapse or just a symptom of a decline that was well under way.

It is easy to see the potential merit of the former case. Blair can be imagined as the skilful leader, managing his party, mesmerising the media and charming the public. Brown can then be cast as the more traditional Labour leader, clumsily and charmlessly taking the Party down with him. But such an answer neglects the longer story told by Jon Tonge, Dennis Kavanagh and myself in the essays collected here. Each describes different elements of the weakness that underlay and undermined New Labour. I think these weaknesses can be summed up as 'constitutional' and 'ethical' in the broadest sense of these terms, and as they pertain to the overall conception of government that animated New Labour in power.

As Jon Tonge points out, devolution and reform of the House of Lords were significant New Labour achievements. But, as he also points out, they were not particular to New Labour, and Blair himself was 'lukewarm' about them. Also, of course, they were not completed. New Labour failed to resolve the relationship of central to local government in England and stalled Lords reform at a point convenient to an essentially oligarchic government. New Labour expanded the range of actors involved in governance (think-tanks, seconded advisors, private 'partners') but increased the distance between this 'core executive' and the *demos* from which it ought to derive purpose and authority. Despite much talk about citizenship and the creation of a society of volunteers New Labour presided over continued decline in political participation and added to the disaffection

with government that characterises our political culture. Often an unfair cynical media, or the idleness of citizens themselves, are blamed for this. But the centralised elitist culture of Westminster politics is the primary culprit. The 'deficiencies of the state' and the failures of so many of its parts, listed starkly by Kavanagh, are the result. Government cannot address social problems if it does not involve society. This is a constitutional matter in the fullest sense but new Labour showed little grasp of it.

As Kavanagh also points out, the Government willingly accepted constraints upon itself. Significantly most of these were of its own invention either as policies (such as independence for the Bank of England) or as a rhetoric of government incompetence and market virility to which the Government has held firm even in the face of the collapse in banking and finance that began with the sub-prime mortgage crisis in 2007. Limiting the extent to which it considered its own actions legitimate Blair's New Labour also, as Kavanagh notes, did not consider social justice a priority. Tonge agrees noting that an evident interest in redistribution towards education (which, as I indicate in my essay, is primarily motivated by the desire to create 'the people of the knowledge economy') was soon replaced by an emphasis on marketising public services. A social democratic party with little interest in either democracy or social justice, and eager to encourage rather than manage commodification, New Labour lacked, at the centre, a governing ethos. And it therefore could not share with the country at large an ethos that might have sustained the party through hard times.

New Labour was held together by Blair's personal ethos and commitment to winning and holding power, and by that of his opponents in the party who were bonded by their dislike of him. When Blair left there was nothing to hold it together and Brown proved incapable of cultivating an overall conception of the purpose of his government, his party or himself. But both that departure and the subsequent collapse – although precipitated by vaciliation over whether or not to hold a snap election – were indicative of the prior intellectual, political, constitutional and ethical weakness of the Blair project.

In the future New Labour's legacy will, and here I echo Tonge, indeed be the way in which the nations of the United Kingdom pursue their own political paths. These will, certainly in Wales and probably in Scotland, be markedly more social democratic than anything Blair and Brown might have proposed. The question then is whether or not social democracy will continue to exist at all in England. The answer the future historians will give to that question depends on the choices English citizens and their politicians make in the present.

5
Response

Dennis Kavanagh

All three papers hedge their bets on the question whether Blair advanced social democracy. No clear-cut answer emerges from the papers. In part this is due to the slippery concept of social democracy and the nature of Mr Blair. The pragmatic Mr Blair delivered some programmes for the social democrats and something for the neoliberals. The Third Way was about combining the benefits of statism and collective choice with those of the market. It will not bother him that his legacy is invoked as well as attacked by both social democrats and neoliberals.

Tonge cautions us that the full consequences of the Blair programme may not yet be fully visible. Already Gordon Brown's once much-lauded stewardship of the economy as Chancellor of the Exchequer is being revised. But some features are already clear. We know what Blairism was not: neither pure statism nor pure neoliberalism. He often caricatured these as the First and the Third Ways respectively before celebrating the wisdom of his Third Way synthesis. He was always an 'and' rather than an 'either-or' person, preferring to combine what to conventional thinking were opposites, for example, social justice and economic enterprise, or greater equality and incentives for meritocracy.

Tonge is probably correct to suggest that constitutional reform will in the near future be an important part of the Blair legacy. The qualification matters because the programme is so incomplete and Blair showed so little interest in consolidating it. Except for Northern Ireland he did not engage with constitutional change; the agenda was largely inherited from the Liberals/Liberal Democrats and John Smith. Devolution was a case of 'yes but' – for example, the limited financial autonomy for Scotland – as well as partisan calculation – for example, introducing proportional representation (PR) to dish the Scottish Nationalists and allowing Scotland to retain its disproportionate number of Westminster

seats to Labour's benefit. Reform of the House of Lords has resulted in a virtually appointed chamber and one, thanks to Blair's lavish use of patronage, in which Labour is now the largest party.

I am not persuaded that the constitutional changes have much to do with any reading of social democracy. But the irony is that the Scottish and Welsh administrations have been more social democratic or less market-oriented in health and education than Labour at Westminster.

I agree with Finlayson's contention that the Third Way worked better as an electoral strategy than as a programme for government. There was always an economistic thrust (often from Brown) to the welfare reforms and even to education. The rhetoric of economic efficiency, value for money and competing in the global marketplace were never far away. The emphasis in the later years on personalisation and choice in the public services is difficult to square with the values of universalism.

Consideration of Gordon Brown's record is the outstanding gap in the papers. He was seen by admirers as providing the social democratic element in the Blair–Brown duopoly. But he was also the driving force behind the rigorous means-testing of benefits and extending privatisation, including the London Underground and the PFI. I am not suggesting that Brown was a break on Blair's weak socialist instincts but note that Brown shaped much of Blair's social and economic policy.

Blair shifted the Conservatives away from the comfort zone they occupied before Cameron. Cameron may have outflanked Labour when he strikes a One Nation and 'civic conservative' note with his emphasis on the broken society, some of whose ills can be traced to the excesses of consumerism and lack of community. What is implied, at the least, is that the dynamics of the market and globalisation are socially disruptive. Before 1997 Blair spoke eloquently about personal responsibility and the importance of community.

Traditionally, social democracy was about means (e.g. public ownership, trade union rights, high public spending, one-size-fits-all services and benefits) as much as ends (and criticised on those grounds by Crosland). Blair's boldness was in ditching many of the means and even some of the ends.

6
Response

Jonathan Tonge

The contributions of Kavanagh and Finlayson highlight how the various inputs to Blairism make it a difficult 'ideology' to define. Helpfully, both authors demonstrate two points essential to any understanding of the complex relationship between Blair and social democracy. First, Blairism was concerned with making the Labour Party a natural party of government, rather than an ideologically obsessed glorified debating society. Pragmatism and electoralism were thus the two 'isms' that mattered most, designed to overcome Labour's historically justified fear of failure at the polls. Second, Blairism was a response to the perceived failings of social democracy – too statist, too concerned with the division of goods rather than their creation and insufficiently pro-market.

Blair was nonetheless anxious to retain the positive aspects of social democracy (social justice and equality of opportunity). He used unprecedented levels of state intervention (e.g. regulation, targets, micro-management) in attempting to promote equal opportunity and access in arenas such as education and healthcare, while simultaneously attempting the 'modernisation' of public services. Used in isolation, the term modernisation is vacuous; it is difficult to conceive of a party promoting the antiquation of public services. Used as a New Labour mantra, the term emphasised the reformist nature of Blairism. Finlayson speaks of 'state withdrawal from the provision of services, or their subordination to market practices' under Blair; modernisation was indeed used as a cover for this. Nonetheless, tentative introductions of market practices were more common than full state withdrawal, which was rare. Universal services, such as education and healthcare, were not amenable to full marketisation; nor, crucially, was privatisation desired by the electorate. This was not the 1980s.

Antipathy to statism was confined to the economic sphere, where, as Finlayson argues, Blairism was neoliberal in sympathy and implementation. Importantly, the same author recognises Blair's early acceptance of economic globalisation as irreversible. In hindsight, this might be seen as self-evident, but it is worth recalling that only a decade before Blair's election as leader, his Party had presented a bizarre, garrison-state refusal to recognise the omnipotence of global economic competition to the electorate. Such were the cringeworthy and catastrophic nature of aspects of Old Labour to Blair that, as Kavanagh observes, Blair felt he had to be open about the nature of his project to his Party, unlike Kinnock or even Smith.

In assessing Blair's legacy, Kavanagh correctly notes that much of Labour's agenda has been accepted by the Conservatives. Does this mean, therefore, that we are all social democrats now? Not really. Cameronian Conservatism may be a thing of the centre, a legacy of the electoral miseries heaped upon earlier versions of conservatism under the Blair years, but it does represent something different. Finlayson describes this correctly in identifying how Cameron is attempting to distinguish the 'socially interventionist community' (good) from the 'socially interventionist state' (not good). In other words, Cameron's vision of 'social democracy' is one in which the state is mainly passive in the economic *and* social spheres. This might not be that far removed from the communitarianism perhaps favoured by Blair, who, as Prime Minister and leader of a left-of-centre party, felt obliged to use the state to promote social justice. We now wait to see if a predominantly Etonian Cameron cabinet can promote non-statist social communitarianism as the new social democracy, designed to repair a 'broken society', without it appearing a thinly veneered return of organic society paternalism.

Part II
Labour after Blair

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7
Assessing the Impact of the Third Way[1]

Judi Atkins

Tony Blair's election to the leadership of the Labour Party in 1994 consolidated the process of reform begun by Neil Kinnock in the 1980s and continued by John Smith. These reforms targeted both the organisational structure of the Party and its ideological platform, with the ultimate aim of making Labour electable again.[2] The key structural changes were Kinnock's expulsion of the Bennite hard left from the Party, the replacement of the trades unions' block vote with the 'one member, one vote' system, which Smith accomplished in 1993, and the rewriting of Clause IV of the Party Constitution under Blair. In terms of ideology, Kinnock initiated a 'gradual transition from state socialism to a variant of European social democracy', which purged Labour of its traditional socialist commitments to central economic planning and public ownership and led to a reassessment of key revisionist ideas.[3] This process continued during Smith's leadership and gained momentum under Blair, culminating in the rebranding of the Party as 'New' Labour.

Alongside these internal changes, Labour had to come to terms with the economic and social legacy of Thatcherism. In the economic sphere, the Thatcher Government replaced Keynesianism with economic liberalism and the strong – though minimal – state, while in social terms it sought to create a society populated by self-reliant individuals underpinned by an authoritarian approach to law and order.[4] These changes fundamentally altered the political landscape and resulted in a deeply divided society, in which the richest fifth of the UK's population had become wealthier since 1979, while the underclass, consisting of 'people on low incomes, and of people dependent on state benefits', had mushroomed.[5] To confront these challenges, New Labour offered a 'Third Way' between the neo-conservatism of the Thatcher and Major Governments and the state socialism espoused by 'Old' Labour. More

specifically, it sought to temper free-market capitalism with social justice, while attempting to avoid an 'excessive domination of the state over social and economic life'.[6] This approach, it was claimed, would also enable New Labour to meet the challenges of globalisation – which include changes in employment patterns and in family life – and thus to succeed where the Old Left and Thatcherism had failed. For Blair, 'active government' was required to equip individuals, businesses and communities to cope with these changes and, to this end, new modes of delivering Labour's core values had to be found.[7]

The aim of this chapter is to consider the ways in which the Third Way offers the Labour Party novel means of realising its traditional values. The first section summarises the main assumptions of the Third Way and examines the relationship between them. In so doing, it highlights the similarities and differences between the Third Way and (1) Old Labour and (2) the New Right, and shows that the Third Way is a distinctive ideological position. The second section considers the ways in which the Third Way offers Labour new means of realising two of its main values, namely, equality and community. Here, it is important to note that the former notion prioritises equality of opportunity over equality of outcomes, and that 'community' has superseded 'society' as a core ideological concept. The section draws on two cases, namely, the 'New Deals', which are intended to promote equality of opportunity through welfare-to-work and are supported by redistributive measures to 'make work pay', and the 'Respect Agenda', which is New Labour's campaign to tackle social exclusion and promote its vision of a community in which every citizen has a stake. It is shown that the Third Way has had a significant impact on Labour, and its commitment to 'active government' affords the Party new modes of achieving old ends.

The main assumptions of the Third Way

The Third Way seeks to promote and reconcile four values, which it sees as fundamental to its goal of creating a just society. They are equal worth, opportunity for all, community and responsibility, and I shall outline them in turn. Social justice is based on the assumption that each individual is of equal worth, regardless of such contingencies as their 'race', background and abilities. In Blair's words, 'common humanity demands that everyone be given a platform on which to stand'.[8] The principle of equal worth is given content by people's 'capacity for autonomous self-development',[9] and in turn provides the moral basis of the concept of equality of opportunity. If all individuals matter the same, it follows

that society should offer each of them the widest possible range of opportunities to fulfil their potential and increase their earning power. Equal worth, and its concomitant notions of fairness and justice, also underpin New Labour's core concept of responsibility, which, as we shall see below, is a prerequisite for a strong, inclusive community.

According to Brown, 'the essence of equality is equality of opportunity', and government has a fundamental responsibility to pursue this objective.[10] Brown's liberal conception of equality represents a departure from the ideology of Old Labour, in which the notion of equality was linked primarily to 'equality of outcome and to a determination to eradicate significant inequalities of income and wealth through redistributive measures',[11] with equality of opportunity playing a secondary role. New Labour, meanwhile, reverses this ordering and identifies a lack of opportunity and skills as the root causes of inequality and poverty. It proposes to ameliorate them through policies designed to create educational and employment opportunities for all, which in turn aim to promote human capital and enhance Britain's ability to compete in the global economy. For Blair, true equality lies in providing each individual with the education they need if they are to fulfil their potential.[12] This is an ongoing process, and New Labour pledged to give people the opportunity to learn and acquire new skills throughout their lives. It also offers people financial incentives, such as training grants and tax credits, to accept the opportunities offered to them and, in so doing, enacts redistributive policies. The social democratic notion of equality can thus be seen as a two-sided concept, with Old and New Labour accepting both of its constituent components – namely, equality of opportunity and equality of outcome – but assigning to them different weightings.[13]

While the notion of 'community' is a core concept in the Third Way, it has not figured prominently in recent British left discourse. Nonetheless, the concept of community was important historically, so we can say that New Labour has brought it back into the core of British socialism. The Third Way conception of community is based on the assumption that human nature is 'cooperative as well as competitive, selfless as well as self-interested', and the concomitant claim that society would be unable to function if humans were otherwise.[14] For Blair, human independence is impossible without collective goods, and the richness – or otherwise – of our lives is affected by the communities to which we belong. This constitutive notion of community underpins Blair's pledge to ensure that 'the country works for the good of everybody, and everybody works for the good of the country'.[15] We can say, therefore, that New Labour views community as a moral concept because it feels a responsibility to include

people within the community and implements policies to this end. In contrast, a core concept of Old Labour's ideology is society. This is a structural concept and the Party attempted to realise its goal of greater equality primarily through such economic measures as public ownership or fiscal policy, though some thinkers advocate a combination of redistribution and initiatives to tackle social inequalities as the best means of promoting this objective.[16]

The value of responsibility finds expression in the primary precept of Third Way politics, which states 'no rights without responsibilities'.[17] Giddens argues that those individuals or groups who benefit from social goods should 'use them responsibly, and give something back to the wider social community in return'.[18] Likewise, government has a range of responsibilities toward its citizens – which include the protection of the most vulnerable members of society. In accordance with the Third Way commitment to equal worth, this precept is applicable to all, whether they are rich or poor, a politician or a citizen, a business corporation or a private individual.[19] After all, Blair says, 'the rights we enjoy reflect the duties we owe: rights and opportunity without responsibility are the engines of selfishness and greed'.[20] This statement suggests that duty is assigned a higher status than rights in New Labour's system of values, with people being given rights so that they can perform their duties.[21] In practice, the precise nature of these duties was relatively undefined, with the exception of the duty of each individual to be self-reliant.[22] The notions of self-reliance and personal responsibility are taken from the New Right and, as we shall see in the next section, New Labour seeks to realise its vision for society by inculcating these qualities in every citizen.

Blair believes that a strong community is characterised by shared principles, aims and values, and that it provides the conditions in which individuals can flourish.[23] It also depends on an acknowledgement of the duties and rights of citizenship, which include the obligation to obey the law and pay taxes, and the duty to teach children to be responsible, competent members of society. The process of instilling society's values in children begins in the family. It is here, Blair claims, that we learn to 'negotiate the boundaries of acceptable conduct and to recognise that we owe responsibilities to others as well as to ourselves'.[24] For Blair, family and community are both dependent on the ideals of duty and mutual respect; indeed, the values that characterise a decent society are – to a large extent – the same as those of the family. So, he continues, 'the stronger the community, the stronger the family – and vice versa'.[25] However, this goal is attainable only through policy initiatives – notably in the

areas of education and employment – that will benefit British society as a whole. These policy areas are important because New Labour endorses the views that a good education improves an individual's prospects of finding work, and that long-term unemployment 'destroys families just as it destroys communities'.[26] Thus, employment and a stable family unit comprise the best available policies for preventing crime.[27]

For Blair, an inclusive society is one that 'imposes duties on individuals … as well as on society as a whole'.[28] These duties link to responsibilities, which, together with the rejection of the 'false choice between social and personal responsibility', form the basis of Blair's modern concept of citizenship.[29] This new notion of citizenship has a coercive dimension, which New Labour takes from the paternalism of the New Right, and is expressed in Blair's statement that, in situations where duties are neglected, 'we should not hesitate to encourage and even enforce them'.[30] A case in point is the use of home-school agreements, which New Labour introduced to promote a sense of responsibility for children's education by setting out the rights and obligations of parents and schools alike. If parents fail to fulfil their duty to ensure their children attend school, Local Education Authorities have the power to take them to court. As such, 'attendance at school is non-negotiable'.[31] The implication of New Labour's modern conception of citizenship, then, is that an individual who fails to keep his side of the contract, either by rejecting his duties or the opportunities offered to him, is deemed to have relinquished his stake in the community, and thus is described as 'socially excluded'.

'Social exclusion' is a collective term that encompasses the problems of society's 'underclass'.[32] This issue is a key concern for New Labour, who lists among its causes family breakdown, poor skills, unemployment and drug and alcohol misuse. In so doing, New Labour creates a relation of equivalence between them. These factors also contribute to anti-social behaviour, indicating that New Labour perceives a close relationship between the two phenomena. Indeed, the Respect Task Force describes anti-social behaviour as a 'major social justice issue',[33] while Blair identifies a lack of economic opportunity and job prospects as key contributors to family breakdown. In turn, an unstable family background can, he claims, 'lead to children growing up without any sense of responsibility to the society in which they live',[34] and hence without respect for other people. If we understand social exclusion as 'detachment from the moral order of society',[35] then we can view anti-social behaviour as a symptom – but not an inevitable consequence – of this disconnection.[36] This interpretation is echoed in Harvey's claim

that, for New Labour, 'exclusion was about behaviour as much as basic needs, about disaffection as much as income, and about lack of opportunities as much as about inequalities'.[37] In the next section, two policy programmes intended to address the underlying causes of social exclusion are examined. They are: the New Deals,[38] which were introduced to alleviate the financial hardship and poverty of aspiration it brings, and the 'Respect Agenda', which was designed to address the moral and behavioural aspects of exclusion.

New means of achieving old ends

After its defeat in the 1992 general election, the Labour Party faced three choices regarding welfare policy. As Purdy explains, it could continue with the market revolution that began under Thatcher and complete the changeover to a residual welfare state; enact redistributive policies in order to protect the poorer members of society; or remodel the welfare system along 'productivist' lines, supporting and – if required – compelling those it judged able to work to 'adapt to market forces, providing employers with a suitably skilled and motivated labour force and preserving social cohesion'.[39] The Party resisted the first of these options on ideological grounds and, despite its instinctive leaning toward the second, finally settled on the third. To justify this move, Blair argued that British society has changed dramatically since the inception of the welfare state, with women playing an active role in the workforce, a growing number of elderly people requiring care as well as an income, and many people being unemployed for long periods of time. Consequently, he claimed, 'we need a new settlement on welfare for a new age, where opportunity and responsibility go together'.[40] In short, Blair believed, a new relationship between welfare and work was required.

New Labour's welfare-to-work programme is based on a policy framework that consists of three strands, the first of which is active labour market policies. These initiatives, in the form of the New Deals, are intended to provide unemployed individuals with help and support that is tailored to meet their own particular needs, and thus enable them to reconnect with the job market. While government has a duty to provide real work and training opportunities, benefit claimants have in return a responsibility to take the opportunities they are offered. In cases where people refuse to accept these opportunities, the state can compel them to do so by threatening to suspend their benefit payments. The second strand, meanwhile, consists of redistributive policies designed to 'make work pay', such as the National Minimum Wage, changes to income

tax and National Insurance contributions, and Tax Credits,[41] and the third comprises initiatives to tackle the barriers that prevent people from returning to work.[42] These obstacles include discrimination, health problems, a lack of good quality, affordable childcare, and poor basic skills, and were addressed by the introduction of Jobcentre Plus.[43] This agency provides a range of services, including training, English language and basic skills courses, and access to childcare, and is intended to be flexible, work-focused and suited to the needs of each individual.

According to Brown and Darling, the New Deals accord primarily with the value of equality of opportunity.[44] New Labour claims that a key objective of the New Deals is to ensure that the labour market functions well for everyone in Britain – irrespective of where they live – and that nobody is prevented from obtaining work because, for instance, they have children to look after or they have a disability.[45] Indeed, Oppenheim identifies the 'inclusion of the economically inactive and not just those who count as officially unemployed' as a key feature of New Labour's welfare policy.[46] It is therefore clear that, for New Labour, everyone is entitled to have the opportunity to work and thus to have a stake in society, regardless of their circumstances. As such, the New Deals link the notion of equality of opportunity to the values of equal worth and social inclusion. The relationship between these values also finds expression in New Labour's policies to tackle workplace discrimination and to remove other barriers that prevent people from finding employment.

Finlayson notes that a significant development of New Labour's welfare reforms is the 'emphasis on the individualisation of service delivery, and with it the encouragement of responsibility for gearing up for the new economy'.[47] In other words, participants in the New Deals are meant to take responsibility for themselves by accepting the opportunities offered to them, in return for the personalised programme of training and support they receive. As Bevir explains, New Labour endorses the communitarian notion that work is 'a leading tutor of responsibility', and shares the view of communitarians and new institutionalists that work is the solution to poverty. Consequently, he continues, New Labour believes that the best way to address social exclusion is to actively encourage people to enter the workforce, where they will 'learn responsibility and gain self-esteem as well as becoming able to support themselves'.[48] This approach to welfare policy contains echoes of the Major Government's transformation of unemployment benefit into Jobseekers' Allowance in 1994. In Johnson's words, this benefit 'made much more explicit and formal the link between job search and receipt of benefit.

It incorporated a whole series of schemes to help with the job search process with names like "job search plus," "jobplan," "workwise" and "restart" '.[49]

The core New Labour value of mutual rights and responsibilities thus has a strong presence in the New Deals, where it is argued that government has a duty to provide participants with real opportunities for work and training, while those able to do so have the responsibility to accept these offers – or at least to stop claiming benefits.[50]

It is clear that the New Deals embody the core values of the Third Way. The principles of equal worth and equality of opportunity for all are evident in New Labour's identification of the need to tackle the barriers preventing certain groups from entering the labour market, and to make work and training opportunities available for unemployed and economically inactive individuals while ensuring that those who are unable to work are suitably protected. In arguing that each individual should be given the opportunities they need to fulfil their potential and enacting policies to realise this aim, New Labour is promoting its vision of a cohesive and just society in which every citizen has a stake and nobody is impoverished. Hence 'social justice and full employment go hand in hand'.[51] However, this objective cannot be achieved unless people acknowledge the rights and duties of citizenship. To this end, the notion of mutual rights and responsibilities also has a strong presence in New Labour's welfare reforms. While government has a duty to provide opportunities, participants in the New Deals must act responsibly and accept these offers. As Blair puts it, a 'sharper focus on individual responsibility is going hand in hand with a great improvement in the support provided by government. Responsibility from all – security and opportunity for all.'[52]

The New Deals also reflect New Labour's desire to find a middle ground between left and right, given that they combine policies on 'incentives, prevention and rehabilitation, as well as a new paternalism'.[53] With reference to incentives, New Labour utilises redistributive measures to 'make work pay', while its policies to improve the human capital of both welfare claimants and those who are in work belong to the category of prevention and rehabilitation. These policies are compatible with a 'progressive social democratic agenda on welfare reform – and … mark out a substantial role for the State in providing welfare'.[54] The influence of the left is also present in New Labour's emphasis on policies intended to invigorate those citizens who wish to work through the options of subsidised employment, training, or work experience with an environmental task force.[55] At the same time, New Labour's desire to make individuals take

responsibility for themselves, and the element of coercion in the New Deals, embody the paternalism of the New Right. These ideas also feature in the Third Way and offer New Labour a means of bringing the socially excluded back into the community through the provision of opportunities for all, and thus to realise its vision of a strong, stable community. In this way, they provide Labour with a new means of achieving its traditional value of equality.

It is important to note that, in Blair's words, New Labour favours a 'true equality: equal worth and equal opportunity, not an equality of outcome focused on incomes alone'.[56] In so doing, it departs from Old Labour's prioritisation of greater equality of outcome. As Fairclough explains, the latter conception of equality was based on the assumption that 'capitalist societies by their nature create inequalities and conflicting interests', which New Labour's goal of increased social inclusion does not acknowledge.[57] On this basis, Goes claims that 'social exclusion was presented as a replacement for egalitarian concerns' in New Labour discourse.[58] The argument of Fairclough and Goes suggests that New Labour is no longer concerned about equality, but this is not the case. Although they are correct in noting New Labour's move away from the egalitarianism of traditional socialism with its emphasis on market outcomes, they overlook the fact that social inclusion is about the promotion of equality of opportunity, which is itself an egalitarian concern. As Blair explains, social exclusion is not merely a 'matter of money. Children that are brought up in unstable or unhappy families are deprived irrespective of the wealth of the parents, as are children who are badly educated.'[59] Thus, social exclusion is a broader concept than poverty and cannot be alleviated through traditional redistributive policies alone. This is not to say that there is no role for redistribution in tackling this issue, as New Labour's use of financial incentives to encourage people to accept the opportunities they are offered has improved the absolute – though not the relative – position of the worst-off in society since 1997.[60]

Alongside the provision of opportunities, New Labour also seeks to advance its goal of social inclusion by reshaping the moral culture of Britain.[61] As Driver and Martell observe, New Labour views crime and anti-social behaviour as 'part of the pathology of poverty that corroded the civic and social fabric of communities and undermined the opportunities for individuals and families to prosper'.[62] To tackle these problems, New Labour launched the 'Respect Agenda' in 2005. This campaign built on existing anti-social behaviour legislation to combine punishment with early intervention, with the aim of instilling respect and a sense of responsibility in young offenders. In dysfunctional families where

children experience poor parenting, these values are missing. Consequently, there is an increased risk that these children will engage in anti-social behaviour,[63] and face social exclusion and a lack of economic opportunities as adults.[64] For New Labour, the damage that poor parenting causes to the wider community provides strong grounds for early intervention to support vulnerable families, and to 'stop children and young people being drawn into crime and, if they are, to halt their offending before it escalates'.[65]

The starting point in New Labour's drive to eradicate anti-social behaviour is the family. For New Labour, the family is the best environment for raising children, and – together with marriage – is the 'foundation of a strong and stable society'.[66] This is because strong families 'teach values, provide stability, offer the support that children need, and protect them physically and emotionally'.[67] New Labour draws on this commitment to argue that stable families – together with the healthy, safe communities they bring about – provide the 'essential foundation within which individual potential is realised, quality of life maximised and our social and economic wellbeing secured'.[68] In turn, this argument supplies the ideological justification for New Labour's policy of intervening in the lives of vulnerable families, given that the inculcation of society's values in their children will help to prevent anti-social behaviour and promote community cohesion and stability.

Early intervention can take a number of forms, one of which is the provision of parenting classes for parents whose children are starting to behave anti-socially. These classes support parents to 'feel confident in establishing and maintaining a sense of responsibility, decency and respect in their children' and to manage their children's behaviour.[69] Attendance at parenting classes is voluntary but, if parents fail to accept this help, they can be compelled to do so through parenting contracts and orders. Parenting contracts are 'voluntary written agreements that are used by a range of agencies to gain the cooperation of parents in relation to the supervision of their child'.[70] Meanwhile, parenting orders are court orders, which can be obtained by Youth Offending Teams (YOTs)[71] and Local Education Authorities. They are utilised to secure the cooperation of parents and frequently contain 'specific requirements to help curb the anti-social behaviour of children in their care or guardianship and to help them become better parents'.[72] While many parents wish they had been offered help at an earlier stage, some are unwilling or unable to accept this assistance.[73] By rejecting the help offered to them, these parents are said to have failed to fulfil their responsibilities, and should therefore be compelled to do so for their own good as well as that

of the community. To this end, New Labour pledged to develop intensive support schemes, which would provide an environment where a child is taught to 'develop a clear sense of responsibility for their own behaviour'.[74] One such scheme is intensive fostering, which offers an alternative to custody and, in an echo of the individualised service delivery espoused by the New Deals, involves professionals from different agencies working together to address the needs of the young person concerned. These needs may include low educational achievement, alcohol and drug misuse, and mental health issues. At the same time, parents are helped to improve their parenting skills in preparation for their child's return home.[75]

From the discussion so far, it is clear that New Labour's approach to anti-social behaviour is founded on the core Third Way values of reciprocal rights and responsibilities, and community. For New Labour, 'every citizen has the right to live their life free from fear and distress and … they in turn have a responsibility not to cause fear or distress to others'.[76] As such, each individual is responsible for their behaviour, while parents have a responsibility to set standards of behaviour for their children and ensure that they are adhered to. They are also responsible for making sure that their children go to school and are encouraged in their learning. The community has a responsibility to take action against the minority who behave anti-socially and cause misery to others, and the public services have a responsibility to 'use everything in their power to ensure our communities are safe, peaceful and prosperous'.[77] In return, central government has a duty to 'set out the framework and provide leadership, tools and resources to ensure that local agencies and communities can deliver the new approach'.[78] So, argues the Home Office, we should all take responsibility for eradicating anti-social behaviour whenever we find it, on the ground that it is only through cooperation that we will 'make a real and lasting impact on our communities'.[79] This sense of collective responsibility, together with the understanding that anti-social behaviour – in all its forms – is unacceptable, lies at the heart of the 'Respect Agenda'.

Blunkett draws on New Labour's concept of a 'something-for-something' society and asserts that our individual rights are based on our responsibilities to others.[80] He explains that a 'truly civil society', in which every citizen can flourish and play a full and active role in their local community, is founded on social order and security. It is also dependent on each individual having respect for other people's property, our shared public spaces, and the right of our neighbours to live free from harassment and fear.[81] Thus, the duties and rights of citizenship

are the prerequisites for a strong, cohesive community. If this vision for Britain is to be realised, then New Labour needs to effect a cultural change from a society in which too many people are suffering the effects of anti-social behaviour to one characterised by mutual responsibility and respect.[82] The 'Respect' campaign, with its twin aims of prevention and punishment, is intended to bring about this shift. While New Labour claimed this approach was justified because it enables individuals to become part of a strong, inclusive community, many believed it was excessively authoritarian. Coates, for instance, argues that, by 2004, the 'full weight of New Labour moralising' had been directed against the anti-social behaviour of young people. 'In 1997 New Labour came into power determined to help the poor,' he writes, 'by 2004 it was increasingly policing them as well'.[83] Indeed, Harry Fletcher, the assistant general secretary of NAPO,[84] agreed with New Labour that early intervention was vital but criticised its use of coercion, claiming that any action would succeed only if it was undertaken with the consent of the families concerned.[85]

New Labour offers a novel approach to dealing with crime and disorder that incorporates elements of Old Labour and New Right thinking. By acknowledging the social causes of crime, it brings the hitherto marginalised notion of 'society' back to the centre of public discussions about the best means of tackling criminality.[86] This notion was previously associated with Old Labour, who identified economic deprivation as a key contributor to crime. However, New Labour broadens its scope to incorporate the social factors that are linked to exclusion, such as poor educational achievement and unemployment.[87] This demonstrates New Labour's belief that economic initiatives alone cannot solve the problem of crime and anti-social behaviour, and that a broader approach is required. As we have seen, New Labour proposes tough measures to deal with young offenders, and seeks to prevent anti-social behaviour by inculcating respect and a sense of personal responsibility in young people. These initiatives draw on the ideology of the New Right, as does the view that people who fail to accept their responsibilities should be compelled to do so. For New Labour, the use of coercion is justified because, by making people aware of their responsibilities, it enables them to take up the opportunities offered to them through such schemes as the New Deals, and hence to be included within their community. By combining ideas from Old Labour and the New Right, therefore, the Third Way provides Labour with a new means of promoting its vision of a strong, stable community in which every citizen can fulfil their potential.

Conclusion

This chapter has shown that the Third Way has had a significant impact on the Labour Party. It has enabled Labour both to adapt to post-Thatcher Britain and to distance itself from its old image as the excessively statist, 'loony' left,[88] while at the same time remaining faithful to traditional socialist ideals. The means to achieving these ends have changed, however, and now express the Third Way commitment to 'active government'. As we have seen, this commitment is present in the New Deals, which are designed to give unemployed people the skills and support they need to secure a permanent job. It is equally evident in the 'Respect Agenda', which advocates intervention in vulnerable families to instil respect and a sense of personal responsibility in children, with the aim of preventing them from embarking on a life of criminality and antisocial behaviour. The high degree of consistency between the ideals of the Third Way and the policies designed to deliver them helped New Labour to create an image of integrity and competence, and thus to show the electorate that it is fit to govern. Indeed, the Party has succeeded in appealing to middle-class voters as well as to its traditional working-class base, and has secured victory in three general elections as a result. Thus, we can say that, under Blair's leadership, New Labour has successfully laid claim to the centre ground in British politics.

Gordon Brown replaced Blair as prime minister in June 2007, promising a 'new government with new priorities' which would provide 'the best of chances for everyone'.[89] This pledge embodies Brown's guiding concept of equality of opportunity, and, as such, represents a departure from Blair's approach, which was grounded in the notion of community.[90] It is important to note, however, that both of these concepts are at the core of Third Way ideology, which suggests that Brown is offering a shift in focus, as opposed to radical change. Indeed, Giddens supports this point with his prediction that although Brown is unlikely to refer directly to the Third Way, he will 'certainly follow – and further develop – the main framework of Third Way political thinking'.[91] By doing so, Giddens continues, Brown will undoubtedly have to make changes and search for new policy initiatives, but he will not abandon the 'core ideas that have shifted the political complexion of the country'.[92] In short, Brown must find new means of realising the values of the Third Way if he is to build on the successes of the Blair Government and rectify its mistakes.

An important change undertaken by Brown's Government was the closure of the Respect taskforce, which Blair viewed as central to his strategy

for tackling anti-social behaviour, and its replacement with a new youth taskforce run by the Department for Children, Schools and Families.[93] This move reflected both the concern among Brown's supporters that Blair's unrelenting focus on anti-social behaviour criminalised a generation of young people and their alternative belief that 'most young people contribute to society and would benefit from the extension of youth services, including youth clubs'.[94] In practice, there is little difference between the Brown Government's approach and the 'Respect Agenda', so any claim to novelty is purely rhetorical.

Brown was one of the main architects of the New Deals and, to date, has left this policy programme unchanged. However, the abolition of the 10p income tax band contradicts New Labour's policy of making work pay, and indeed has left over five million of Britain's poorest households worse off, with the groups who are ineligible for tax credits most seriously affected.[95] At the same time, the Brown Government made a number of concessions to its proposed annual levy on people with non-domicile tax status, in response to protests from those affected. If we take these points together with Hickson's observation that 'the higher rate on income tax – the major means of redistributing income directly – has not been raised since 1997', it is clear that New Labour has done 'little, if indeed anything, to alter the existing income inequalities', despite the redistributive impact of its fiscal policy.[96] By refusing to impose on the wealthy a duty to pay higher taxes, while at the same time assigning a number of responsibilities to the socially excluded under both the New Deals and the Respect Agenda, New Labour violates its commitment to the ideal of equal worth. After all, if each individual matters equally, it follows that nobody should be exempt from the ties of reciprocal duty that form the basis of a strong, cohesive community. New Labour needs, therefore, to do more to tackle income inequalities, while maintaining its commitment to greater equality of opportunity. This will allow it to realise its traditional ends without sacrificing its core value of equal worth.

8
What Makes Progressive Ideology? Lessons from the Third Way

Will Leggett

Anthony Giddens has suggested that had he simply called his seminal book *The Third Way* 'The Renewal of Social Democracy' instead, it would probably have been far less influential or controversial.[1] It is true that 'Third Way' was perhaps an unfortunate choice of label, leading to protracted definitional debates and making for an easy object of ridicule. However, Giddens is also right that, whatever we call it, many of the Third Way's key tenets are now widely accepted as common sense across the political spectrum, and will outlive the expression itself. After a brief recap on the Third Way's main themes, this chapter argues that academic critics and political opponents on both left and right were wrong to dismiss it as merely spin, or as a smokescreen for another (usually neoliberal) ideological agenda. Whatever one's political views on the Third Way, it should be recognised as an important analysis of the fundamental transformations of late modernity; this has profound implications for politics in general and the centre-left in particular. In view of this analysis, the Third Way seeks to recast the relationship between state and citizen in pursuit of what it sees as both economic efficiency and social justice. This attempt to graft a political project onto sociological theory raises important questions about how we should understand ideology under late modern conditions. Looking ahead, it seems that the Third Way account of the challenges facing progressive politics will outlive New Labour and – in an updated form – is set to continue to define contemporary politics. However, successful future strategies will need to be more adept than New Labour at developing a distinctive political narrative as to how they will respond to and shape change. And progressives should be warned: the colonisation of the Third Way's territory could just as easily come from the political right as well as the left.

What the Third Way was, and was not

The early 1990s saw a resurgent centre-left, inspired by the return to office of the Democrats in the USA under Bill Clinton, engage with a range of new ideas in a bid to cohere their project of modernisation. These included, for example, theories of stakeholding and communitarianism.[2] However, it was what eventually became known as the Third Way which became the closest thing to a governing philosophy for the global centre-left, led by New Labour in Britain. New Labour's election victory in 1997 was followed the next year by Giddens's theoretical and programmatic account of the Third Way and a pamphlet in which, unusually for a Prime Minister, Tony Blair directly aligned himself with the concept.[3] The Third Way defines itself in relation to two previous 'ways': the socialism and Keynesian social democracy of the Old Left (first way), and the neoliberalism of the New Right (second way). As with all such attempts at political synthesis, the Third Way seeks to maintain what it sees as positive in these traditions, while distancing itself from their negative aspects. Thus, the Third Way wants to hold on to social democracy's concern with equality of opportunity (but not of outcome), social cohesion and a role for the state in delivering both social justice and an efficient economy. However, it sees the Old Left as being overly statist, lacking innovation and neglecting individual aspiration. As such, Third Wayers embrace neoliberalism's emphasis on how markets produce economic dynamism and encourage individual responsibility. But the more extreme neoliberal critique of the state and seeking of universal market solutions are rejected: these are seen as threatening social cohesion and failing to understand the role of government. Thus, rather than advocating the top-down, command-and-control state of the Old Left, or the minimal state of neoliberalism, Third Wayers seek an *active* or *enabling* state. So in its account of the role of the state, the Third Way aims to reconcile – or even transcend – what were previously seen as political opposites. Similarly, rather than talking of economic efficiency (associated with the right) or social justice (associated with the left), it seeks economic efficiency *and* social justice. The same can be said of wanting to combine rights (from the left) *and* responsibilities (from the traditional right). It is noticeable that while Gordon Brown has taken great pains not to use the term 'Third Way', his sustained focus on how to reconcile economic efficiency and social justice, as well as rights and responsibilities, puts him squarely within Third Way territory.[4]

The period following New Labour's first election victory, and the publication of Blair's and Giddens's accounts of the Third Way, saw

considerable debate among commentators trying to define where exactly the Third Way stood in relation to left and right. Matters have not been helped by inconsistencies among Third Wayers themselves on this issue. These have ranged from claims about the project being genuinely beyond left and right, to the more orthodox view that the Third Way is simply the latest incarnation of revisionist social democracy. Criticism from the left portrays the Third Way as representing either an accommodation to – or even radical extension of – neoliberalism, but with rhetorical window-dressing to make it palatable to centre-left voters.[5] The mirror image of this critique from the right is that the Third Way is, on the contrary, a continuation of *Old Left* tendencies (particularly in terms of state interference), with rhetorical gestures towards the centre-right for electoral purposes.[6] Others have pointed to the Third Way's eclectic character, with novel *combinations* of left and right elements amounting to something genuinely new.[7] Still others have reached back to more traditional political theory in defining the Third Way, drawing parallels with the New Liberalism of the early twentieth century in its ambition to combine economic efficiency and social justice.[8]

While debates over the Third Way's relationship to left and right subjected its claims to useful scrutiny, they largely failed to engage with what makes it distinctive. What is most striking about the Third Way as an ideology is that unlike, say, socialism or neoliberalism, it is not driven primarily by normative claims about what makes the good society. Instead, the starting point of the Third Way is an *empirical* one. This takes the form of a sociological account of a radically changed world, and corresponding prescriptions for how politics in general – and the left in particular – must adapt to it: it is no coincidence that Giddens, the leading Third Way intellectual, is a sociologist.[9] The key development, evident in speeches by Bill Clinton and Blair throughout their premierships and beyond, is held to be globalisation. The free movement of capital has diminished the capacity of nation-states to manage their domestic economies in isolation, and certainly not on the old Keynesian lines. The task instead is to create conditions favourable to business investment, and to equip workers to be able to compete in the global knowledge economy. However, equally if not more important in Giddens's Third Way account are the effects of *cultural* globalisation. Increasing and rapid flows of information, facilitated by new communications technologies, force individuals to become more reflexive, that is, they must continually monitor and act upon competing sources of information. This in turn leads to a process of detraditionalisation: traditional institutions, practices and belief systems – such as the family, patterns of work and political

ideologies – become fragmented, harder to justify and lose their grip over an increasingly informed and critical public.[10] This detraditionalising pressure in turn both reflects and drives what sociologists refer to as individualisation: the casting adrift of individuals from traditionally binding social structures.[11] Defining the political character of individualisation is set to become a key battleground of contemporary politics, and is returned to below.

To the student of politics, such macro-sociological theorising may seem remote. But a sense of these processes is essential to understand the types of political claims made by the Third Way. Under the detraditionalised conditions described above, publics are sceptical of the totalising political ideologies of left and right, evidenced in the well-documented decline of class- and partisan-based voting among the electorate, the rise of consumer models of voting and post-materialist values (often around identity and lifestyle). While this presents a challenge to all political actors, the left has to confront the fact that, in increasingly complex and individualised societies, the command-and-control state is no longer viable, with all that this implies for traditional models of social democratic governance. It is in the context of these sociological arguments, then, that the Third Way's claims about the decline of left and right, its concern with supply side economics and its programme of recasting the role of the state need to be understood. However, basing a political ideology so closely upon a sociological analysis raises fundamental issues: what does the Third Way indicate about the nature of contemporary ideology per se, and what makes for successful progressive ideologies in late modernity?

What is ideology? The Third Way case

To base an ideology upon appeals to social change in the world 'out there' raises questions about the role of values and, indeed, whether there is a space for politics at all. The Third Way's strongest claims have resulted in a *sociological reductionism*, which diminishes the capacity for values and politics to shape the direction of change. The result is a politics of 'there is no alternative' of the sort that was often associated with Mrs Thatcher, although she was simultaneously regarded as a conviction politician prepared to confront inconvenient realities. In the Third Way work of Giddens, reflected in the rhetoric of New Labour politicians, 'the overall aim of third way politics should be to help citizens pilot their way through the major revolutions of our time', as detailed above.[12] This can be a *technocratic* position, in that the task of 'politicians' becomes to

discern the thrust of economic and social change, and then devise a project to meet its imperatives. Competing visions of the character and direction of change become irrelevant: there are simply correct and obsolete ways of thinking about the world. For example, Giddens's motto of 'no rights without responsibilities', adopted by New Labour, is based on the observation that 'old style social democracy … was inclined to treat rights as unconditional claims. With expanding individualism should come an extension of individual obligations.'[13] On this view, strengthening people's obligations does not come out of an a priori preference in favour of such a move as good in itself, but rather as a response to the sociological fact of expanding individualism in late modernity.

It is because of these sociologically led claims that the rhetoric of *modernisation* is so central to the Third Way and New Labour: politics becomes a battle between modernisers – who understand and seek to adapt to social change – and the rest who do not. Political objections to policy on grounds of, for example, equality or social justice, can be dismissed as being outdated. This mindset was epitomised in former German SPD leader and Blair ally Gerhard Schroeder's observation that there are 'no politically distinct economic policies, only modern and unmodern ones'.[14] Modernisation serves a number of specific functions in Third Way politics. Its most political role is to align the Third Way with a modernising 'radical centre' which marginalises – in Blair's famous phrase – the 'forces of conservatism' on both left and right who are blocking national modernisation. In addition, modernisation becomes a catch-all expression to signify the rapid social and economic change (e.g. globalisation) to which we must adapt. At the same time, modernisation is also a description of the *actions* of the Labour government itself – it is the process of dragging the country into the modern world, and is used to justify a host of often controversial reform measures. Given the range and flexibility of the concept, then, it is no wonder that political parties compete fiercely to be identified with modernisation – consider former Liberal Democrat leader Charles Kennedy's insistence that his Party was not to the left or right of New Labour but *ahead* of them, or David Cameron's attempts to appear as the real heir to Blair's modernisation programme. To be seen on the wrong side of modernisation is bad news: what politician would want to appear as being insufficiently modern?

Despite New Labour's sometime claims about a modernising politics responding to change in a manner that was beyond left and right, it soon became clear that the normative, value-driven aspect of politics hadn't simply disappeared. Much criticism of New Labour has focused on the

technocratic approach arising from its sociologically reductionist analysis. Most fundamentally, critics portrayed the Third Way as representing an anti-political politics, artificially smoothing over the inevitable ideological and material conflicts that are the basis of a democracy.[15] This was seen to lead to an arrogance and authoritarian streak in New Labour, where any kind of dissent could be dismissed as reactionary or part of the old politics. More specifically, the absence of a vision of the good society was strategically risky. When governments become bogged down, face crises or start to lose support, they need to be able to refer to a familiar set of values and a narrative which makes sense of their actions to the party, media and wider public. The absence of such a narrative partly explains the difficulty that Gordon Brown had dealing with plummeting support, from almost the outset of his premiership. New Labour simply had not developed a clear, forward-looking vision with which they could navigate a difficult climate. This came as no surprise to either Labour's 'critical friends' – who had long wished to see a bolder, more expansive strategy – or to enemies on left and right who had always seen the Third Way as vacuous and lacking conviction.

During the Blair years, Third Wayers themselves increasingly came to realise that managerial 'what-matters-is-what-works' language was failing to provide an overarching story that would cohere the project in the public mind. When someone describes themselves as 'Thatcherite' it is clear enough what they mean. But Blairite? Or the even less likely 'Third Wayer'? Giddens identified this problem as the New Labour project unfolded. In 2003 he outlined the need to 'create more *deep support* for left of centre policies ... touching an emotional chord among citizens, not just appealing to their pragmatic interests'.[16] Then, looking beyond Blair in 2007, he pointed to an 'ideological failure' in New Labour, in which the lack of a 'clear political vocabulary' has unjustly led to progressive achievements being neglected.[17] Giddens has responded to this deficit by trying to locate the Third Way more clearly in the tradition of revisionist social democracy.[18] In addition, it would be unfair to say that New Labour Third Way rhetoric completely neglected values, indeed at times it spoke of little else. Thus, interestingly from the 'old right' of the Labour Party, former Deputy Leader Roy Hattersley consistently criticised Blair, New Labour and the Third Way not for failing to have values – but for having the *wrong* values, and most notably for giving up on equality.[19] The most cited statement of Third Way values is from Blair's original pamphlet, in which he outlined 'equal worth, opportunity for all, responsibility and community', the last three of which had formed the core statement of New Democrat values prior to Clinton's

presidential run in 1992.[20] Blair's keynote vision speeches also at times adopted a strongly value-led line, and this reached full expression in his addresses on global politics: in 2006 he suggested that global conflicts come down to a stark choice over 'what are the values that govern the future of the world?' and argued that global terrorism can only be defeated by 'showing that our values are stronger, better and more just, more fair than the alternative'.[21] Where Blair seems more comfortable talking of values in foreign policy, Brown has invoked them with regard to the domestic agenda, referring to himself in his first address as Labour Leader as a 'conviction politician' guided by a 'moral compass'.[22]

However, despite general appeals to values or conviction at various times, no specific set of values or narrative has ever really stuck with New Labour in the way that, for example, 'freedom' did for the Conservatives before them. Indeed, the more that New Labour politicians and thinkers have cast around for a statement of values, the less convincing they have become. Even a cursory glance at government relaunches, media commentary and treatises on the future of Labour reveals a multitude of shifting lists of what the party's values are/should be. Thus, Giddens has suggested that while the original formula of 'opportunity, responsibility and community' remains relevant, it needs to be supplemented by 'security, identity and diversity'.[23] From the left, meanwhile, Deputy Leadership challenger Jon Cruddas called for the reclaiming of 'fraternity' and 'equality' – but then confusingly defined the latter in terms of the 'equal worth' associated with Blair's formula.[24] Other examples abound, from within and between the various shades of Labour politics.

The problem is that each time the latest list of values is presented it is as if the Party has only just discovered what it believes in. Some critics have suggested that this is because of the permanent electoral positioning and triangulation of New Labour, reflecting the logic of the Third Way. On this view, New Labour's attempt to address such a broad coalition of interests – telling right-leaning voters one thing and traditional Labour supporters another – makes consistency over core values impossible. Thus, Stuart Hall argues that 'The linguistic operation – generating a veritable flowering of Third Way waffle, double-talk, evasions and "spin", depending on which audience was being addressed – was critical to the whole [New Labour] venture.'[25] However, the problem of presenting a plausible narrative or set of values is hardly confined to Labour: similar claims of vacuity and slipperiness have attached themselves to Cameron's modernising Conservatives from the outset. It may be that precisely in the age of a more critical citizenry who are not receptive to grand ideological schemas – as recognised by Third Way

sociology – claims to 'values' will always be received with scepticism. The information-saturated public sphere, driven by rolling news coverage, is also hardly conducive to embedding a lasting, coherent narrative. It seems that the politicians themselves cannot win in this respect. They are constantly implored to be authentic, and to say what they stand for, but when they do so are dismissed as insincere, cynical or – as with Blair and his convictions over foreign policy – even messianic.

So the Third Way and New Labour have always been caught in a bind. On the one hand, appeals of the 'there is no alternative type', which invoke globalisation and other forces apparently beyond our control, have led to charges that the project is an empty vessel and doesn't believe in anything. More seriously, some critics have read this as a deliberate depoliticisation strategy, which is damaging for democracy and increases the alienation of the public from politics. On the other hand, where analysts and politicians do attempt 'the vision thing', repeated relaunches and new lists of guiding values have an arbitrary back-of-an-envelope feel, giving the impression of being either shifty (always changing what they claim to believe) or preachy. In its own way, having recourse to a non-negotiable set of values is as reductionist and anti-political as over-relying on sociological analysis is. This is most evident in politicians' desire to appear as authentic and the view that politics is above all about trust. The implied message is that the *content* of the values doesn't matter; it is enough that I hold them and believe I am doing the right thing – a rhetorical strategy adopted by Blair over Iraq. The worst of all worlds occurs when both sociological and value forms of reductionism occur together. Indeed, Alan Finlayson suggests that precisely this unholy combination came to characterise Blair's approach to governing:

> [Blair] often argues his case 'backwards'. Policy is announced and then justified by reference to the imperative of change rather than shown to derive from it in any convincing way – an argumentative failure made up for only with insistent conviction, contributing to New Labour's appearance of arrogant vacuity but in truth expressive only of the intellectual weakness at the core of the project.[26]

Beyond these extremes of sociological reductionism and the dogmatic assertion of values there is – appropriately enough – a Third Way to think about successful ideologies under late modern conditions. On this view, the art of politics is to maintain a hard-headed analysis of the social and economic context which frames political action, as the Third Way has done. But, in contrast to the more determinist forms of Third Way

analysis, these processes should not be seen as immovable facts of life, but subject to being shaped in definite political directions. It is here that the values side of the equation remains important, as it is a normative or ideological tradition which is brought to bear upon current circumstances. For example, there has been longstanding debate over whether the Conservatives are driven by 'statecraft' (adapting to the realities of governing in order to maintain power) or 'ideology'. But on the view being proposed here, this is a false dichotomy. Indeed, it was leftist critics of Thatcher who first perceived her success in *both* identifying the grain of social change (e.g. an upwardly mobile and aspirant working class) and then fusing that with a very particular form of neoliberal ideology and rhetoric ('no such thing as society'; the primacy of markets). Below, we consider where this understanding of the relationship between operating environment and ideology points to in imagining a post-New Labour politics.

All modernisers now? The Third Way beyond New Labour

With the passing of the Blair era and the wider decline of New Labour, the Third Way tends only to be referred to in the past tense. Indeed, modernisers themselves had become increasingly reluctant to use the term well before Blair's departure, preferring others such as 'progressive governance' or Giddens's 'neoprogressivism'.[27] Critics see this as confirming the shallowness of the Third Way; it was a marketing tool and vehicle for the Blairite project, and could not outlast him. However, core Third Way assumptions have become part of mainstream political common sense. Just as Thatcher claimed that the emergence of New Labour (and defeat of the old left) represented the victory of her project, the modernisation of the Conservatives under Cameron could be seen to embody the hegemony of Third Way ideas. Which of the main political parties does not now try and explicitly claim to seek to address both economic efficiency *and* social justice, or to develop an appropriate balance between rights *and* responsibilities? Familiar Third Way sociological analysis has also become common currency; the spectre of globalisation and the challenges of an increasingly individualised and diverse citizenry preoccupy all the major parties. In this sense the Third Way has created a deeper, lasting legacy in ways that have yet to be fully recognised, and which the focus on Blair's exit and Brown's shortcomings have obscured. As protagonists in the debate over Labour's future line up, however, two polarised positions are emerging, neither of which have learnt lessons from the experience of the Third Way.

The first polarised strategy comes from a traditional left position which was never comfortable with New Labour and especially Blairism. The hope is that with the demise of both there can be a return to what are imagined as 'real Labour' values which discard Third Way spin and obfuscation. The onset of economic problems from 2007 is treated as giving weight to this view, exposing the Third Way as a politics that could only work on the back of an economic boom when the really tough decisions could be deferred.[28] But such an approach tends to judge governments against a set of values which it believes exist independently of context, and therefore inevitably leads to the familiar charge of betrayal against Labour cabinets. From this perspective, all of New Labour's insights into the changing shape of society are dismissed as reflecting either pure pragmatism or neoliberal ideology. To be sure, the Third Way did emerge in easier times, and some of the more excitable talk about being beyond left and right, or abolishing the economic cycle, appears naive and hubristic, looking back from the perspective of current economic and political turmoil. But this is not to say that key Third Way insights into the deeper, changing shape of late modern societies can simply be discarded. Whatever the merits of aspects of this traditional leftist critique, it sets itself up as a sitting target for the Conservatives, their allies in the media and the ultra-Blairites within the Labour Party to dismiss as unreconstructed dogma.

The second polarised position is the more prominent one within the senior reaches of New Labour. It is associated with what we might call the hypermodernisers, such as current and former Blairite ministers and the journal *Progress*, whose only disappointment with Blair was that he did not take his modernising reforms far enough.[29] The hypermodernising perspective offers an increasingly dogmatic insistence on the need for more choice in the public services and on meeting the demands of business at all costs; the main vehicle for both is more marketisation. Interestingly, however, this insistence seems to come not from an a priori commitment to a neoliberal vision of markets and liberty. Rather, the eulogising of choice and the virtues of the private sector *derives from* precisely the reductionist, one-dimensional reading of social and economic change that was discussed above. Hypermodernisers have bought fully into the analysis that neoliberal globalisation is a force of nature to which nation-states can only adapt their economies and societies. Consequently, the complex and uneven sociological process of individualisation (which is not the same as simple self-interest) is read as consumerist possessive *individualism*, and every new policy challenge is seen through this lens.

There are two weaknesses with the hypermodernising position. The first is that, ironically, while it sees itself as being in the avant-garde of modernisation, it is in fact still fighting the political battles of the 1990s. The perspective neglects how New Labour was fairly successful (despite being famously unwilling to say so) at demonstrating the importance of well-funded public services and an active state; this is a significant achievement after a generation of politics seeking to undermine public action. At a time of great economic and geopolitical uncertainty, there is a clear sense that not only the intellectual dominance of neoliberalism but also its grip on the public imagination is waning; people are looking to government for bold, collective solutions to threats such as terrorism, climate change and global market instability. The strength of the modernisers in the early 1990s was that they claimed to be in touch with the hopes and anxieties of the electorate – but in the late 2000s they have lost this connection. Thus, contrary to the marketising zeal of the hypermodernisers, the evidence that citizens want endless choice on a consumerist model when using public services is patchy at best – they just want good services that meet their needs.[30]

The second weakness of the hypermodernising approach is that, by continuing the triangulation strategy of the 1990s and trying to colonise Conservative territory, Labour finds itself locked into a zero-sum game which it is always likely to lose. The Conservatives, if they so choose, will always be able to outbid Labour in terms of appeals to individual choice, liberty and the role of the market in delivering them. Modern Conservatism has a well-established repertoire in this respect, with which voters can easily identify. Parties of the centre-left will always be constrained in terms of this agenda because of their own traditions, supporters and how they are perceived by the media and wider electorate. After all, why vote for a Labour Party that has discovered the virtues of market-based choice when there is a competent Conservative alternative that can provide the real thing? Cameron has exploited this fact as part of his effective opposition strategy, consistently pointing to the 'nanny statism' of New Labour and playing up the Conservatives' more socially liberal traditions.

Conclusion: marketisation – where left/right still matters

In looking beyond New Labour, then, neither a strategy of harking back to an imagined real Labour, nor a hypermodernising Blairite agenda meet the criteria for a successful ideological programme identified above: one that engages with the realities of social and economic change but argues for the power of particular (social democratic) values to steer it. But in

debating post-New Labour scenarios, the Third Way's insights into the challenges facing the centre-left should be retained. A distinction can be made between Third Way theory and its New Labour variant. New Labour had a sociological analysis but used this as a way of *shutting down* discussion of different political responses. Successful political strategies beyond New Labour will continue to engage with what Giddens originally identified as 'the social revolutions of our time', and their more recent incarnations such as challenges from terrorism, climate change and migration. However, this terrain will need to be approached in politically new, distinctive and perhaps bolder ways.

In particular, this new battleground will be framed by the Third Way's insights into individualisation and its implications for governing increasingly complex societies. This is evident in the rise of the politics of individual well-being, which all parties are having to address. From the point of view of governance, policy must increasingly be conducted through changing the attitudes and behaviours of individuals themselves by, for example, persuading them to adopt healthier lifestyles. However, contrary to 'there is no alternative' forms of reasoning or the view that because the parties are converging around these types of issues 'they are all the same', a clear left/right division remains: this concenrs the place of the *market* in determining the character of individualisation and political responses to it.

Cameron's Conservatives have already begun to occupy the ground of individual choice, autonomy and empowerment, using the vocabulary of freedom that is so easily associated with the centre-right. In this sense, the Conservatives have seized the hypermodernising flag from Blairites, giving weight to their initial taunts that it is they (not Brown) who are the real heirs to Blair. They have done so in ways which are not just narrowly focused on hard work and consumption but which also address contemporary concerns about the effects of neoliberalism and a fragmenting society. In doing the latter, they are able to draw on more traditional Conservative themes such as support for the family and social cohesion, and as a result sometimes appear as being to the *left* of New Labour. Thus, the Conservatives have spoken of re-empowering the professions, the role of localism and of third-sector organisations in contrast to top-down New Labour 'nanny statism'. They have also pointed to the importance of work-life balance (in contrast to New Labour's apparent obsession with work above all else) as well as problems of the broken society, the objectification of women and even of rising inequality. This is a skilful and potent mix which has clearly disoriented Labour under Brown. As Neal Lawson and Hetan Shah note: 'there is a real danger

[for the centre-left] if the Tories occupy this space first. They can offer a seductive post-materialistic aspirational agenda in a simpler form than the democratic left, aimed solely at the better off.'[31]

Given this modernising Conservative strategy, what prospects are there for an effective post-New Labour centre-left? As we have seen, there is space for a position that doesn't revert to Old Left statism, but is also more recognisably of the left and in tune with contemporary concerns than the hypermodernisers. It seems possible that a coalition could emerge on this ground if it is not drowned out by internecine warfare between traditionalists and Blairites. Such a position is articulated by the influential pressure group and think-tank Compass. Interesting potential elements of such an agenda are also evident in the recent work of Giddens, which takes stock of the New Labour record and suggests new directions for the future.[32]

The task is to engage with modernising Conservatives on the ground of autonomy, localism and social cohesion, but to show that addressing these issues in a progressive way necessitates a critique of marketisation which the Conservatives – and ultra-Blairites – cannot offer. Thus, in terms of public services, Labour could show how the improvements that have been made since 1997 have involved an active state of the sort the Conservatives disavow. However, they could go on to argue that the next step is to move beyond a crude target culture towards more devolved decision-making and a focus on the *quality* of outcomes. Vitally, this does not simply mean writing a blank cheque for private providers: the state can provide certain services, and regulate using robust public-interest criteria in other areas. More fundamentally, rather than rubbishing the analysis of a broken society offered by Cameron, Labour could acknowledge deeper-seated problems of aggressive and self-directed behaviour and overstretched families. But whereas the Conservatives continue to equate these problems simply with a collapse of values, the centre-left can show how such pathologies are intricately linked to the inappropriate extension of the market across social life: markets have become masters instead of servants, undermining the social fabric. This necessitates a defence of the idea of a *public realm*, which leading centre-left thinkers have returned to in recent years.[33] The Conservatives, too, have made moves towards embracing 'civil society' contra the state. However, they do not imagine this as a public realm for deliberation over the sorts of behaviours and institutions society wishes to harness, which would involve identifying where marketisation is anathema to them. An example focused on by Compass is the widespread concern about marketing aimed directly at children and the wider commodification

of childhood.[34] The centre-left can use such cases to illustrate the need to regulate or roll back marketisation where it is contrary to the public interest.

To understand possible futures for the Third Way, then, we need to disentangle it from its manifestation in New Labour. The Third Way remains a significant attempt to understand the place of the centre-left at a time of rapid social and economic change. New Labour, for all its progressive achievements, represented a one-sided and restricted reading of what could be achieved in the face of such change. At worst it combined a dogmatic insistence on our powerlessness in the face of global forces, with a hectoring certainty in the 'values' it derived from them. But as the New Labour era ends, the challenges identified by the Third Way – and new ones – need to be engaged with in creative ways. Thus far, it has been Cameron's Conservatives who have delivered a lesson in how to graft a set of (centre-right) values onto the grain of social change and public concerns. The old left and the ultra-Blairite right have floundered in the face of this challenge. But an emerging, more nuanced agenda may yet ensure that the centre-left has the best story to tell about responding to the complexities of late modernity.

9
Response to Atkins and Leggett

Anthony (Lord) Giddens

I stopped using the term 'Third Way' several years ago, frustrated by my inability to get people to understand what I meant by it. For me it was all about bringing social democracy up to date, not an attempt to find a middle ground between left and right, a sort of fuzzy compromise. I wanted to help develop a political philosophy and practice that would move beyond statist socialism and market fundamentalism, not tread the middle of the road between them. Such an approach also had to come to terms with the rise of issues and problems that do not fit classical right-left distinctions, such as environmental problems.

The Third Way in my eyes was never about endorsing what many people loosely call neoliberalism. We must recognise that the traditional Marxist critique of markets turned out to be false. We cannot substitute state control of economic life for markets, since only markets can deal with the multiplicity of price and production decisions that constitute a modern economy. Yet the point of the Third Way was to mount a renewed defence of the public sphere – of the integral importance of active government and public institutions to the good society. The public sphere has to be carefully distinguished from the state. The state can be destructive of the public sphere whenever it is overly bureaucratic, remote from citizens' needs and aspirations, inefficient, captured by sectional interests or destructive of civil society.

I tried to integrate theoretical concerns with political policy by emphasising the sheer scope of the changes transforming so many aspects of our lives. Three overall sets of changes were and are especially important. All have now become widely accepted, but in the late 1980s and early 1990s they were not only widely contested but by and large were not part of the thinking of political leaders at all. The first is that familiar – now over-familiar – term globalisation. When I first became involved

in Labour think-tank circles some two decades ago, I couldn't get anyone interested in it at all. Tony Blair was the first political leader I met who from the beginning grasped its significance. As Leggett remarks, I see globalisation as not only economic – important through intensified global competition – but also driven by communications, and as cultural. This consideration has turned out to be crucial to understanding the rise of new ethnic divisions and of new-style terrorism, both of which tend to feed upon the technologies of instantaneous communication.

The second was the rise of the knowledge-based economy, an idea at first resisted by many. The proportion of the labour force working in manufacturing industry and agriculture has dropped radically in all the developed countries, mainly as a result of technological innovation and improved productivity, not because of the transfer of production to China and India. The implications for politics and for policy are profound. Left-of-centre parties can no longer depend upon a large working-class vote, but must appeal to large numbers of people working in service and IT jobs. Where well over 80 per cent of the workforce must find a living from the use of service or cognitive skills, education and educational reform assume a particular significance. If there is one major reservation I have about the interesting articles by Atkins and Leggett it is that they don't give nearly enough importance to economic revisionism in their accounts of the Third Way. Before the advent of New Labour, the Party had only rarely been trusted by the electorate to run the economy effectively.

The third influence, or cluster of influences, was the development of a more reflexive citizenry, deriving in some part – as Leggett discusses – from the retreat of tradition and custom in our lives. Deference to authority figures diminishes, individualism advances, and the media intrude into more and more aspects of both public and private life. I don't see individualism as selfishness, but as grounded in what I have described as the reflexive project of self – a process that is emancipatory. However, there is a pathology to all this, visible in the advance of addictions, which invade large parts of our lives. Binge drinking, obesity, some forms of criminal behaviour and even violence bear the imprint of addiction. In my view this means that policy must address the emotional content of social life, not just more instrumental forms of behaviour.

My stress upon the need to develop a new contract between citizens and the state, based upon the theme of connecting rights to responsibilities, come directly from the analysis of reflexivity. I never had much time for the idea of 'community', which seemed to me too vague. (As Atkins says, it was important to Tony Blair.) The point is that new forms

of solidarity are emerging, and should be supported politically. I don't endorse the idea that social order is breaking down, or that we are living in a broken society, which seems to me to depend upon a phoney comparison with an idealised past.

In an open, pluralistic society, equality of opportunity, as both commentators note, assumes great importance, although the barriers to getting anywhere close to it in Britain are formidable. Equality of opportunity and equality of outcome, as I have argued many times, have to march hand in hand. New Labour was greatly handicapped by its decision to concentrate only on the poor in seeking to reduce inequalities. For instance, more thought should have been given to how to break the stranglehold of the private schools over educational chances, such as the ideas proposed by the philanthropist Peter Lampl. He proposed that access to private schools should be open to all regardless of ability to pay. The Belvedere School in Liverpool where he introduced such a 'needs-blind' admission has a much wider social composition than before, without compromising results.

As I write, it looks all over for New Labour. It isn't all over for the Third Way. Whatever may happen in British politics, left-of-centre parties must continue to preserve leftist values while adapting policy to a world of far-reaching social and economic change.

10
New Labour, New Liberalism and Revisionism's Second Wave[1]

Simon Griffiths

New Labour's statist roots?

In the early summer of 2008, two influential 'progressive' thinkers launched a strongly worded attack on the direction in which the Prime Minister, Gordon Brown, was leading the Labour Party. Philip Collins, a former speech writer to Tony Blair, and Richard Reeves, now Director of the left-leaning think-tank Demos, asserted 'a Labour tragedy is unfolding'.[2] The cause of this, they argued, was at least in part ideological:

> Labour is failing to win – or even to grasp – the big political argument: how to ensure people are in control of their own lives. The government has tested, often to destruction, the idea that a bigger, higher-spending state can deliver a better society ... For New Labour to survive, it must become new liberal.[3]

The claim was made as Labour was heading down a steep slide in popular support from a temporary high the previous Autumn. Labour's lead in the polls fell from +13 points over the Conservatives in September 2007 to −13 in May 2008 when the article was published, and the slide continued for months afterwards.[4] The article came out in the month of Labour's 'worst local election result for forty years'.[5] It created a minor media furore, which tended to reduce the story to an account of factional fighting, and fed increasing speculation about a leadership challenge to Brown.

Away from the immediate furore was a more profound assertion: that Brown's Labour is intellectually over-reliant on an authoritarian, statist form of Fabian social democracy. 'Labour's faith in central government',

wrote Collins and Reeves, 'draws from the deep, poisoned well of its Fabian tradition' – a tradition that 'Labour has been in thrall to ... for decades'.[6] To the authors, Brown and his allies posses a benign view of the power of the central, expert state, which makes it deaf to the importance of individual liberty. They argue, for example, that 'the government ... has a tin ear on civil liberties'.[7] In sum, government knows best and it will step in and tell citizens what this is. Labour's Fabian past, they argue, provides it with a paternalist – or even 'authoritarian' – framework that dominates its approach to contemporary challenges.[8]

The only way of avoiding this 'Labour tragedy', the authors argue, is for a return to the New Liberalism of the early twentieth century. Their prognosis is blunt: 'Labour's future, after three terms, looks bleak. The only hope for the party is to excavate its liberal treasure. The choice is stark: liberalise or die.'[9] For Collins and Reeves, the social democratic and liberal traditions appear to be incompatible. They dismiss those, such as the Foreign Secretary, David Miliband, who has argued that the future for the British left lies in a marriage of these two traditions.[10]

Although Collins and Reeves's article was largely a polemical case to move the Labour Party towards a more liberal, market-driven approach, I argue that their characterisation of the intellectual heritage of the 'modernising' project, of which Brown is a part, is unfair. In particular, the authors overemphasise the Fabian heritage and neglect the contribution of 'second wave revisionists' in the 1980s and 1990s, who explicitly sought to revise social democracy on liberal grounds. There has been a considerable amount of discussion over New Labour's heritage: the influence of Thatcherism, New Liberalism or revisionism, for example.[11] The aim of this chapter is not to lay claim to New Labour. Instead it examines the work of the Labour peer and academic, Raymond Plant. It seeks to show, for those who have questioned it, a liberal strand in the Labour modernising project that began in the 1980s, the centrality of freedom in Plant's 'second wave revisionism', and the closeness between Plant's social democracy and New Liberal arguments. This 'liberal' strand should not be neglected in discussing Brown and other contemporary 'New Labour' figures.

Two waves of revisionism

Social democracy was buffeted by two waves of revision in post-war Britain.[12] The first, in the 1950s, is associated with Roy Jenkins, Denis Healey, Hugh Gaitskell and Anthony Crosland, among others.[13] This wave was largely a social democratic response to the left. The Labour

Government that lost office in the general election of 1951 had been composed of a variety of fellow travellers who until the 1950s had found themselves on the same track, but with little agreement about their final destination. The electoral loss of 1951 further opened up disagreements about ends which had previously rarely been explicit among the Labour leadership.[14] Perhaps the most significant area of debate was over the economy. On the left, followers of Aneurin Bevan pushed for further nationalisation.[15] By contrast, revisionists such as Tony Crosland rejected greater nationalisation and sought to revise social democratic argument. An important strand of Crosland's work rejected Fabianism and drew on a more liberal heritage. For example, Crosland entitled a much-read section in *The Future of Socialism* (1956), 'Liberty and Gaiety in Private Life: The Need for a Reaction against the Fabian Tradition'.[16] The first wave of revisionism provided a libertarian correction to Fabianism.

Discussing what they saw as Labour's continuing reliance on its Fabian roots, Collins and Reeves argue that 'It is telling that there has been no big work of social democratic theory since Crosland's *The Future of Socialism* in 1956.'[17] Yet, in asserting that Labour needs an injection of liberalism, Collins and Reeves neglect an important part of the second wave revisionists' project of the 1980s and 1990s. It is these thinkers who shaped Labour's 'modernisation' after the 1983 general election defeat, by providing an account of social democracy that placed freedom at its core. It is a discussion of this second wave of revisionism that forms the main part of this chapter.

While the first wave of revisionism was a response to the left, the second was a response to the rise of a neoliberal right, and in particular its hold over significant parts of the Conservative Party, which remained in government from 1979 to 1997. If the Conservative Party had a 'public philosophy' during that time, it was derived from the contribution of neoliberal thinkers such as Milton Friedman and, above all, Friedrich Hayek.[18] Conservative Prime Minister, Margaret Thatcher, praised the 'powerful critique of socialist planning and the socialist state'[19] found in Hayek's book, *The Road to Serfdom* (1944). Brandishing a copy of his *The Constitution of Liberty* (1960), Thatcher once told an audience, 'This is what we believe.'[20]

The electoral success of Conservative proponents of neoliberalism led to a period of re-evaluation on the left. Raymond Plant, for example, became involved in the creation of the Socialist Philosophy Group, which was explicitly set up to rethink and reconstruct socialist ideas after the 1983 general election defeat[21] and give those ideas a 'public philosophy' – what in contemporary terms might be called a narrative – which

the group felt that Thatcher's Government was beginning to achieve.[22] This group was one part of a much wider re-evaluation of the left in the UK and wider world that occurred during the 1980s and 1990s.

It is the second wave revisionism of Plant that is the main subject of this chapter. The focus is on Plant for two broad reasons. First, given that this wave of revisionism was an attempt to shore up a social democratic argument against the right, it was Plant who provided arguably the most comprehensive rejoinder.[23] It is through a detailed engagement with Hayek that Plant's own form of revisionist social democracy emerged. By contrast, a generation before, Crosland only mentioned Hayek once in *The Future of Socialism*, and then to reject his argument as 'unplausible (*sic*) enough ... in a British context, even when it was first advanced [and now] ... thoroughly discredited'.[24] Plant is significant in providing an account of revisionist social democracy that explicitly takes the argument onto ground formally claimed by the neoliberals.

Second, Plant has been an important influence on political debate in both party politics and academia. He has made a significant academic contribution since the early 1970s.[25] Plant was also influential on key figures within the leadership of the Labour Party during the early stages of Labour's 'modernisation'. Brian Gould, one-time Shadow Treasury Spokesman, drew on Plant's work in his book *Socialism and Freedom* (1985). Perhaps more significantly, the former Deputy Leader of the Party, Roy Hattersley, also acknowledged Plant in his book, *Choose Freedom: The Future for Democratic Socialism* (1987). Plant remains an active member of the Labour Party and was made a life peer in 1992. In this role he has been a Party Spokesman in the Lords on Home Affairs from 1992 to 1996 and has also spoken for the Party on constitutional and welfare issues. He has sat on a variety of groups which helped to shape contemporary British politics. He chaired the Labour Party Commission on Electoral Systems between 1991 and 1993 and the Fabian Society Commission on Taxation and Citizenship between 1999 and 2000. Plant was also a columnist for *The Times* between 1986 and 1988. He was given an award for 'Lifetime Achievement in Political Studies' from the *Political Studies Association* in 2003.[26]

The assertion that there were 'two waves' of revisionist thought can be contested. There are similarities with the debate within feminism over the common account of two waves. As Dale Spender implied in her 1983 book, *There's Always Been a Woman's Movement in This Century*, descriptions of 'waves' neglect the activity of those authors writing between the peaks of activity. It is undoubtedly true that there were significant writers working in the revisionist tradition between, say, Crosland in the 1950s

and Plant in the 1980s, including JP Mackintosh and Evan Luard.[27] However, the argument that there were waves of activity in this area does not deny this. There is as much water under the trough of a wave as there is at the peak, but the total amount of activity rises and falls.

The neoliberal assault and the revisionist defence

It is significant that Plant, a social democrat, bothered to write a commentary in *The Times* for Hayek's ninetieth birthday, and a demonstration of Plant's 'willingness to engage with contrary points of view'.[28] In his piece, he argued that Hayek's challenge 'is one of the main reasons for socialism's intellectual decline'.[29] The claim shows the importance which Plant places in his engagement with Hayek's work. In this section I examine Hayek's neoliberal attack on socialism[30] and Plant's response to it, in order to provide a sketch of Plant's revisionism. (This approach and the limited space available only allows for a rather stylised account of Plant's argument, which does not do justice to its complexity or scope.) Plant's most detailed engagements with Hayek's arguments appeared in a cluster of works published in the 1980s and early 1990s. These include chapters in *The Socialist Agenda: Crosland's Legacy* (1981), *Market Socialism* (1989) and *Hayek, Coordination and Evolution* (1994); think-tank pamphlets such as *Equality, Markets and the State* (1984), *Social Justice, Labour and the New Right* (1991) and *Citizenship and Rights in Thatcher's Britain*; and sections of a textbook, *Modern Political Thought* (1991). Plant continues to publish in this area, but it is this earlier engagement with the right that I focus upon in this chapter, when the engagement with the arguments of the neoliberals was at its most intense. Below I set out Hayek's arguments before turning to examine Plant's revisionist response to them in more detail.

1. The limits of central planning

A first line of attack taken by neoliberals against the left was over economic planning. Hayek understood socialism, as did many of its twentieth-century proponents, as largely concerned with state planning of the economy. To Hayek, socialism meant the creation of a planned economy in which the entrepreneur is replaced by a central planning body.[31] In making his epistemic argument Hayek drew a contrast between two approaches to political economy. Central planning is defined as the 'direction of the whole economy according to one unified plan', whereas competition is defined as 'decentralisation between many separate persons'.[32]

Hayek then argued that which 'of these systems is likely to be more efficient depends mainly on the question under which of them we can expect the fuller use will be made of the existing knowledge'.[33] To Hayek, socialism was an attempt to use knowledge in a way that it could not efficiently be used. Most knowledge could not be collected centrally in the way that the socialist planners believed it could; it existed in people's heads at particular times and in particular places. In his later work Hayek incorporated 'tacit knowledge' from Michael Polanyi into his account of the 'knowledge of time and place'. Returning to Hayek's question over which economic system is likely to be the most efficient, we are closer to an answer:

> [T]he ultimate decisions must be left to the people who are familiar with these circumstances, who know directly of the relevant changes and of the resources immediately available to meet them. We cannot expect that this problem will be solved by first communicating all this knowledge to a central board which, after integrating all knowledge, issues its orders. We must solve it by some form of decentralization.[34]

This still left Hayek with the problem of how one could communicate to 'the man on the spot' such further information as he needed to fit his decisions into the whole pattern of changes of the larger economic system.[35] The answer is found in the price system of the market – 'a mechanism for communicating information'.[36] It is a 'marvel' upon which we have been able to 'develop that division of labour on which our civilisation is based'.[37] So, to Hayek, the social order arises as a 'spontaneous' by-product of the interactions of many individuals acting within a market system upon information given to them in the price mechanism. In later work, Hayek developed the role of the state in this system. It should be limited, he argued, to protecting this spontaneous order. This, in sum, is Hayek's epistemic argument against socialism (understood in terms of economic planning) and forms a large part of the basis for his free-market conclusions. Socialism wastes knowledge, which, as we have seen, 'must be left to the people who are familiar with these circumstances, who know directly of the relevant changes and of the resources immediately available to meet them'.[38]

The social democrat revisionists of the 1980s and beyond have conceded significant ground to this argument. Plant has commented that Hayek's epistemology seems to be 'in the right neck of the woods'.[39] Plant's acceptance of the limits of state planning, therefore, is more profound than Crosland's. Crosland argued that calls for

further nationalisation mistook ends, such as equality, with means; Plant by contrast conceded significant ground to the right, explicitly accepting Hayek's epistemological case that nationalisation would lead to economic inefficiencies – a significant contrast with earlier Fabian thinkers.

To some degree Plant played down the novelty of this concession. In 1989, for example, he evoked the seriousness with which the left engaged with the right about the possibility of economic planning during the Calculation Debate earlier that century, arguing that:

> Socialists have recognized since the 1930s that this argument about the dispersed and fragmentary nature of human knowledge is one of the strongest arguments in favour of markets and against central planning or government strategic action in the economy.[40]

However, Plant leaves it for others to launch more detailed engagements with the Hayekian critique of central planning.[41] He largely accepted it, although would note that efficiency is not the only value, and that it should often be traded. Plant would not accept Hayek's strongest claim, that planning necessarily slides into totalitarianism, put forward in *The Road to Serfdom* (1944). His account of Hayek's argument against central planning, however, is largely presented in terms of a debate about social justice, freedom and the imposition of values, not its epistemological difficulties. It is to these questions that I turn in the next two sections.

2. Positive views on justice and freedom

A second attack that neoliberals, such as Hayek, made against the left was over their understanding of justice and freedom. There is a distinction between 'procedural' and 'end-state' arguments in political thought.[42] Socialists, Plant noted, have invariably argued that justice is a matter of end-states. These end-states are traditionally derived from ethical arguments about the kind of world in which we should live – perhaps based on 'need', 'desert' or greater equality of some kind. By contrast, neoliberals have tended to argue for 'negative' or procedural justice. Hayek's argument for the market, for example, does not support any particular end-state. Justice is conduct that avoids interfering in individual's liberty, property or contractual rights in the market; it is a procedural matter, not one of achieving a particular end. The market, notes Plant quoting Fred Hirsch, is 'in principle unprincipled'.[43] Socialists had to meet the neoliberal claim that justice was procedural or negative – the result of an *absence* of intentional action. Unintentional action, argued

Hayek and others, could not result in injustice. To say hurricane damage is unjust, for example, would be a literal 'nonsense'. Injustice could not result from the outcomes of uncoerced market transactions because they were unintentional.

Plant was one of the few thinkers on the left to accept the force of the neoliberal argument that linked freedom and justice to the market and rejected social democratic ends. To Plant, a convincing account of social democracy had to answer this challenge. Plant argued that the socialist must dispute the negative view of justice put forward by Hayek and other defenders of the free market that injustice occurs only as a result of *intentional* action. Central to Plant's argument is the claim that, although the results of the market may well be unintended, as Hayek argues, because they are *foreseeable* they do become a matter of justice.[44] Plant presents both logical and intuitive arguments against Hayek's negative conception of justice.[45] First, under the logical argument, Plant noted that when Hayek offered his argument he did so in relation to individuals, yet socialists have tended to present their arguments in relation to groups – class being the most obvious example. The claim is that there is a class of people who will enter the market and, although it is intended by no one, will foreseeably get less from it.

One step that socialists could take, Plant contended, was to argue that we are responsible not only for our intended actions but also the *foreseeable* results of our actions, so that these too become a matter of justice. This claim avoids a problem suffered by Hayek's negative understanding of the concept. If one accepts his view that injustice can only be caused intentionally 'there would constantly be a strong incentive continually to narrow down the characterization of intention so that it does not include the foreseeable consequences of action'.[46] To Plant, the consequence of this widening of the scope of justice is that 'those who support the market do bear responsibility for the least well off',[47] because this group do foreseeably end up with less after entering the market.

A second argument against Hayek's negative conception of justice is derived from what Plant sees as our intuitive understanding of the term. Plant noted that 'we could argue against Hayek at this point that justice and injustice is not only a matter of how a particular outcome came about or arose but is rather a matter of our response to that outcome'.[48] Plant gives a hypothetical example. He sees a frail and elderly person fall after a gust of wind, knock themselves out, and end up face down in a gutter full of water. He could save that person's life at no great personal cost. The issues of justice here, he suggests, are not just how the person came to be there, but his response to the outcome – it would be an injustice to

walk on by.[49] Plant's view that justice is, in part about our responses – and its extension that justice demands responsibility in citizens – is redolent of New Liberal thinkers almost a century before as well as New Labour's link of rights with responsibilities.

A parallel philosophical challenge to socialists from neoliberals occurs when it comes to defining freedom. The neoliberal's view of freedom (like justice) tends to be negative – it is defined as the *absence* of intentional coercion.[50] This is related to the distinction made famous by Isaiah Berlin in his seminal essay, 'Two Concepts of Liberty'.[51] Here negative liberty is contrasted with the positive freedom of being able to *do* or *be* something. For neoliberals there is a categorical distinction between freedom and ability. If they were not distinct then, it is argued, any kind of inability would be an unfreedom – Plant uses the case of a man's inability to bear a child as an example.[52]

For neoliberals, this negative understanding of liberty is then applied to the market. The market, they argue, is not coercive: first, because it lacks agency and intentionality; and second, because there is a categorical distinction to be drawn between freedom (as the absence of coercion) and ability (including the ability to act in the market). Again the same choice faces those people who want to combine the market with socialism as in the first argument regarding justice: they must either accept this view of freedom and abandon the argument that markets can cause unfreedom or they must reject this view of freedom and the market to argue for a (positive) or effective notion of freedom, based at least in part on ability. The argument for liberty and the market is found, notably, for neoliberals, in the opening chapter of Hayek's *The Constitution of Liberty*.[53]

Just as Plant attacked Hayek's negative conception of justice he also attacked Hayek's negative conception of freedom, arguing that the neoliberal gives no account of why freedom is valuable to us.[54] At several stages in his work Plant stresses, in an unfashionably un-postmodern manner, that we are beings of a particular type who value freedom.[55] Sometimes this argument is expressed in more straightforward terms. In his 1984 pamphlet, *Equality, Markets and the State*, Plant argued, 'In order to live a purposive life shaped by my own values and not those of others I need opportunities and resources to choose my own way of life and values.' As well as negative protection from coercion, we need positive economic and social resources.[56]

Elsewhere the argument is more philosophical. In 1980 Plant asked, '[A]re there any basic human ends that are wanted by all persons, with basic needs being the necessary means for the pursuit and realisation

of those ends'? He continued, if there are ends that generate such basic needs then, following Rawls, he argues they could be described as 'primary goods which could be the basic concern of social policy'.[57] He argued that every moral code, whether personal or shared, relies on people having certain moral capacities which allow them to pursue the moral goals enshrined in that code.[58] Thus, the capacity to act as a moral agent becomes the basic human end which generates basic human needs, as Plant wrote, 'There are some conditions necessary for doing anything at all ... No matter what morality one adopts, these conditions will be necessary for carrying it out.'[59] These basic human needs, he argued, following the work of the philosopher Alan Gewirth, are 'survival' and 'autonomy' (understood as the freedom to act morally).[60]

Plant gave an account of positive freedom or autonomy. To live a meaningful life as 'purposive creatures'[61] he claims we need both negative protection from arbitrary constraint and a bundle of resources and skills. For freedom to be valuable to us it must be 'effective'. Hayek's attempt to define freedom negatively is rejected in favour of a positive view of liberty, with a heritage that stretches, in the British tradition, back to proto-New Liberals such as J. S. Mill and T. H. Green in the late nineteenth century and beyond. It is largely in this New Liberal tradition that Plant writes. In the next section I examine the relation between equality and freedom (*qua* autonomy) in Plant's work.

3. Democratic equality

A third line of attack that neoliberals took against the left was over their attempt to 'impose' particular end-states on the wider polity, particularly forms of equality. Hayek's argument against end-state conceptions of social justice is over the intractable problem of trying to provide a justification for the nature of that end-state. The most important target of Hayek's argument was the socialist view of justice, which he characterised as 'distributive' or 'social'.

To Hayek, values are incommensurable: one can value 'equal entitlement', 'need', 'desert' or 'merit' for example. When values clash, there is no higher principle to which one can appeal to resolve the dilemma. For many neoliberals dilemmas of the kind raised above can never be solved by rational argument. Hayek, with many of the 'Chicago' and 'Austrian School' thinkers, argued that values are irreducibly subjective and attitudinal. Alongside this claim, Hayek also made a complementary sociological argument against end-state values. Society, he argued, is now so morally diverse in character that the kind of consensus needed to support socialist end-states could never be achieved.[62]

This raises a challenge for the left, who have traditionally argued that claims for a more equal, socially just society are either objective or will at least command wide support. If claims for social justice are 'subjective' and 'attitudinal' then the only way to achieve socialist end-states would be, in John Gray's phrase, through 'the political conquest of state power and the subjugation of rival value systems'.[63] By contrast, in a market, no set of philosophically unjustifiable ends are followed. Instead there is a procedural system for following our own good in our own ways. 'All of this', Plant concluded, 'adds up to a formidable critique of traditional forms of socialism and demands a response'.[64]

This marks a significant challenge to social democrats, who have traditionally argued for particular end-states based on greater equality. Historically, equality is the value that divides right from left. In short, as the Italian philosopher Norberto Bobbio commented, 'the left is egalitarian and the right is inegalitarian'.[65] If Plant is to take seriously the neoliberal claim that equality is simply the value that one group is attempting to impose on another, where does this leave the left?

Plant responds to the neoliberal assault with a sophisticated defence of a particular form of equality. For Plant, the left may be concerned with 'equality', but more important is a question that follows from this: as Amartya Sen asked, 'Equality of What?'[66] Equality of outcome is only one possibility. Plant largely accepted the neoliberal criticism of end-state values, such as equality of outcome, yet he still argues that equality is important.

Arguments for equality are found across the political spectrum. Neoliberals, for example, are more comfortable with arguments based on equality of opportunity than outcome. They tend to be uncomfortable if an individual is denied an opportunity – a job interview, say – based on discrimination according to gender or ethnicity. Yet Plant, like Crosland before him, rejected equality of opportunity as insufficient for several reasons. First, it failed to take into account the moral arbitrariness of genetic endowment;[67] second, he noted that there were limits to what can be achieved with the attempt to equalise starting positions – particularly because any radical action in this direction will lead to considerable intervention within the family;[68] and, third, he argued that equality of opportunity 'takes the existing structure of equality for granted and is concerned about recruitment to it'.[69]

Plant's own account of equality emerges out of a simultaneous acceptance of much of the neoliberal critique of end-state arguments, such as equality of outcome, with his rejection of equality of opportunity as inadequate. A first step in his defence of what he (and others) describes

as 'democratic equality' is to re-examine why equality is important to us. This, he argues, is because it is a means of securing other values. For example, the left tended to argue that a more equal society would be more peaceful, crime free, comradely and so on. To Plant, equality is valuable because it is a method of securing greater *freedom*.

In the previous section, Plant gave an account of positive freedom or autonomy. His argument is supplemented by a further, egalitarian step. He moves from a defence of the provision of basic needs in order to achieve autonomy, to an argument for their more equal distribution, so that *liberty is of roughly equal value to all people*. Plant gave several reasons for the equalisation of the value of freedom, but one in particular is derived straight from his engagement with Hayek's work. Plant turned Hayek's argument that there are many conceptions of the good and that we cannot prioritise any one conception on its head:

> If this is accepted, then it could be argued that no individual merits more or less in the distribution of those basic resources which are necessary to enter the market on a fair basis and thus those resources should be distributed as equally as possible because, if the neo-liberal is correct, there is no other criterion which would not involve weighing up incommensurable merits and deserts.[70]

Plant's account of equality is based around a view of liberty, and avoids the neoliberal criticism that socialists are attempting to impose one particular set of values on all. Instead it frames the social democratic argument in terms of making the value of freedom more equal. In dong so, Plant uses many of the neoliberals' own arguments around the importance of freedom. Despite his egalitarianism, Plant accepts various inequalities. He accepted, for example, that there could be a 'rent of ability' on grounds of efficiency, which would be set at the amount of legitimate inequality that citizens should accept if they want 'to mobilize skills which otherwise would no longer be mobilized and without which we should be worse off'.[71] However, the difficulty often raised with Rawlsian-like difference principles for those on the left concerns the question, how much equality do they actually allow? If the trickle down of market economics really is of 'greatest benefit of the least advantaged' then Rawlsians should accept that system.[72] While Rawls, arguably, did not answer this question, Plant does. His answer was that there should be a *presumption of equality*. For Plant the question is, how much *in*equality do we allow? Equality is the basic rule and the burden of proof lies in departures from it.[73]

Marrying social democracy and New Liberalism

The philosopher Karl Popper wrote that,

> [I]f there could be such a thing as socialism combined with individual liberty, I would be a socialist still. For nothing could be better than living a modest, simple and free life in an egalitarian society. It took some time before I recognized this as no more than a beautiful dream.[74]

The attempt to combine the values of equality and individual liberty has been the project of a significant, but often neglected strand in left-wing thought. The work of Plant and other second wave revisionists is one version of this project. Plant's engagement with neoliberals in the 1980s married the egalitarianism of social democracy with the concern for liberty found in the New Liberalism of the early twentieth century.[75]

Plant was close to both New Liberal and social democratic traditions. He knew the earlier revisionist Anthony Crosland personally and admits that Crosland made a great impact upon him. Plant discusses Crosland's work at several points.[76] Plant comes from Grimsby where Crosland's parliamentary seat was and even sought selection there after Crosland's death in 1977. Discussing his academic development Plant admitted to 'a bit of hero worship' towards Crosland and to being 'fascinated by this … heavyweight, intellectual'. Looking back at his earlier work, Plant commented that 'I was interested in revitalising social democratic thought, [developing] a new form of revisionism in the same way as Crosland.'[77]

Similarly, Plant is candid about the New Liberal aspect of his thought, commenting modestly that 'I suppose in a way, if there's anyone who I would now see as being a kind of model for my life it's been somebody like Green [although] I'm not conceited enough to think I'm in the same league … '[78] Plant would not demure from the label 'New Liberal' as a description for his own thought, commenting, 'I mean I call myself a social democrat but New Liberal wouldn't stick in my throat – so long as you didn't mean neoliberal.'[79] To Plant, writing in *The Times* in 1990, there were considerable parallels between his own political debate with the neoliberals and those between classical and New Liberals earlier in the century: 'I have commented before in these columns about the resemblance between contemporary political debates and those which took place within Liberalism at the end of the last century.'[80] Plant's ability to combine the liberal and social democratic traditions in part

comes from his intellectual approach. Many political thinkers on the left, particularly in the twentieth century, drew on an account of politics and ideology which methodologically derived from Marxism, in which arguments were seen as deriving from and serving the interests of the class location of those who advanced them. The response of socialists writing in the Marxist tradition to arguments from neoliberals such as Hayek in favour of private property or the market had been to criticise the interests that those arguments were taken to promote and the values and aspirations for which they were instrumental. If this view of political argument is held, it is difficult to give an argument for the market serious attention in its own right or to 'engage' with it. Plant's approach to political argument marks a break with the Marxist tradition. It depends on a world-view in which, although political thinking may interact with other forms of social life, it is neither dependent upon nor merely derived from them. Plant's background here owes more to Hegelian Idealism than Marxist materialism.

Collins and Reeves, whose commentary began this chapter, claim that Labour must return to New Liberalism to survive. This would be an unnecessarily long detour. Crosland, and other first wave revisionists, explicitly rejected the authoritarianism of the Fabian tradition. Two decades ago, second wave revisionists challenged neoliberalism on explicitly liberal grounds: arguing that its view of liberty did give a convincing account of the reasons that people care about freedom, and that greater equality was needed because it would produce greater freedom. It rejects equality of outcome, largely because it would infringe upon individual autonomy, and because equality is a means not an end in itself. Plant was not alone in this liberation of social democracy. David Miller wrote in 1989 that 'Freedom as a value … has recently returned to prominence on the Left', yet Plant put positive freedom at social democracy's core.[81]

Perhaps what is most striking about Plant's thought from the mid-1980s is its prescience about contemporary New Labour. Julian Le Grand has argued that the Socialist Philosophy Group, of which Plant was a key part, 'In many ways … was a kind of precursor of New Labour.'[82] Writing in 1984, Plant argued that 'egalitarian policies should always be designed to secure and promote the greatest amount of freedom possible within the institutions which it endorses.'[83] His example, that schools have greater freedom to chose subject and specialism, anticipates the introduction of specialist schools under Blair. Similarly, his claim that

> freedom in the field of social policy suggests services in cash rather than in kind to give those in receipt of the services the widest

> discretion to spend their money in their own way and to avoid as far as possible the dependency and paternalism which might come from the provision of services in kind

presages exactly the arguments made around the introduction of Individual Budgets in social care twenty years later (as does his argument for social workers close to the user to make choices, rather than the state, where the user is unable to do so).[84] Plant has admitted being far closer to Brown than Blair. Reeves and Collins's claim, that New Labour is overly reliant on an authoritarian, statist intellectual heritage, neglects an important strand in New Labour thought by ignoring the contribution and influence of Plant and other second wave revisionists to the Party's 'modernisation' during the 1980s and 1990s, the linkages between Plant's thought, earlier revisionism and New Liberalism, and his continuing relevance for those in the Party seeking to combine liberty and equality today.

11
Response to Simon Griffiths

Roy (Lord) Hattersley

I am second to none in my admiration for Raymond Plant as a political philosopher and a man. In consequence, I regard commenting on his work – even vicariously – as an act of shameful *lèse-majesté*. It is an impertinence for me to write that I share his positive view of justice and freedom. For it was he who made sense of my instincts about 'agency' and gave an ideological meaning to the old Bernard Shaw aphorism about every Englishman being free to have tea at the Ritz as long as he can afford to pay the bill. That being said, it has always seemed to me that he is overgenerous in his attitude towards Friedrich Hayek. He is absolutely right to say that the apparent success of the free market – combined with the advance of the global economy – has had a profound effect on social democratic thinking, but it is the competitive system's visible popularity with an expanding middle class, rather than the force of the supporting theoretical argument, which has commended it to politicians.

Perhaps more important, Hayek seems to believe that inactivity – letting the market have its way or doing no more than preventing its constriction – is not, in itself, a policy decision. Plant corrects him. Leaving the hypothesised old lady to die in the gutter is a conscious decision. Anyone who thinks otherwise – the morality of abdication aside – has made a simple intellectual error. Criticisms of Hayek's work are often complicated by the need to question his premises and the implications of his assertions. I need to be convinced that nationalisation is inevitably and invariably – because of the wasteful concentration of knowledge – economically inefficient. But Hayek often writes as if, by definition, efficiency is all that matters. Conversely, he argues that the market does not support any particular ends. It supports the rich – who, Marshall tells us, are likely to leave the market richer than they entered it. But the point

which Hayek misses is that society should be directed towards a specific objective. Social democrats think that objective is greater equality.

Adherents to the 'negative theory of freedom' have always seemed to me to be equally in error. We can all agree with Isaiah Berlin that it would be 'eccentric' for a man who was born blind to say, because 'I cannot read … to that extent I am unfree'. But if, alternatively, he had been blinded as a punishment by a tyrannical regime, he would have been denied the freedom of which Sir Isaiah wrote. What if a government, which believes that the least government is the best government, refuses to finance treatment that it knows would prevent blindness in a large proportion of the population? Are they, by their inaction, denying a basic freedom? Anyone who thinks the example inappropriate must blame Isaiah Berlin. He chose to examine the relationship between sight and freedom. Extending the analogy leads to the conclusion that, when freedom is properly defined, its sum is extended not limited by the greater equality that comes from redistribution.

Plant is right to suggest that the time has come to answer the hoary old questions about what sort of equality we want. Not equality of outcome which is as impossible as it is unattractive. Nor equality of opportunity which is no more than shifting patterns of inequality. Social democrats want the agency of the state – perhaps through 'Fabian paternalism' – to encourage the diversity which comes from different personalities but to eliminate the inequalities which are imposed on individuals by the way society is organised – great disparities of income being the most obvious example. Would that we had a government that read, understood and acted on Plant's work.

12

Gordon Brown, 'Britishness' and the Negation of England

Simon Lee

Introduction

On becoming leader of the Labour Party and Prime Minister, Gordon Brown sought to distance himself from the previous decade of New Labour government under Tony Blair. He claimed that the security, environmental and economic challenges confronting the United Kingdom in the decade ahead would require 'a new government with new priorities'.[1] This would mean 'a new kind of politics in this country' and 'a new style of government in the future', delivered by a 'servant state'. The past propensity for the British state to intervene, through 'a top-down approach' with 'a government that simply pulled the levers', would no longer be viable. As an alternative, Brown's new politics necessitated 'a more accountable government, a stronger parliamentary democracy and a more active population'.[2] To demonstrate his own and his colleagues' commitment to the new politics and new style of government, the early weeks of the Brown Government witnessed the publication of a draft legislative programme and a Green Paper on constitutional reform. In a sign of the political, legal and historical confusion to come, both documents were called *The Governance of Britain*, even though they referred to the legislative programme and constitutional future respectively of the United Kingdom.[3]

This chapter seeks to show how, during Gordon Brown's first year as Prime Minister, the Brown Government has not delivered the promised 'new kind of politics'. On the contrary, rather than marking a departure from the statecraft of the Blair-led New Labour project, the Brown Government has delivered continuity by maintaining the British state's nationalisation of political power, policy design and resource allocation in England – as practised during the Blair decade.[4] To succeed Tony

Blair's Third Way modernisation rhetoric for New Labour's agenda of political, economic and social renewal, Brown has further developed the same British Way of top-down modernisation that he nurtured during his decade as Chancellor of the Exchequer.[5] A prime-ministerial rhetoric focused upon Britain and Britishness has been deployed to disguise the constitutional and fiscal asymmetries of parallel deficits in democracy, accountability, identity, policy and resources that continue to negate citizenship in and the political identity of England and its people. The consequence has been a gathering resentment in England over its fiscal disadvantage and the absence of checks and balances upon the power of Number Ten, Whitehall and Westminster, relative to the other constituent nations of the United Kingdom. The chapter concludes by noting the emerging debate over the possibility of an alternative civic identity and constitutional future for England – an English Way – that is separable and possibly separate from that of the British state and United Kingdom.

The British way

During his decade as Chancellor of the Exchequer, Gordon Brown did not confine his attention to questions of macroeconomic stability and fiscal prudence, and the specification of a British model of political economy.[6] On the contrary, no opportunity was lost for Brown to associate himself with Britain and Britishness, and policies and initiatives that would reinforce the British Union. Brown sought to restore a shared sense of national patriotic purpose which he believed Britain and the British to have lost. To this end, Brown proposed the creation of a British youth national community service; a British Day; the reclamation of the Union flag 'as a flag for Britain, not the BNP', to be honoured, and not ignored; a national Veterans' Day; the introduction of a biometric British national identity card; and English language and British history lessons for immigrants.[7]

Brown first identified the three tenets of his British Way in his November 1997 Spectator/Allied Dunbar Lecture. First, the British Way consisted of a commitment to liberty through the protection of the individual against the arbitrary power of the state. This had been realised, not through the pursuit of crude individualism but through the exercise of mutual responsibility and duty, initially through civil society associations and subsequently through the welfare state and National Health Service. Second, the British Way had been manifested in adaptability, the willingness 'to embrace not fear constitutional reform', and the breaking

up of 'centralised institutions that are too remote and insensitive and so devolve power'.[8] Paradoxically, one of the definitive features of the statecraft of Blair's 'earned autonomy' and Brown's 'constrained discretion' was their centralisation of control over policy and resources in England, and their refusal to devolve anything but responsibility for administration and service delivery.[9] Third, the British Way had involved the pursuit of an outward-looking and internationalist patriotism.

This initial vision of the British Way was subsequently embroidered by Brown with a pattern of shared core values of Britishness, interwoven with three distinctive British national qualities. The core values were 'being creative, adaptable and outward looking', and the national qualities 'our belief in liberty, duty and fair play'. Together, these shared values and qualities had produced 'a distinctive Britishness', and a unique political settlement which had balanced the rights and responsibilities of individuals, communities and the state.[10] These very values and qualities could now be mobilised to generate a distinctive political agenda with three key elements. First, the 'British desire for liberty' could be mobilised to 'refashion the settlement between individual, community and government'. Second, the British sense of responsibility could be harnessed 'to empower people in their own neighbourhoods'. Third, the British sense of duty and fair play could be mobilised to enhance citizenship through a national debate about rights and responsibilities which embraced 'new literature, new institutes, new seminars, new cross-party debate and the reclamation of the Union flag' to become 'a flag for all Britain-symbolising inclusion, tolerance and unity'. Through these initiatives, Britishness would embrace a commitment to 'liberty for all, and responsibility from all, but fairness to all'.[11]

Patriotism for a purpose

Gordon Brown was patriotic for a purpose. The British Way was Brown's answer to one of the key consequences of devolution, namely, the Kirkcaldy and Cowdenbeath Question, the successor to the pre-devolution West Lothian Question originally coined by Tam Dalyell MP.[12] The Kirkcaldy and Cowdenbeath Question (named after Brown's constituency) asked the vital constitutional question of why Brown, representing a Scottish constituency (although it would be applicable equally to an MP representing a Welsh or Ulster constituency) should be able to vote on policy matters affecting people in England alone. After all, the resulting policy choices in areas devolved to the Scots' Parliament would not have to be experienced by Brown's own constituents, without the express

consent of the Scots' Parliament. Simultaneously, the absence of the equivalent devolution for England would deny voters in England the parallel extension of democratic citizenship to hold their elected representatives to account. Whatever else it might yield, such constitutional asymmetries would not deliver the responsibility from all, and especially liberty and fairness for all, that Brown had identified as the quintessential foundation of Britishness.

In April 1999, Brown had asserted that, with the rediscovery of the shared values of 'a special and unifying identity', Britain could move 'from an over centralised and uniform state – the old Britain of subjects – to a pluralist and decentralised democracy – the new Britain of citizens'.[13] In practice, through the negation of citizenship and accountability in England, and with it the potential for the creation of a new plural and inclusive civic identity for England and its people, the British Way also denied two of its own core tenets, namely, the willingness to embrace rather than fear constitutional change, and the devolution of power to break up overly remote and centralised institutions. Brown sought to finesse this contradiction by picturing 'a Britain of regions and nations', in which the nations would be Scotland, Wales and Britain, and the regions those of England.[14] In Brown's British Way, England's political identity as a discrete nation would be denied on all fronts and on all occasions. Brown's May 1999 promise that the whole of Britain would benefit from 'the birth of new centres of power and initiative', embracing a 'commitment to participatory democracy' and 'a unifying and inclusive idea of citizenship' was quickly forgotten.[15]

The greatest flaw of Brown's British Way was that it could be sustained only by drawing upon examples of English history or quotations written specifically about England and Englishness, and then imagining them to be about Britain and Britishness.[16] From the Magna Carta, the Peasants' Revolt, the Putney debates during the English Civil War, to the Bill of Rights in 1689, in a series of major speeches Brown recycled as British examples of English history predating the Act of Union and the creation of the United Kingdom. On the literary front, Brown portrayed quotations from Voltaire, Montesquieu, Burke, Gray, Wordsworth, Hazlitt, Lord Henry Grattan, de Tocqueville, Churchill and Orwell as elegies about Britain and Britishness, when they were actually written about England and Englishness.[17]

The misquotation of George Orwell was particularly interesting since he constituted about the only significant thinker from the Labour Party's own history of ideas that had featured in Brown's articulation of Britain and Britishness. Brown had referred to 'in Orwell's words, the British

genius',[18] when in fact Orwell had used *Socialism and the English Genius* as the subtitle for his work *The Lion and the Unicorn*. Far from making a statement about British qualities, Orwell's focus had been upon England and Englishness. Indeed, Orwell claimed that 'it is only by revolution that the native genius of the English people can be set free. Revolution does not mean red flags and street fighting, it means a fundamental shift of power.'[19] Orwell was not thinking in terms of a British Way, but an English Way as the road ahead for socialism. Thus, as he stated in his final essay on 'The English Revolution', Orwell had concluded that 'the task of bringing the real England to the surface, even the winning of the war, necessary though it is, is secondary ... I believe in England, and I believe that we shall go forward' – a very different agenda to that suggested by Brown's misinterpretation.[20]

When confronted by the anomalies and asymmetries of the British Way, Brown protested that 'England is 85 per cent of the Union', before adding 'and England at any point can out-vote the rest of the Union'.[21] This was an entirely disingenuous defence. Politics at Westminster is not conducted on the basis of nationality, but upon the basis of party political affiliation and, on occasions, principles of conscience. As long as MPs from outwith England remained able to vote on laws affecting England alone, the people of England and their elected representatives would be denied the democratic autonomy and accountability devolution had extended to the constituent parts of the United Kingdom. Brown had conveniently forgotten that when Donald Dewar, the Secretary of State for Scotland, had introduced the White Paper on *Scotland's Parliament* in July 1997, he had argued that the objective of devolution, namely, 'entrusting Scotland with control over her own domestic affairs', would be 'a fair and just settlement for Scotland'. Moreover, it would not only 'strengthen democratic control and make government more accountable to the people of Scotland', but also 'better allow the people of Scotland to benefit from, and contribute to, the unity of the United Kingdom'.[22] By the logical and democratic extension of the very same principle, entrusting England with control over her own domestic affairs would equally deliver a fair and just settlement for England, strengthening democratic control and enhancing accountability. In the absence of such a settlement during the Blair decade, the ultimate postcode lottery in citizenship was left to fester.

Brown justified the confinement of devolution to only 17 per cent of the United Kingdom's population on the grounds of the need 'to recognise the different views and the decision-making processes in some other parts of the country'.[23] He failed to explain why this process should

stop at the borders of England when its population of more than 50 million embraced a plural, diverse and far more multicultural population than Scotland, Wales and Northern Ireland. Indeed, the very scale of England as 83 per cent of the British Union's population and Gross Domestic Product would appear to be the strongest possible justification for its recognition as a distinctive political community and identity. Brown and his fellow Scottish member of the Cabinet, Douglas Alexander, subsequently contended that the status quo of the British Union was defensible because 'a million Scots live south of the border – more than three-quarters of a million people who live in Scotland were born in England. Half of us have relatives in England and people throughout all parts of the UK move freely to set up home.'[24] This was an equally spurious argument since devolution had already extended political power and democratic citizenship to the other constituent parts of the United Kingdom, each of which possessed a citizenry and electorate drawn from many nations and families.

The Governance of Britain: The negation of England

Since Gordon Brown's installation as Prime Minister, there has been little evidence of the 'English Revolution' envisaged by George Orwell, or of Donald Dewar's 'fair and just settlement' envisaged in the devolution agenda for Scotland. On the contrary, the pattern of centralised governance and negation of English citizenship and identity established by the British Way during Brown's tenure at the Treasury has been strengthened and deepened not only by his Government's constitutional reform and domestic policy agenda but also by Brown's steadfast belief, redolent of John Major's rhetoric during the early 1990s, that 'we must defend the Union'.[25] At the same time, in proposing an annual house-building target for England of 240,000 houses by 2016, a total of two million new homes by 2016, and three million in England 2020, and the creation of up to five new English eco-towns by 2016 and ten by 2020, the reform of the planning laws in England through the creation of an unelected Infrastructure Planning Commission, which will be responsible for 'examining applications for development consent for nationally significant infrastructure projects';[26] and the proposal for an NHS Constitution for England, the Brown Government has furnished a reform agenda with two definitive characteristics.[27] First, these proposals have been drawn up as top-down initiatives, the product of reports by an unelected and democratically unaccountable elite, which have bypassed any process of participation by the people of England. This would not

have been possible in Scotland, Wales and Northern Ireland, because of the democratic checks and balances afforded by devolution, which is why such proposals have not been introduced there. Second, none of the proposals (including *The Governance of Britain* agenda for England) were included in the 2005 General Election manifesto upon which the Labour Party was elected.[28] Once more, democratic accountability in England has been negated.

To demonstrate that it had renewed momentum following Tony Blair's departure, the Brown Government quickly published both its draft legislative programme and constitutional reform agenda under the heading of *The Governance of Britain*. The rationale for the further constitutional reforms was the forging of a renewed British national purpose. The White Paper set out to consider 'the relationship people have with the institutions of the state, at a local, regional and national level'.[29] As before in Brown's vision of the British Way, the localities and regions would be England's, but the nationalities and political identities would be all of those of the United Kingdom, except England.

Brown dismissed immediately any proposal for 'English votes for English laws'. This, he argued, would create 'two classes of MPs – some entitled to vote on all issues, some invited to vote only on some'. The Brown Government would 'do nothing to put at risk the Union'.[30] This further specious argument overlooked the fact that devolution had already created two classes of MPs. First, MPs representing constituencies in Wales, Ulster and Scotland, who could vote on laws affecting England alone, while elected representatives for the devolved assemblies and Scottish Parliament could make democratic choices and be held to account directly for policies affecting health, education and other important public concerns. Second, MPs at Westminster representing English constituencies, who could neither vote on purely English legislation (without the intervention of MPs from outwith England) nor vote on policies devolved to Edinburgh, Cardiff or Belfast.

The constitutional reform agenda outlined in *The Governance of Britain* did acknowledge that, following a decade of constitutional reform under New Labour, nevertheless 'power remains too centralised and too concentrated in government'. Consequently, the Government would invigorate British democracy by clarifying the role of government, both central and local, and making people 'proud to participate in decision-making at every level'.[31] However, rather than devolved government, this would mean the appointment of nine Ministers for the English regions, to provide 'a clear sense of strategic direction for their region' and to 'give citizens a voice in central government'. These ministers in

turn would be accountable through the possible creation of nine regional select committees.[32] Brown had promised to listen to and learn from the people, but there had been no calls from the people of England for the creation of such regional structures. Indeed, in a November 2004 referendum, the electorate of the North East had voted overwhelmingly against New Labour's proposals for a limited form of regional government.[33] Thus, the proposed reforms were about the more efficient administration of English territory and a strengthening of central government. Enhanced local accountability would not mean the extension of direct elections, the removal of centralised performance and service delivery targets or genuine autonomy for local government. Instead, there was only a pledge to 'assess the merits of giving local communities the ability to apply for devolved or delegated budgets'.[34]

In its implementation of *The Governance of Britain*, there has been a marked disparity between the Brown Government's soaring rhetoric on empowerment of citizens and the reality of its policy agenda. This disparity has been exemplified by the July 2008 White Paper on communities and local government in England. Given the uplifting title, *Communities in Control: Real People, Real Power*, the chapters of the White Paper begin with a remarkable series of quotations from Aristotle, *The Hitchhikers' Guide to the Galaxy*, Lao Tzu, Mahatma Gandhi, John Milton, Abraham Lincoln, John Stuart Mill and (concluding with) Thomas Paine, celebrating the virtues of democracy, participation, transparency and accountability.[35] However, the substantive proposals contained in the White Paper could not be further away either from such lofty virtues or the implied devolution of real political power.

Remarkably, *Communities in Control* commenced with a Foreword from Gordon Brown and an Introduction from Hazel Blears in which neither (in a document about communities and local government in England) was able to bring themselves to mention England, although Britain (Brown) and Zimbabwe, Scotland and London (Blears) are mentioned.[36] The Executive Summary, however, did conclude by asserting 'there are no limits to the capacity of the British people for self-government, given the right platforms, mechanisms and incentives'.[37] The White Paper repeated *The Governance of Britain* mantra that 'power still remains too centralised and too concentrated in government', and proposed councils and unelected, appointed public bodies be given both a new 'duty to promote democracy' and a 'duty to involve'.[38] Although the key themes were 'power, influence and control', central government's power, influence and control would not be challenged. Indeed, the performance framework for English local government would retain no fewer than 198

National indicators, with local authorities having to prioritise as many as 35 centrally driven indicators. Such a performance framework could only be cast as an act of empowerment when set against the previous total of 1,200 'centrally imposed performance indicators'.[39] The retention of centralised control was despite the White Paper's own citation of a February 2008 opinion poll finding that no fewer than six out of ten people did not feel they were given an adequate say in how their local councils were run, and as many as nine out of ten believed their councils could be more accountable.[40]

At the heart of the Brown Government's legislative programme have been a series of policies which have negated further the realm of local accountability in England by rolling forward the frontiers of the unelected quango. A prime example has been the creation of the Homes and Communities Agency, itself the product of a merger of two other quangos – English Partnerships and the Housing Corporation. Weir has described the Corporation as a 'super-quango' that, with Regional Development Agencies and the Government's Regional Offices, has set the seal 'on a troika of power that is accountable, though imperfectly, only upwards'.[41] The creation of such an architecture of top-down, unelected and locally unaccountable institutions would not have been feasible in other parts of the United Kingdom, because of the checks and balances provided by the directly elected devolved institutions. But, as Weir has noted, 'local government in England is neither local, government nor representative. Local authorities are ruled from above by central government departments and major quangos.'[42]

This negation of democracy and citizenship in England has been highlighted further in a review of the pattern of power and participation by Democratic Audit. It has noted that 'modern "local governance", especially in England, is neither local nor often directly democratic'. Consequently, Democratic Audit has recommended nothing less than 'a fundamental reversal of existing policies towards local government and the quango state so that elected local authorities can be made considerably more autonomous in terms of their policies, revenues and expenditure and protected against constant central government meddling'.[43] Indeed, for communities in England to be truly under the control of real people with real power, the Government must locate consultation, participation (including participatory budgeting) not, as proposed, outwith but 'within the framework of elected representative government at local and regional level'. Moreover, in England the government 'must lift the weight of central financial and policy controls from local authorities to give them freedoms to make policy and sufficient resources

and local tax-raising capacity'. This should include the dismantling of 'the undemocratic scaffolding of English "partnership governance" where major decisions are to be taken at near regional level out of reach of popular participation'. Any future written constitution should give local government constitutional protection, and the unelected, unaccountable English quango state should be democratised.[44]

The frustration at the lack of opportunity for meaningful participation has also extended to the representatives of directly elected political authorities. For example, the Local Government Association has expressed its exasperation at the manner in which the Brown Government's eco-towns initiative has bypassed local democracy, and is imposing the developments upon communities 'in the face of fierce opposition'.[45] The Association's Chairman, Sir Simon Milton, has asserted that the initiative has 'significant flaws', not least the Government's failure 'to learn its lesson by relying on "new town" powers of the past to impose a Whitehall diktat'. Indeed, the eco-towns will possess 'unelected management bodies to help develop and manage them, effectively neutering the role of local government. This flies in the face of the Government's stated intentions to devolve decision-making to local councils.'[46] At the same time, eco-towns have relied upon the use of a national planning policy statement designed 'to enable decisions to be made outside the established regional and local planning regime', and which has enabled the Brown Government to act 'as both planning judge and jury'.[47]

The scale of the popular opposition to the proposed eco-towns and the development of a third runway at Heathrow Airport, allied to the scale of the backbench rebellion by Labour MPs against the Planning Bill, has reflected the widespread frustration at the manner in which the British Way of state-led modernisation has attempted to bypass directly elected, locally accountable structures in England. This frustration has extended beyond proposed developments in the built environment to the English democratic deficit that has been entrenched by the Blair and Brown Government's reforms of the public services. In the final report of its Health Commission, the Local Government Association has noted how, since 1997, the performance management of the National Health Service has been driven by central targets founded upon central government priorities and allied to devolved administration within a framework of national standards for England. This has left 'a system of accountability that remains strong nationally and weak, or non-existent, at local level'.[48]

As an alternative, the Commission has proposed that health service management should be held to account locally by local people or their representatives in a formal process giving citizens the opportunity to pass judgement and, if necessary, impose sanctions. Indeed, the Commission's own survey found that no fewer than six out of ten members of the public in England wanted a greater say in the running of their health services.[49] Consequently, the Commission has concluded that 'centralisation has gone too far', generating 'diminishing returns with little sense of ownership of reform and de-motivation among managers and clinicians', and that 'current arrangements for local accountability are not fit for purpose'. Indeed, upwards accountability to central government had created 'a dependency culture which has stifled innovation and distorted priorities'.[50] Thus, the price paid for the centralised prescriptions of the nationalised policy design and resource allocation of the British Way has not been merely a deficiency in local accountability. There is growing evidence that they have materially damaged the efficiency and effectiveness of England's public services.[51]

An alternative English way

To counter the negation of England, and in works such as Billy Bragg's *The Progressive Patriot*, Paul Kingsnorth's *Real England* and Mark Perryman's edited collection, *Imagined Nation: England after Britain*,[52] the quest has begun to define an 'English progressive patriotism', an inclusive English identity and 'a multicultural Englishness that challenges the Whig interpretation of history and is at ease with the Scots, Welsh and Irish making their own arrangements'.[53] The process has been illuminated by some thoughtful academic contributions on where the debate currently stands.[54] The imagining of an English Way will not be an easy task for at least two reasons. First and foremost, because of the legacy of Enoch Powell and 'the deeply xenophobic cast of English nationalism and its fundamental association with a version of national culture which can only make sense in exclusionary, racial terms'. Second, because while the potential exists for the creation of a positive agenda for English independence, rooted in alternative conceptions of identity, governance and political economy for England, it will require a political imagination that leaves behind Britain, Britishness and Unionism when defining the future of England and Englishness. The way forward most certainly does not reside in the portrayal either of the English as being caught in a pincer movement by the dual challenges of multiculturalism and European

integration or as the insular, complacent, slow-witted victims of devolution, with the Scots and Welsh as instinctively socialist populations, more wedded to welfare and subsidised 'for centuries' by the gullible English.[55]

The difficulty that separating England and Englishness from Britain and Britishness might present for traditional Unionists has been reflected in the evolution of Conservative Party policy towards the governance under David Cameron's leadership. Scarred by the experience of the unsuccessful 2001 and 2005 general election campaigns, in which the Conservative Party's manifesto promised the introduction of English votes for English laws at Westminster,[56] and in which the Conservatives had won only one and four seats respectively outside England (having won none in May 1997), Cameron has resisted thus far the many Conservative voices who have advocated the Party's abandonment of Unionism and its reinvention as an authentic English nationalist party.[57] Indeed, Cameron has taken several steps firmly in the opposite direction. First, he has reaffirmed his own personal commitment to the British Union in a series of keynote speeches and thereby converged with Gordon Brown's New Unionism.[58] Second, he has entered talks with the Ulster Unionist Party to establish a working group to determine whether there should be a formal merger between the two parties.[59] Third, he has appointed Kenneth Clarke MP, a known sceptic on the merits of 'English Votes for English Laws', to chair the Conservative Party's Democracy Task Force.

While recognising the 'obvious apparent logic and justice' of the principle and policy of 'English Votes for English Laws' as a means of resolving the iniquities arising from devolution, Clarke's Task Force chose not to recommend it. As an alternative, the Task Force recommended a variant of 'English Votes for English Laws', that would restrict voting at Westminster on the Committee and Report stages of legislation to English MPs only, but which would allow all MPs to vote on Bills as far as the Second Reading and, critically, at the Third Reading stage. The justification for this constitutional fudge was that it would prevent a United Kingdom Government being confronted by a House of Commons with a majority of MPs from another party or parties.[60] While this solution would 'give protection' and, 'under most circumstances', that legislation could not be imposed upon England by the votes of Scottish, Welsh or Ulster MPs whose constituents were not affected by it, it could not and would not provide a guarantee against that imposition. Moreover, the Task Force confirmed that its recommendation would ensure that the United Kingdom Government would retain 'something very similar to a presidential veto' in its ability to reject legislation approved at its Second

Reading by a majority of the democratically elected representatives of the citizens of England.[61]

The Conservative Party's Democracy Task Force had therefore answered the English Question by reaffirming the very Unionist principle of 'United Kingdom votes for English Laws' that was the very root of the English grievance encapsulated in the (pre-devolution) West Lothian and (post-devolution) Kirkcaldy and Cowdenbeath Questions. Clarke's fellow Conservative MP, Sir Malcolm Rifkind, immediately challenged the Task Force's proposals, pointing out that they would not have prevented the passage of the legislation on foundation hospitals and university tuition fees in England which had been passed during the Blair Government's second term only with the votes of MPs representing constituencies in Scotland, Wales and Ulster. Moreover, as Rifkind noted, under these proposals, if all United Kingdom MPs voted for a Bill before its Second Reading, amendments supported by a majority of English MPs at Committee stage would not be able to reverse the basic objective of such legislation, because 'any attempt to do so would be designated a "wrecking amendment" and ruled out of order'.[62]

Such was the immediate attractiveness of Clarke's proposals for the Brown Government that Michael Wills, Minister of State for the Ministry of Justice, declared that the Government would be prepared to look at the proposals.[63] However, Clarke's Task Force proposals were immediately dismissed by the Constitution Unit as 'neither new nor workable'. Indeed, Robert Hazell, the Unit's Director and a former Home Office civil servant, claimed that it was not feasible to restrict the voting rights of Scottish MPs because 'no-one has yet satisfactorily defined how you identify an "English law"'.[64] However, the notion that the collective legal, political and administrative resources of Whitehall could not in future draft legislation pertaining to England only is simply not credible, especially should England gain its independence from the United Kingdom. Bills might have to be drafted in a completely different way, but the forces of conservatism within the British Establishment should not be allowed to derail the principle of English votes for English laws and greater democratic accountability of government to the people of England.

Conclusion

Like John Major before him, Gordon Brown's repeated defence of the British Union has done nothing to bolster either the waning popularity of his political party or himself as Prime Minister. Indeed, with Labour

(25 per cent) trailing the Conservatives (47 per cent) by 22 per cent in one national opinion poll, only 15 per cent of those questioned thought Brown upto the job of being Prime Minister.[65] Only Major had ever recorded a lower approval rating as Prime Minister. At the same time, Brown's own backbench English MPs have become ever more vocal in identifying the political and electoral disadvantages of Brown's refusal to address English resentment over the fiscal and constitutional disadvantages of the devolution settlement. For example, Frank Field has described the existing inequities as 'not defensible', and has noted that, during the 2007 Scottish Parliamentary elections, opinion polls had recorded 'a higher proportion of voters in England in favour of greater independence for England than there were Scottish voters wanting that independence for their country'. Since answering the English Question could not be avoided, Field has contended that there would be political advantage for the Labour Party in providing a resolution that 'should also set new parameters to the debate on House of Lords reform'.[66]

One way forward for Brown and the Labour Party has been the suggestion of the filling of the vacant post of Deputy Prime Minister with a senior Cabinet minister, representing an English constituency, who would speak for England and assume responsibility for all English domestic policy. This demand has been led by Labour backbenchers, notably Stephen Ladyman, whose highly marginal South Thanet constituency was won at the June 2005 General Election with a majority of only 664 votes. Ladyman has asserted that, 'it is important to recognise that the election is won or lost in England. We need to have English voices speaking and giving messages that make sense in English communities.'[67] In this regard, Keith Vaz, MP for Leicester East and a member of the Labour Party's National Executive Committee, has urged Brown to appoint Jack Straw as Deputy Prime Minister, with full responsibility for English domestic policy and economic policy. The need for a more visible English representation in the Cabinet has been echoed by the suggestion from Lindsay Hoyle, the Labour MP for Chorley, that, 'voters are looking to see a better balance within the Cabinet to ensure that all the regions are represented'.[68]

With the onset of the global credit crunch, its recessionary implications for the domestic economy, and with the manifestation of the Labour Party's and his own plummeting popularity in successive opinion polls and consecutive by-election defeats, there is one very great irony. Had Brown extended devolution to England, and devolved responsibility for domestic policy onto a Deputy Prime Minister for England and

empowered English votes for English laws, he would have had liberated himself to become more proactive in addressing the very global economic, security and environmental challenges he had argued necessitated both a new kind and style of politics. Moreover, he would have done so at a time when, in Barack Obama, he would have found a potential President of the United States and international statesman with the very vision of international cooperation in the traditions of the Democrat Party that had oriented Brown's own moral compass and agenda for a new Marshall Plan and global New Deal.[69] However, by choosing to articulate a British Way that has negated England, Brown has undermined simultaneously his own prospects of remaining Prime Minister and the Labour Party's prospects of a fourth consecutive General Election victory. Indeed, one leading commentator has predicted confidently that 'Brown will be Labour's last Scottish leader'.[70]

13
Response to Simon Lee[1]

Arthur Aughey

Jim Bulpitt once argued that though they dominate the United Kingdom the English never took the Union seriously, either ignoring it or regarding it as a mere extension of England and Englishness. This unthinking-ness about the Union was the historical ballast of the British state but it could also become, when alarmed into reflection by change, the undoing of that state. That undoing point Simon Lee believes we have now reached. For one inference from Bulpitt's analysis is that traditional British statecraft intentionally misrecognised the English Question because government 'attempted to relate to (or distance itself from) all parts of the periphery in similar fashion. For the centre then, if not for the English, England was part of the periphery.'[2] If the popular English understanding of the United Kingdom assumed a correspondence between British Government and English identity, Westminster assumed otherwise. The Government's overriding concern was with what Madgwick and Rose called the 'fifth nation' – 'the United Kingdom is a fifth "nation" in Westminster'.[3] This fifth nation embodied an ideal and a principle. The ideal was multinational solidarity and the principle was an association of the willing. The objective of New Labour's constitutional reform was to strengthen that fifth nation. Reform was not concerned with 'constitutional symmetry' but with the practical accommodation of 'difference and rough edges'.[4] As Lee clearly shows, one of those asymmetrical rough edges turned out to be England and, with the failure of its policy of English regionalism, Labour gave the impression that England was a difference that neither could be nor should be accommodated. That it could not be accommodated was a technical matter of *British* constitutional design (the West Lothian Question). That it should not be accommodated was not a technical but a national – the *English* – Question.

This is the context for Lee's chapter. Its argument, expressed with passionate but logical intensity, is that the old confusion of British with English now seriously disadvantages England's interests and upsets the political contract of the Union because solidarity is now an exploitative imposition. It is an argument, moreover, which inverts the traditional cultural and political grievances of Scottish and Welsh nationalists. The cultural grievance claimed that national achievements were appropriated by Englishness through the collective term of 'British' and the political grievance claimed that national interests were marginalised by English dominance at Westminster. In Lee's dramatic expression, it is now England which is doubly 'negated'. It is disadvantaged *nationally* because the 'patriotic purpose' of Labour's British Way denies the distinctiveness of England (and falsely appropriates English literature to sustain a British identity). It is disadvantaged *civically* because democratic participation and accountability are sacrificed to centralised convenience. Though Lee's analysis is mainly concerned with questions of citizenship, his argument is driven by English national sentiment. England needs self-governance for two reasons: to address New Labour's constitutional deficit and to give the English a democratic identity sufficiently strong to determine their own affairs. Lee is willing to follow through the logic of his argument and accept that England could 'possibly separate' from the United Kingdom. The anger of the case evinces little sorrow at that conclusion.

Lee makes a strong moral claim, captures a certain English mood but so far that mood has not become a movement for constitutional change. But is it capable of transforming from mood to movement? While people are more willing to call themselves English rather than British and there is wide sympathy for an English Parliament, for the moment popular support for radical change is not deep.[5] Though Lee may have exaggerated English alienation and anxiety, the points he raises are unlikely to go away and any future government needs to confront them intelligently.

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Part III
The Conservatives under Cameron

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14
Built on Sand? Ideology and Conservative Modernisation under David Cameron[1]

Mark Garnett

In an article of July 2008, designed to advertise his credentials as a future prime minister, David Miliband chose to attack the opposition leader instead of praising his own chief, Gordon Brown. David Cameron, Miliband conceded, 'might be likeable and sometimes hard to disagree with'. However, with no 'vision for Britain', Cameron was 'a politician of the status quo … not change'. 'His problem', Miliband concluded, 'is that he is a conservative'.[2]

It was rather odd for Miliband to imply that anyone who failed to appreciate the need for radical change after more than a decade of Labour rule must be guilty of dangerous complacency. But whatever it said about his own Party's record, his remark was highly revealing about the recent history of the Conservatives. At one time 'Conservative leader is a conservative!' might have ranked no higher than 'New Pope is a Catholic!' in its capacity to startle. But since the Party chose Margaret Thatcher as its leader in 1975 it had become obligatory for senior Conservatives to assert their radical intentions. For the benefit of that rare breed – the Conservative-supporting *Guardian* reader – Miliband was thus trying to say that Cameron represented a significant departure from his Party's recent past. Once the Conservatives had boasted of their readiness to 'think the unthinkable', but those days had passed and now only Labour was courageous enough to engage in unflinching speculation.

The main purpose of this chapter is to ask whether Miliband was right in his characterisation of David Cameron. Is Cameron really a 'conservative', rather than a radical? The second part of this question is easier to answer, if we can agree to define 'radical' in terms of a belief in the need for fundamental reform. At one time, 'radical' implied an adherence to the progressive side of politics, and was contrasted with 'reactionary'; but nowadays the radical label is usually a synonym for unquestioning

faith in the virtues of the free market (at least, one suspects that this is Miliband's understanding of the word). Unfortunately, 'conservative' is much more tricky; its meaning has been hotly contested for much of the post-war period, so that any attempt to provide an authoritative answer would take us far beyond the scope of this chapter. However, we can at least offer some clues which might help to illuminate Cameron's ideological position, and speculate about the extent to which his personal views are likely to influence his policies should his Party's extended spell in the wilderness come to an end while he remains leader.

'Built to last'

The obvious reference point for those who wish to investigate the ideology of the Conservative Party under David Cameron is *Built to Last*, the statement of principles which was accepted in September 2006 after a ballot of party members.[3] The document made free use of the word 'Revolution', consistent with the theme of 'change' which Cameron had used in the previous year's campaign to succeed Michael Howard as Conservative leader. However, as students of *Yes, Prime Minister* know too well, this rhetorical style is often utilised by politicians who want to make a modest programme sound exhilarating. As it was, many grassroots activists were said to find the original draft of *Built to Last* unduly cautious, and even after it had been revised the turnout in the ballot was little more than a quarter of the party membership.

Even in its final form, *Built to Last* was certainly not as radical as the statement of principle published by Michael Howard soon after his own elevation to the leadership in 2003. In its unmistakable symptoms of state-hating, Howard's 'I Believe' only made sense within the tradition of nineteenth-century liberalism.[4] *Built to Last* was much less abstract, fleshing out basic principles with practical goals across a wide range of policy areas. One key theme, calling for a 'responsibility revolution', was reminiscent of Tony Blair. Yet Blair had combined a call for people to take control of their own lives with a heavy-handed approach to personal conduct, prohibiting activities which had previously been considered to be private choices. In other respects, Blair had taken Thatcherite centralism well beyond the limits established by his heroine. Cameron's Conservatives were more permissive, 'recognising that persuasion can sometimes be a more powerful tool than compulsion in bringing about lasting change'. They also seemed sincerely to believe that decision-making should be devolved wherever possible to local communities.[5] On one level, this line of argument echoed familiar Conservative clichés about

the over-mighty central state. But it also chimed in with the repeated protestations of senior party figures after 1997 that there *was* such a thing as society after all.[6]

In his own version of this mantra, included in his leadership acceptance speech of December 2005, Cameron had borrowed a phrase from his colleague Oliver Letwin and added that society was 'not the same thing as the state'.[7] *Built to Last* duly referred to the potential role of the voluntary sector in service provision. In this context the appeal to voluntarism was given a more rounded rationale than had ever been the case during the Thatcher years, when it was difficult to see why Conservatives should undertake any activity without the incentive of financial reward, and at the time the argument could be interpreted as a thinly veiled attempt to reduce the cost of the welfare state. In *Built to Last*, the emphasis had shifted to the presumed practical expertise of some non-governmental organisations in relieving distress, within a context in which the Party pledged itself 'to fight social injustice and help the most disadvantaged'. Far removed from Thatcherite idiom, this goal was more reminiscent of social democracy. Elsewhere the document stated that 'there is more to life than making money', and claimed that part of a worthwhile existence came from living within a society which was 'just' as well as 'strong'.

Even when expressing reservations about the role of the central state, *Built to Last* thus departed from the habitual rhetoric of Thatcherism. In view of what had gone before – particularly the brief Howard interlude – the most interesting remark was that 'we believe in the United Kingdom and *in the role of central government as a force for good*'. This was a very astute piece of drafting, yoking a viewpoint which Thatcherites would applaud with a much more subversive sentiment. In keeping with the first part of the sentence, Cameron has adopted a strong pro-Union stance, trying (for example) to forge links with Unionists in Ulster. He has also followed Howard in taking an approach towards the EU which is barely compatible with continued UK membership. Despite these sweeteners, his admission that the state is at least potentially a force for good must have been a bitter pill for right-wingers to swallow. It was, though, a necessary statement if the Conservatives were to re-emerge as a credible party of government. If their published views were taken at face value, Cameron's immediate predecessors seemed more attracted by the idea of abolishing the state entirely than the argument that government should be respected even within a restricted sphere. By contrast, *Built to Last* envisaged a state which could command respect, not least because in certain sectors it would stand back and allow civil society to perform tasks which central government had mishandled in the past.

Cameron's critique of Thatcherism

It would be a mistake to regard *Built to Last* as a purely personal statement by the new leader. But great care was taken in its preparation, and its message was compatible with earlier pronouncements. Perhaps even more revealing than the official statement of principle was a speech delivered by Cameron before he had been identified as a likely candidate to replace Michael Howard. In March 2005 he delivered the annual Keith Joseph Memorial Lecture, at the Centre for Policy Studies. Given the occasion – and the audience, which contained several hard-line right-wingers – it was a tactful performance, in which Cameron argued that Keith Joseph and Margaret Thatcher were pragmatists who spoke and acted as they did because they recognised the need for radical change.[8] Regrettably their successors within the Party had become obsessed with ideological purity, allowing the Conservatives to be branded as dogmatic and divisive. Cameron implied that he was as guilty as anyone in this process; he noted that he had joined the Conservative Research Department in 1988, just at the time when the Party should have adopted a fresh approach. It was right to have remembered Keith Joseph's impassioned case for free markets, because that argument was not over. But the fall of Communism provided the scope for Conservatives to widen their appeal, addressing concerns about the quality of life, criticisms of the public services, and fears for the environment.[9]

Given Cameron's close association with Michael Howard at the time of his lecture, the text was a noteworthy appeal for a retreat from 'tooth-and-claw' Thatcherism as a new election approached. In some respects Cameron's message can be compared to that of David Willetts, dating back to his *Modern Conservatism* (1992). But there is an important distinction. In *Modern Conservatism* Willetts had made the best possible case for regarding free markets as an ally, rather than a potential enemy, of a strong society. The implication of Cameron's speech was that the ideological obsessions of Thatcher's supporters had introduced a note of dissonance. Through their excessive focus on economic theory, they had lost sight of the practical impact of their ideas on society. Despite the obligatory kind references to the memory of Keith Joseph, Cameron's text is more reminiscent of the moderate Lord Hailsham, who memorably and appositely described Joseph as 'dotty'.[10]

When, in his first speech as leader, Cameron referred to Britain's 'broken society', he was clearly hoping that most voters would lay the blame on Labour governments since 1997. However, through his Joseph lecture he had already signalled an awareness that Thatcherism shared the

blame, and duly distanced himself from the ideologues in his own party who had helped in the breakage. Three years later he implied that his only quibble with the Thatcher record was the extent of centralisation in the 1980s – and even here he was ready to excuse and explain the mistake.[11] Yet this is best interpreted as a diplomatic exercise, written for a newspaper whose readers believed that Thatcher was incapable of error. The depiction of Joseph and Thatcher as pragmatists in the 2005 lecture should almost certainly be regarded as a similar prudential move. The Keith Joseph lecture could actually be used as the basis for a plausible narrative explaining how Britain had reached the predicament it faced in 2005. On this view, misguided Conservatives had begun to damage the country's social fabric between 1979 and 1997, but instead of using its crushing majority to rectify the mistake New Labour had only made matters worse.

A One Nation revival?

By describing Cameron as a conservative, David Miliband evidently wanted to portray him as a privileged person who had no desire to make the changes which would bring about a fairer Britain. But it is possible to label Cameron a conservative without accepting Miliband's partisan purpose. This interpretation of Cameron's speeches would characterise him as a representative of the 'One Nation' tradition, which was once powerful within the Conservative Party but has languished since Thatcher was elected leader in 1975. Debate on this subject has been sidetracked in recent years by scholars who have tried to argue that the 'One Nation' label has become adulterated by myths propagated by the left wing of the Party.[12] However, the obvious rejoinder is to ask why, when the left felt embattled, it chose to make its stand around the concept of 'One Nation'. In choosing that name, the admittedly miscellaneous founder-members of the One Nation Group were making an overt reference to a clearly defined tradition within the Party, represented by Baldwin and Disraeli among many others. If one was to define 'One Nation' ideas without relying unduly on the various personalities among the group that adopted the name, the viewpoint could be characterised as a belief that, while economic inequality in some degree was unavoidable and even welcome, if it grew to excessive proportions it would endanger national cohesion.[13] For most Conservatives who have identified themselves closely with 'One Nation', the state should take an active part in ensuring social tranquillity. Although Conservatives of this stamp could disagree about the extent of state intervention, it is fair to say

that any member of 'One Nation' who thought that the state had no business at all in this sphere could only have joined the group under a misapprehension.

Cameron himself has been happy to claim kinship with One Nation, having joined the group in 2003. A current member, Andrew Tyrie, has written a pamphlet anticipating a fourth flowering of the tradition, following on from the periods when Disraeli, Baldwin and R. A. Butler were dominant figures.[14] Although it is noticeable that Tyrie lists suspicion of the state as a leading characteristic of the One Nation tradition – a highly dubious claim – his discussion is persuasive. Given Cameron's situation after his rise to the Conservative leadership, would One Nation politicians of the past have taken a very different approach? The most likely answer is that they would have proceeded along similar lines. In particular, they would have acknowledged the errors of the Thatcher/Major years by stressing that Conservative governments should pay heed to the interests of all members of the nation, rather than siding openly with the affluent against the poor.[15]

The approximation between Cameron's views and those of the One Nation tradition goes beyond economic policy to moral questions. Taken as a whole, it is fair to suggest that One Nation Conservatives have tended towards the liberal side in their ethics, following the example of Butler in his time at the Home Office (1957–62). Like Butler, Cameron has courted unpopularity within his party by showing tolerance for groups which habitually incur the wrath of the right, and refusing to base his policies on nostalgia for a reputed pre-lapsarian age before the 1960s. In this respect, Peter Dorey is right to characterise Cameron's early pronouncements as 'bold and innovative'.[16] Cameron's most controversial intervention came in July 2006, when he suggested that the problem of delinquent teenagers could be addressed with love as well as condemnation.[17] Arguably, this outlook means that Cameron has come closer than any of his immediate predecessors to resolving the key ideological dilemma facing the Conservatives since Thatcher's time: how can a party which supports the amoral market also stand up vociferously for 'traditional' values? Cameron's solution is to offer more muted support for the market, while accepting that Thatcher's 'Victorian Values' are no longer shared widely, even among readers of the *Daily Mail*. In speaking out on behalf of the family, for example, he clearly favours the traditional model of that institution. However, a positive attitude towards heterosexual married couples need not imply a desire to discriminate against less 'orthodox' domestic arrangements. Thus, although critics were keen to point out inconsistencies in Cameron's voting record during

his early days as an MP, he offered support to measures like the 2004 Civil Partnerships Act.

A One Nation radical?

On this analysis it does seem permissible to characterise Cameron's personal position as an updating of the One Nation tradition within the Conservative Party. It would be tempting to conclude that his form of revisionism merely invites the Party to embrace a different (and more coherent) kind of liberalism, after its prolonged dalliance with the Thatcherite version ('The Free Economy and the Strong State'). However, Cameron's apparent beliefs do retain one crucial point of contact with traditional conservative ideology, thanks to his evident concern to reconcile the unsettling changes of recent years with some sense of social cohesion. Ironically, though, in contemporary Britain a desire for social cohesion is likely to inspire a demand for radical change, rather than acceptance of the status quo. The notion that Britain is now a 'broken society', which Cameron shares with senior colleagues like Iain Duncan Smith and Liam Fox, suggests a daunting restorative task. If their analysis is correct, the challenges are greater than those faced, in very different contexts, by Disraeli, Baldwin, Butler or the founding members of the One Nation Group.

For understandable reasons, Cameron has been reluctant to commit himself to specific policies in the short term – and when members of his team have floated ideas, those ideas have been filched by New Labour (cuts in inheritance tax), or subjected to harsh criticism from his own side (David Willetts's proposals on grammar schools). Other key policy questions, concerning taxation and the level of public spending, obviously depend on the situation which the Conservatives will inherit if successful at the next election. However, based on the early announcements it would be reasonable to suggest that Cameron's 'One Nation' diagnosis of the condition of Britain has not been echoed in his policy prescriptions, which in most instances do not indicate a radical rupture from the Thatcher/Blair consensus. At most, one could argue that Cameron has shown an instinct to avoid policy ideas which might *deepen* existing social divisions (hence, for example, his brutal verbal response to a suggestion from the think-tank Policy Exchange that further attempts to regenerate cities like Sunderland and Liverpool would be futile).[18] In itself, this is another symptom of his distance from the confrontational Thatcher. But it also provides some support for Miliband's picture of a risk-averse politician. At times, indeed, it has seemed that Cameron is

preparing to fight the next election chiefly on the question of competence, assuring voters that, after a brief spell of ideological indulgence, the Conservatives have recollected that they are 'the natural party of government' and are ready to implement a broad policy framework which scarcely differs from that of the current usurpers: to 'govern as New Labour', as it were, without New Labour's sleaze, spin and cock-ups.

Even before he became Conservative leader, Cameron was attacked for his apparent resemblance to Tony Blair; and some of his supporters seem to have retained their admiration for the ex-prime minister long after he lost his lustre among Labour voters. The parallels were never exact; for example, as Cameron himself was keen to stress, there was no Conservative totem like Clause IV to abolish. Even so, there is a danger that, like Blair, Cameron and his team might follow Blair's example by evaluating policy ideas not by their likely practical results but rather by the extent to which a reluctant party can be persuaded to accept them. In Blair's case, this resulted in the sincere but surreal belief among ministers that they were being 'radical' even when they were merely pushing further the policy agenda which had been established as the ruling orthodoxy under Thatcher and Major.

It can even be argued that, when they have departed from Blair's own strategy in opposition, Cameron and his allies have remained faithful to his spirit. Between 1994 and 1997 Blair saw no need to make concessions to his internal opponents; indeed, as Major's Government continued to plummet in the polls Blair exploited his stature as prime minister-in-waiting to push his party ever further in the rightward direction which he favoured. Things might have become much more complicated if, in 1995, the Conservatives had toppled Major and installed a leader with greater public appeal. In the summer of 2007 Labour seemed to have profited from this example, and the elevation of Gordon Brown provoked a crisis of confidence in Cameron's leadership. Thus, for example, the former Party Treasurer Lord Saatchi chose this moment to warn that the Tories would not recover unless they found 'an expression of true Conservative ideology'.[19] Saatchi, of course, had no professional duty to define his terms before speaking out: in his mind, 'Conservative ideology' meant Thatcherism, no more, no less.

Though outwardly he appeared unruffled by the criticism, it does seem that Cameron responded to the first 'Brown Bounce' by attempting to mollify his own core support. As Tim Bale has argued, 'traditional' Tory themes like immigration and crime were given renewed prominence, and Cameron suddenly seemed anxious to name-check Lady Thatcher as often as possible, even roping her into photo-opportunities.[20] For

students of Conservative Party politics since 1997 the pattern seemed painfully familiar. Faced with the prospect of heavy defeat, in 2001 and 2005 the Party had abandoned half-hearted attempts at 'modernisation', and pitched its appeal to its most reliable supporters, in the hope that they would at least make the effort to turn out and thus minimise the scale of the looming catastrophe. Even under Hague and Howard this looked pretty desperate, not only ensuring that the Conservatives could not win but also adding to the legacy of distrust which had accumulated during their long years in office. Coming from David Cameron, the 'core vote strategy' would have made an even worse impression; after all, on taking the leadership he had sworn that he would never budge from the centre ground of British politics.[21]

If Gordon Brown had retained his initial popularity, one cannot be certain that the Conservatives could have avoided the temptation of a rightward lurch, under Cameron or another leader. After all, while Blair had been able to calculate that core Labour voters would continue to support him because they had nowhere else to go, Cameron was faced with the possibility that disgruntled right-wingers might defect to UKIP or even the BNP. As it was, a growing feeling of public contempt for New Labour, soon to be given additional force by a grim economic outlook, produced a transformation in the prospects for Cameron and his Party. Suddenly Cameron was enjoying something like the 'prime minister-in-waiting' status which had helped Blair to launch his frontal assault on Old Labour after 1994. There were signs that Cameron was indeed exploiting his opportunity, continuing to describe himself as a 'progressive' and breaking the cardinal rule of Thatcherism by refusing to rule out tax increases if the economic situation demanded tough action to restore the nation's finances.[22]

However, now that the public seemed prepared to listen without prejudice, it was possible for Cameron and his colleagues to make a virtue of their enforced change of strategy, and to keep on raising the specific issues which energised the Party's grass roots while also playing well to the wider public. Polling evidence showed that these mixed messages left many voters unsure of where the Conservatives now stood. But, even if a fully-fledged economic crisis provides a perverse election-winning boost for Brown, this uncertainty was much better than the old assumption that any Tory utterance must be 'nasty' by definition; and public misgivings about Mrs Thatcher had not prevented her Party from winning a decisive victory over an unpopular government in 1979. In short, the Labour Government's problems in the summer of 2008 had presented Cameron with an ideal scenario in which he could reach

out to uncommitted voters of varying views while keeping his core supporters relatively happy. At times he ran the risk of overplaying his new hand, and inadvertently conceding too much ground to critics within his Party. For example, during the July 2008 by-election campaign at Glasgow East – the 'Broken Society by-election', as he dubbed it – Cameron spoke out against a 'moral neutrality' which prevented people from condemning those who brought problems on themselves. While he specified obesity, alcohol abuse and drug addiction as self-inflicted difficulties, other members of his Party could easily have supplied a more extensive list of activities which deserved condemnation. The speech was widely interpreted as 'a conscious shift in strategy'.[23] The *New Statesman* editor John Kampfner saw it as part of a more general shift, from the emollient 'Cameron Mk I' to a harsher operator who wanted to exploit an uglier mood within the electorate.[24]

While Cameron's outburst in Glasgow must be viewed as a gratuitous own-goal, it was at least (if only just) consistent with *Built to Last*'s preference for exhortation over compulsion. Also, Cameron did allow that adverse social conditions could contribute to detrimental behaviour – something that ardent Thatcherites were notoriously reluctant to concede. In any case, the incident was overshadowed by the Government's disastrous defeat in the by-election, so the perceived strategic shift probably only registered with the least-repentant members of the old guard, who had kept on sniping at Cameron even after the Conservatives had established themselves as serious contenders for power.[25] Equally, although the media has done its best to publicise apparent schisms in the party ranks – like David Davis's sensational resignation from the House of Commons in June 2008 – the stories have proved transient compared to tidings of Labour's chronic divisions. Events outside Cameron's control have certainly helped to create this situation, but without his strenuous efforts to 'decontaminate' the Conservative 'brand' the opportunity might easily have fallen to the Liberal Democrats. Only a (telegenic) One Nation Conservative could have given his Party the opportunity to provoke a constructive discussion on issues which have come to be seen as the exclusive preserve of the antediluvian right.

An opportunist?

Like Blair, Cameron has often been accused of opportunism – of believing in nothing except his own ambition to be prime minister. However, the two cases do seem to be different for several solid reasons. For example, in Blair's case the accusation of insubstantial convictions arose

from genuine puzzlement about his ideological identity, which was compounded by his own flirtation with the nebulous notion of a 'Third Way'. Social democracy was itself a perfectly respectable Third Way between socialism and unrestrained capitalism and, in hindsight, Blair's reluctance to call himself a social democrat was a sign that, far from seeking a *via media* between the old ideological alternatives, he was actually a fervent devotee of the free market. By contrast, Cameron has made no attempt to defy serious analysis by adopting an ambiguous term to define his personal position.

Even so, Cameron's professions of allegiance to the One Nation tradition could be dismissed as just another form of opportunism – after all, the One Nation slogan sounded attractive enough for Tony Blair to adopt it at one time. I have argued above that a One Nation position implies a radical programme for reform if one accepts that Britain is now a 'broken' society. Without casting doubt on Cameron's sincerity, however, it is evident that his personal beliefs have come into conflict with tactical necessities ever since he decided to embark on a political career. When he joined the Conservative Research Department in 1988 – the year of Lawson's tax-cuts and unbridled Thatcherite triumphalism – Cameron can have harboured few illusions about the chances of ever holding office within a wholly congenial party. The fact that he could play a central role in the composition of the Party's 2005 manifesto does suggest a degree of ideological versatility which should raise doubts among the few remaining Conservative 'wets'. This interpretation would depict Cameron as a politician of One Nation views, who recognises that he owes his elevation within a right-wing party to his pleasing *persona* rather than his principles, which were not representative of majority opinion among his parliamentary colleagues when he became leader.[26] In the latter respect this was the dilemma which faced Mrs Thatcher herself in 1975; but whatever else he might be Cameron certainly does not seem to be an iron-clad crusader in the Thatcher mould. Whenever circumstances allow, he will try to put his ideas into practice; but if events are not propitious he is prepared to bow to the inevitable and persevere with the same agenda which has dominated British politics since 1979.

Leaving aside the perceived need to appease the die-hard Thatcherites within his Party – and to avoid scaring the key voters in swing seats – Cameron will face the problem of 'path dependency' should he ever arrive in Downing Street. Three decades of Thatcherism have left Britain with a senior bureaucracy which thinks that there is 'no alternative' to market solutions, and regards the idea of 'public service' as a risible, unprofitable myth. When one adds to this unsavoury mix the impact

of global forces on an economy which is still skewed towards the City of London, it seems unrealistic to expect from a Cameron premiership much more than another failed attempt to give Britain 'Thatcherism with a human face'. In particular, his speeches on law and order have sounded like a more thoughtful version of Blair's glib 'tough on crime, tough on the causes of crime' soundbite. Once in government, Blair entirely forgot the underlying causes – because any concerted attempt to resolve them would have required a shift in resource allocation which he had neither the courage nor the inclination to carry out. Cameron, for his part, has continued to call himself a 'progressive' while alluding to his tax-cutting instincts. This might be clever electioneering, but it still sounds like a circle which cannot be squared.

If his Party returns to power, the key test for Cameron will be the issue which he chose to make a key theme of his leadership – the environment. In this respect, Miliband did make a shrewd sally when he noted the difficulties facing a supposed environmental campaigner who has taken every opportunity to lay claim to Eurosceptical credentials: a political leader who obstructs the European Union over a wide range of policy areas is unlikely to galvanise other national leaders into action to combat climate change. Yet this issue, which cuts across traditional ideological divisions, brings into sharp focus the distinction Miliband drew between a radical and a believer in the status quo. It could be argued that, up until the time of writing (August 2008), Cameron's approach to environmental questions has been broadly similar to that of New Labour – that is, to make ritual noises about the looming menace of climate change, while refusing to warn the public that effective precautionary measures will entail anything more than a minor adjustment in living standards. For example, in June 2008 Cameron declared that 'with the right political and business leadership we can go green while strengthening our economy and saving people money'.[27]

Despite Cameron's own protestations, this approach appears to be much more 'blue' than 'green'. Having staked so much on the environmental issue, Cameron risks ridicule if in office he retreats from his bold rhetoric to a combination of complacent policies and ostentatious cycling. Only then will it be possible to judge whether the Conservative leader is an instinctive supporter of the 'status quo' – like David Miliband himself – or a politician who is capable of translating a venerable political approach into a vehicle for radical action in the early twenty-first century.

15
Cameron, Modernisation and Conservative Britain

Philip Lynch

In the third year of David Cameron's leadership, the Conservative Party looked well-placed to regain power having established a substantial and enduring opinion poll lead over Labour. This was a remarkable turnaround in the fortunes of a party which in little over a decade had suffered three heavy election defeats, had five leaders and struggled to establish a coherent narrative or attractive policies. Cameron has addressed many of his Party's recent failings but, this chapter argues, has yet to tackle effectively some of the main reasons for Conservative decline. This is particularly true in four areas – the constitution, the Union, Europe and the politics of nationhood – which were crucial elements of Conservative statecraft in the twentieth century but which have been problematic for the Party in the last three decades. The story of Conservative decline is not simply one of short-term failings but of the end of 'Conservative Britain' and a crisis of identity for the Party. If they are to once again become the dominant force in British politics, the Conservatives must answer the strategic questions posed by the end of Conservative Britain and rethink their identity.

Perspectives on Conservative decline

To evaluate Conservative modernisation under Cameron, it is important to understand the reasons for the Party's dominance in the 'Conservative century' and its subsequent decline. Four broad perspectives on Conservative success and failure can be distilled from the literature: statecraft, electoral performance, ideology and hegemony (see Table 15.1). This is not an exhaustive list and it involves a significant degree of generalisation given the time period covered so cannot take full account of the finer details of Conservative history. There is, of course, also some

Table 15.1 Explaining Conservative dominance and decline

Explanatory framework	Conservative dominance	Conservative decline
Statecraft	Governing competence: 'party of government' Sound economic management Party unity Divided opposition	Failures of Major governments ERM exit Divided party New Labour
Electoral appeal	Cross-class appeal: middle-class and significant working-class support National party: won seats across Great Britain, in town and country Lead among female voters	Decline in middle-class support; New Labour as 'catch-all' party Support largely confined to southern and rural England Fall in support of women
Ideology	1. Pragmatic adaptation; Conservative narrative and 'middle Britain' 2. Agenda-setting: Thatcherism	1. Ideological rather than pragmatic party 2. Thatcherism undermined conservative values
Hegemony	'Conservative Britain' Party self-image and narrative: 1. Constitution: symbiotic relationship with UK state 2. Empire and Europe 3. Nationhood: 'national party' 4. Economy: market economy and welfare 5. Society: party of middle England	End of 'Conservative Britain' Strategic uncertainty and identity crisis: 1. Constitutional reform and multi-level polity 2. European integration 3. National identity 4. Role of state and market 5. 'Broken society'

considerable overlap across the four perspectives. Success in one area may promote success in another, just as failure in one is likely to undermine the prospects of success in others. So, effective statecraft and a party ideology in tune with elite and popular concerns increase the chances of Conservative electoral success. But, to employ Gamble's terminology, an effective 'politics of support' (i.e. electoral strategy) is not the same as, and does not automatically produce, an effective 'politics of power' (i.e. statecraft or hegemony).[1] Despite these limitations, the four

approaches used here draw our attention to the range of factors behind Conservative dominance and decline, and allow us to judge the successes and limitations of the Cameron project.

The first perspective is statecraft. Conservative success, it claims, is best explained by the Party's record in office.[2] The Conservatives were the 'party of government', holding power alone or as the major coalition partner for 72 years of the 98 years from 1895 to 1997. They achieved a degree of governing competence and sound economic management that eluded their rivals (although they presided over long-term economic decline). Party unity is another important factor. The Conservatives avoided the splits that damaged Labour and the Liberals, although they have experienced significant internal divisions (e.g. on tariff reform and monetarism). The authority and popularity of Conservative leaders is another contributory factor in the Party's success.

Conservative decline is here explained by statecraft failings. Under John Major, the Party lost its reputation for governing competence and economic competence, Sterling's exit from the Exchange Rate Mechanism in 1992 being a defining moment. The Conservatives also experienced damaging divisions over Europe, weakening Major's authority. The Party seemed to have lost its 'appetite for power'.[3] The emergence of New Labour as a moderate, united party with a popular leader made the situation still more serious.

A second perspective on Conservative success focuses on the Party's electoral performance. The Party won 8 of the 12 general elections held between 1951 and 1992. The Conservatives established a cross-class appeal, winning a majority of middle-class votes and a significant share of working-class support. Explanations for this include statecraft, populism, the expansion of the middle class and the effectiveness of Conservative Party organisation.[4] The Conservatives also had a national appeal, winning seats in Scotland, Wales and metropolitan England as well as their southern English heartland, and led among women voters for much of the period since female suffrage. In explaining Conservative decline, this perspective notes how the Party has lost considerable middle-class support, trails Labour among women voters and holds few seats beyond southern and rural England. In a period of electoral dealignment, valence issues, trust and party leaders have become more important in determining how people vote. On each, Labour has established large leads.[5]

Ideology is the focus of the third perspective, which in fact provides two competing accounts. The first posits that it was the non-ideological character of the Conservative Party which contributed to its success, the

party representing a coalition of opinion.[6] This enabled it to adapt pragmatically to social and political change, adopting new ideas that had proved popular and dropping those that were out-of-date. The acceptance of the welfare state and Keynesian economics after the 1945 general election is thus regarded as crucial to the Party's return to power in 1951. However, an alternative account presents a distinctive ideology as crucial to Conservative success.[7] Thatcherism in particular is depicted as a coherent ideology which set the political agenda. One Nation Conservatives argue that decline occurred because the Party became overtly ideological and prone to division.[8] Former Thatcherite John Gray claims that its individualist ethos undermined conservative values (e.g. respect for authority) and institutions (e.g. the traditional constitution).[9]

The final explanatory framework, hegemony, is the most comprehensive and persuasive. The twentieth century, it claims, was one of Conservative hegemony in which the Party's dominance extended beyond the political realm to encompass the state, economy and society.[10] As Gamble argues, the Party's close relationship with the UK state and capitalist economy sustained it in power. The Conservatives had a strong sense of identity as:

1. the defender of the traditional constitution and the Union;
2. the party of Empire and, from the 1960s, the party of Europe;
3. the patriotic party, defending the nation-state from enemies within and without;
4. the party of property, upholding property rights while providing some protection to the poor;
5. the party of 'middle England', defending traditional values yet adapting to social change.

The account of Conservative decline that follows from this is also the most persuasive. The environment which nourished the Party, that of 'Conservative Britain', is no more. Modern Britain is much less conducive to Conservatism, presenting the Party with a series of strategic problems which continue to confound and divide it.[11] Taking the five foundations of Conservative identity above, several problems have emerged:

1. the Westminster Model has been undermined by constitutional reforms and multi-level governance;
2. European integration threatens the Conservative project and has provoked serious intra-party divisions;
3. national identity has weakened and patriotic discourse is no longer a Conservative preserve;

4. questions about the role of the state and feasibility of market solutions remain unanswered;
5. modern society is regarded as 'broken' and the Conservatives struggle to balance economic individualism with civic association and social responsibility.

Cameron and Conservative modernisation

Under David Cameron, the Conservatives have had some success in addressing the reasons for their decline, particularly its electoral and ideological elements. Cameron has also avoided some of the mistakes made by his predecessors. Under William Hague, Iain Duncan Smith and Michael Howard, the Conservatives were unable to foster perceptions that they were a government-in-waiting with an effective leadership team. Little progress was made in the 2001 and 2005 general elections: the Party continued to fare poorly among middle-class and women voters, and won few seats beyond southern England. The failure to develop a coherent narrative and headline policies with a positive appeal were an important factor in the poor electoral performance and a symptom of the continuing ideological malaise of post-Thatcher Conservatism. The Party's message on taxation and spending was confused; debates between 'modernisers' and 'traditionalists' had not been resolved.

Cameron identified the Conservative Party's image and message as critical to their defeats: the Conservatives were 'out of touch' with modern Britain. He accepted much of the 'moderniser' critique of the reversion to a supposed 'core vote' strategy under Hague and Howard. Central to the first stage of Cameron's modernisation project was a concerted effort to 'decontaminate the brand', transforming the Party's image and broadening its appeal.[12] These were essential first steps towards the electoral and political centre ground.[13] Cameron was projected as a new-style leader and the 'A-list' initiative would increase the number of women Conservative MPs. The Party's message also changed: traditional issues like tax and Europe barely featured, new issues such as the environment and issues 'owned' by Labour like health figured prominently, and a more progressive tone was adopted on crime and welfare.

The change in message reflects a more concerted attempt to revitalise and reconfigure Conservative ideology. 'Compassionate conservatism' made a brief appearance under Hague and informed Duncan Smith's policy on social justice, but has become an overarching theme under Cameron – although Cameron himself soon dispensed with the phrase, preferring to speak of liberal conservatism and social responsibility.

Cameron's conservatism rejects both Thatcherite individualism, claiming that 'there is such a thing as society, it's just not the same as the state', and New Labour's regulatory state with its centralised targets. Greater social responsibility and the reinvigoration of civic institutions and voluntary associations are key objectives. Early in Cameron's leadership, it appeared that social liberalism would become a second strand of Conservative ideology. This is critical both of the Thatcherite authoritarian populist approach to crime and morality, and of New Labour's 'nanny state' and disregard for civil liberties. But Cameron has tempered social liberal values with traditional conservative ones by, for example, stressing the importance of the family while backing civil partnerships. In 2007 and 2008, social liberalism became less prominent with Cameron identifying family breakdown, a decline of social norms and 'moral neutrality' as causes of Britain's 'broken society'.[14] Social liberalism has also remained divisive within the Party: Cameron was in a minority of Conservative MPs supporting civil partnerships and gay adoption.

By late 2008, the Conservatives had made significant gains in local and devolved elections, enjoyed a significant lead in the polls and were viewed in a more positive light by voters. Yet despite this success, it is important to recognise the limitations of Cameron's modernisation. There has been a revitalisation of Conservative thought – evident in the work of the Party's policy review, centre-right think-tanks and blogs – but a coherent theory of the state is lacking. Social responsibility, civic association and localism are overarching themes of a new Conservative narrative but it is unclear, for example, what role the state will play in steering community initiatives, enforcing environmental standards or promoting social norms. Concrete policy proposals have also been in short supply and some that have been announced may have to be reassessed in the light of recession. Conservative recovery also owes much to the statecraft failings of Gordon Brown's Government – but government misfortune has historically often been crucial to Conservative revival.[15]

The Cameron project does not mark the dramatic break from the Hague–Duncan Smith–Howard period that is sometimes assumed. His predecessors moved the Party towards the electoral and political centre but had little success: voters did not believe that significant change had occurred, so modernisation brought little reward for the leadership.[16] The core ideas underpinning Cameron's Conservatism, such as social justice, social responsibility and localism, also emerged earlier in the Party's spell in Opposition. What is distinctive about Cameron's modernisation project is not necessarily its strategy, ideas and policies but the way in

which they have been marketed, their consistency (Cameron's predecessors did not share his personal commitment to modernisation and were closer to the right than he is), the Conservative Party's greater willingness to accept modernisation, and the more favourable environment in which they have been received.

Reversing Conservative electoral and ideological decline is no guarantee of successful statecraft and it does not presage a return to Conservative hegemony. Indeed, it is in this final area of Conservative decline that the Cameron project has had least success. It has not provided a great deal of new thinking or compelling answers to the questions posed by constitutional reform, devolution, European integration and the decline of Britishness. Without them, the self-identity of the Conservative Party remains clouded. Aside from a change in discourse, Cameron has not pursued a path very different from his immediate predecessors on these issues.

The Conservatives and the Constitution

For much of the twentieth century, the Conservative Party was a staunch defender of the traditional constitution. Then Thatcherism mixed radical reform of the constitution (of the civil service and local government) with wilful neglect (of the Union and Parliament), undermining its legitimacy. Now they must adapt to the emergence of a multi-level polity in which parliamentary sovereignty and the autonomy of the executive branch have been eroded. The Conservatives have been critical of New Labour's constitutional reform programme. The Blair Governments proceeded without a proper understanding of the subtleties of the traditional constitution, introducing changes that damaged its fabric and left new problems in their wake. This created a dilemma for Conservatives: how should a party committed to the status quo respond when much of it has been swept away?[17]

The Conservatives had opposed legislative devolution and major reform of the House of Lords in 1997, but soon recognised that a reactionary response to Labour's agenda was no longer viable. Devolution had been legitimised by referendums in Scotland and Wales and a defence of the hereditary principle was barely credible. But the Party remains in defensive mode on some issues, for example, opposing change to the simple plurality system for Westminster elections.

The Conservative leadership has, for the most part, adopted a reformist approach that seeks to repair and rebalance the constitution through pragmatic change. This is evident in two reports from the Conservative

Party's Democracy Task Force, chaired by Kenneth Clarke, *An End to Sofa Government* and *Power to the People: Rebuilding Parliament,* their aim being to restore the balance between the legislature and executive by strengthening Parliament and collective government. But other Conservative proposals have been more radical. The 2005 manifesto called for a 'substantially elected' House of Lords, but none of the options for reform could secure majority support from Tory MPs in March 2007. Cameron wants to repeal the Human Rights Act and replace it with a British Bill of Rights, although this might still be subordinate to the European Convention on Human Rights.

The Conservatives and the Union

Conservative policy on the Union has also been marked by pragmatic adaptation. Since 1997 the Conservatives have sought to develop a 'new unionism' that blends three main elements: (1) support for the Union, (2) a constructive approach to devolution and (3) policies to rectify the perceived anomalies of Labour's devolution settlement. There have been developments on each under Cameron, but a change in tone has not been accompanied by a change in policy direction. Cameron has recognised that the Conservatives committed 'a series of blunders' in the 1980s and 1990s, notably the poll tax and their failure to recognise devolution as the 'settled will' of the Scottish people.[18] At that time, the Conservatives blamed Scotland's economic woes on its political culture and depicted devolution as leading to the break-up of Britain. But for Cameron, 'the ignorance of the English people about Scots and Scotland' is 'almost more damaging to the Union than institutional or economic difficulties'.

A new unionism is also evident in the Scottish Parliament and Welsh Assembly where the Conservatives have been a more constructive participant. The minority Scottish Nationalist Party government got its budget through the Scottish Parliament only with Conservative support. The Scottish Conservatives are also working with the other pro-Union parties on the Calman Commission, which is likely to recommend the transfer of further competences from Westminster. Some Conservatives favour fiscal autonomy, giving the Scottish Government greater power to raise finance and control spending. This more constructive attitude has not, though, brought great electoral reward for the Scottish Conservatives. In Wales, the Party came close to entering a coalition with Plaid Cymru and the Liberal Democrats after the 2007 elections, until the latter pulled out

of discussions. Welsh Conservatives opposed the provisions of the Government of Wales Act 2006 that propose an extension of the powers of the Assembly, but have accepted the case for a referendum on primary legislative powers. With many in the Welsh party at odds with leader Nick Bourne's support for more powers, Cameron established a review of policy on devolution.

Cameron's position is 'better an imperfect Union than a broken one'.[19] This echoes the Whig perspective on the Union which holds that asymmetries were inevitable and were to be tolerated because of the Union's overriding importance. He believes that Scotland and England are stronger, wealthier and more secure together than they could be apart. Cameron has refused to adopt an English nationalist position, but recognises that devolution has triggered grievances that must be addressed if the Union is to remain healthy. Foremost among these is the West Lothian Question which asks why MPs representing Scottish constituencies should be permitted to vote on legislation on English matters at Westminster when English MPs cannot vote on matters devolved to the Scottish Parliament. Under Hague, the Conservative's preferred solution was 'English votes for English laws'. Bills dealing with purely English matters (e.g. local government in England) would be certified as 'English-only' by the Speaker. Only MPs representing English constituencies would be permitted to vote; those from Scotland would be barred. Cameron has endorsed a variant of this proposed by Clarke's Democracy Task Force. All MPs would vote on the second and third reading of 'English' Bills but only English MPs could vote at committee and report stages.[20]

But neither offers a neat answer to the West Lothian Question.[21] A governing party without a majority in England would have either to accept amendments made by English MPs or to lose the Bill as a whole. Designating Bills according to their territorial application may also be problematic, though not insurmountable. Bills on university tuition fees and foundation hospitals in England, enacted thanks to the votes of Scottish MPs, had implications for Scotland. The changing legislative competences of the Welsh Assembly are an added complication. Bills that alter public spending also have a wider impact because the Barnett formula translates changes in public expenditure in England into changes in block grants to Scotland, Wales and Northern Ireland. The Barnett formula is a target for some Conservative MPs who complain about the relatively high levels of public spending in Scotland compared to parts of England. Cameron believes that a new UK needs-based formula is required.[22]

A key question for the Conservative leadership is whether scrapping the Barnett formula and 'answering' the West Lothian Question would restore balance to the Union or instead create new problems that push it closer to breaking point. Dealing with perceived anomalies on an ad hoc basis may create problems still more detrimental to the Union. Cameron's unwillingness to adopt populist solutions that might further inflame separatist opinion is welcome from a pro-Union perspective. Should Cameron secure a parliamentary majority, the West Lothian Question will be of little practical import.

If the Conservatives are serious about the Union, then they must develop a more coherent and convincing case for it.[23] Cameron's speeches on the Union have provided a starting point, but a clearer view on the purpose and benefits of the Union in the twenty-first century is required. Britishness, as we shall see, is one element. International status, national security, prosperity and fairness are, as Cameron recognises, also part of the case for the Union, but each raises questions. How, for example, would a future Conservative government, committed to localism, ensure fairness in welfare provision and prosperity across the Union? Cameron has argued that his party's 'progressive policies' on welfare would promote 'a shared purpose of fighting our social ills'.[24] But a Conservative government in London would not be responsible for large swathes of 'domestic' policy in Scotland. It would have to work with an SNP government pursuing a different agenda and working towards a referendum on Scottish independence. Cameron at least recognises that the Conservatives will have to treat Scotland with 'respect' if they are not to play into the SNP's hands by living up to the caricature of the Conservatives as an anti-Scottish party.

The Conservatives and Europe

The Conservatives experienced serious divisions over 'Europe' after the Single European Act. These resulted from a potent combination of concerns about the impact of European integration on executive autonomy, nationhood and political economy which go to the heart of the Conservatives' identity.[25] In Opposition, the Conservatives have developed a moderate Eurosceptic position which is encapsulated by the phrase 'in Europe, not run by Europe', coined during Hague's leadership. Many of its core elements remain in place under Cameron. On institutional reform, the Party wants to strengthen the EU's intergovernmental elements by, for example, strengthening Westminster's scrutiny role and allowing national parliaments to block EU legislative proposals on the

grounds of subsidiarity (a 'red card' rather than the 'yellow card' of the Lisbon Treaty).[26] The Conservatives support flexibility with states able to opt-out of new policy areas (e.g. asylum and immigration) and, under treaty provisions on enhanced cooperation, those Member States wanting to pursue further integration when others do not being permitted to do so. Since Duncan Smith became leader, Conservative policy has been that the UK should not join the euro zone but the issue, which so divided the party in the 1990s, has barely featured in British politics since Gordon Brown announced in 2003 that only one of the five economic tests had been met.

Flexibility should not, however, be limited to new EU policies, for the Conservatives also seek a limited renegotiation of existing commitments. At the 2004 European elections, they proposed the repatriation (i.e. the return of responsibility to Westminster) of a number of policy competences, including the Social Chapter, international aid and fisheries. Cameron has retained the commitment to repatriate social and employment policy, but abandoned the pledge to pull out of the Common Fisheries Policy, calling instead for its reform. The Conservatives cite the 2001 Laeken Declaration to support their case.[27] It stated that the EU must become 'more democratic, more transparent and more efficient' and that 'restoring tasks to the Member States' might be considered. The Tories claim this signals that the *acquis communautaire* (the body of existing EU law) is reversible, but this is a selective interpretation of a document that began moves towards a European Constitution.

If the Lisbon Treaty has not yet been ratified by all Member States, then a Conservative government would hold a referendum on the Treaty and campaign for a 'no' vote. If the Treaty had entered into force, the government would 'not let matters rest'.[28] This is a deliberately ambiguous phrase but it is safe to assume that the Tories would seek opt-outs on social and employment policy. Achieving this would not be easy, requiring treaty amendment and thus the support of all Member States. The Conservatives might find sympathetic governments in the Czech Republic and the Netherlands, and persuade others that denying the UK such opt-outs would create greater problems. But some would strongly resist British opt-outs, fearing that they would give the UK a competitive advantage and unravel the *acquis*. The Conservative leadership is understandably reluctant to speculate on what would happen if they failed to secure new opt-outs. John Redwood's Economic Competitiveness policy group suggested as a 'last resort' the amendment of the European Communities Act 1972 to allow the UK to disapply EU regulation.[29] Cameron has refused to comment on another option, a manifesto pledge

to renegotiate the terms of EU membership with a referendum to follow once negotiations had concluded.[30] A post-ratification referendum on Lisbon was supported by 47 Conservative signatories to an Early Day Motion in 2007.[31]

The Conservatives have opposed each of the EU treaties – Amsterdam, Nice, the Constitutional Treaty and Lisbon – agreed during their spell in Opposition. Their position is that any new treaty of constitutional significance should be put to a referendum. The demand for a referendum on the Constitutional Treaty was the central element of Conservative European policy under Howard. Blair eventually promised a referendum too, but he and Brown refused to hold one on the Lisbon Treaty claiming that it was an amending treaty and that British objectives had been achieved through additional safeguards on the Charter of Fundamental Rights, the new EU foreign policy post and opt-outs on justice and home affairs. The Conservatives dispute this, claiming that Lisbon is little different from the Constitutional Treaty and would have significant implications for British sovereignty. They point to a 'ratchet clause' allowing further integration without treaty change, and the extension of supranationalism in justice and home affairs plus foreign, defence and security policy.

Cameron and Hague, the Shadow Foreign Secretary, have structured debate on Lisbon around a theme of trust and democracy. Hague has criticised Brown for ignoring Labour's manifesto commitment to hold a referendum and opinion polls showing popular support for one. But he also blames the EU's democratic deficit for popular disenchantment with politics, pointing to the Agency Workers Directive and problems in deporting foreign criminals as issues on which accountability had broken down.[32] The traditional Tory concern with parliamentary sovereignty has figured more prominently in speeches from the backbenches than in those from the leadership.

This illustrates a new discourse on Europe under Cameron, who has followed Duncan Smith and Howard in according European issues a low profile but has been more explicit in blaming his Party's 'banging on about Europe' for public perceptions that it is out-of-touch. In his first major speech on the EU, Cameron argued that the EU should focus on globalisation, global warming and global poverty.[33] The choice of issues is interesting. On global warming, Cameron does not propose new EU competences, but that nation-states work together on a voluntary basis. Howard had identified international development as an EU competence that should be repatriated. Cameron does not, but has repackaged Tory opposition to the Common Agricultural Policy in

terms of its negative impact on the environment and the developing world.

Cameron is a pragmatic Eurosceptic wary of re-opening divisions within his Party. The parliamentary passage of the European Communities (Amendment) Act 2008, which ratified the Lisbon Treaty, saw a high level of Conservative unity. Only three MPs – Kenneth Clarke, David Curry and Ian Taylor – disobeyed the whip to support the Bill at second and third reading, confirming that pro-Europeanism is very much a minority position in the parliamentary party. More interesting was the vote on a new Clause 9 proposed by Bill Cash, which stated that 'nothing in this Act shall affect or be construed by any court in the United Kingdom as affecting the supremacy of the United Kingdom Parliament'. Most Conservative MPs abstained but 40 supported the clause, including most of the 2005 intake. In May 2006, 136 Conservative MPs had voted for an amendment to the Legislative and Regulatory Reform Bill reasserting the supremacy of Parliament and requiring the British courts to comply with Westminster legislation even if it is incompatible with EU law.

The fate of Cameron's proposal to withdraw Conservative MEPs from the European People's Party-European Democrats (EPP-ED) group in the European Parliament also highlighted the problems that Europe poses.[34] Cameron had made the promise during the 2005 leadership contest when it helped him secure Eurosceptic support, and indicated that withdrawal would occur within months. He believed that the Conservative vision of Europe could not be voiced effectively from within the pro-federalist EPP. But being part of a smaller group would reduce Conservative influence in terms of major posts held in the European Parliament. In July 2006, Cameron announced that a new group would not be formed until after the 2009 European Parliament elections, angering many Eurosceptics. Postponement had become the least worst option. A search for credible mainstream parties willing to join the Conservatives in a new group had identified few potential partners (the main one being the Czech Civic Democrats) and only a minority of Conservative MEPs unequivocally supported Cameron's policy. The post-2009 Conservative delegation is likely to be more Eurosceptic, but in 2008 the European Parliament changed its rules on group formation, making it harder for the Tories to form a new group.[35]

Life in the 1990s became very difficult for a Conservative Government that was in a minority position in the EU and suffering serious divisions at home. A Cameron Government might find greater goodwill in Brussels than Major did and the Conservatives are more united. But it will still

prove difficult for it to bring about major reform of the EU and, if this is not forthcoming, then a period of difficult relations in Brussels and Eurosceptic discontent on the backbenches is likely.[36]

The Conservatives and nationhood

The Conservative Party's identification with the nation-state and national identity brought it significant advantages over its rivals in the late nineteenth century and for much of the twentieth century. This Conservative politics of nationhood had three main pillars: (1) a coherent vision of nationhood and conservative state patriotism; (2) the effective use of a patriotic discourse which portrayed the Conservatives as a national rather than sectional party, popularised its vision of nationhood and questioned the patriotic credentials of its rivals; and (3) a political strategy in which the defence of the nation-state had a prominent position.[37]

Constitutional reform, devolution and European integration have all posed problems for the Conservative politics of nationhood – as has the development of a multicultural society, which lies beyond the scope of this chapter.[38] New Labour, with Gordon Brown at the forefront, have developed an alternative patriotic discourse which defends Britishness within the context of the post-devolution UK, supports constructive engagement in the EU but defends British interests, and views the control of immigration and citizenship lessons as necessary for community cohesion.[39] Cameron has dismissed Brown's 'enforced patriotism' which, he claims, assumes that the state can play a key role in promoting a shared identity. But there is not a great deal of difference between Brown's vision of Britishness and that of Cameron. The Conservative leader defines Britishness as an inclusive civic nationalism built around a shared history, common values and institutions. Both include fairness, toleration and enterprise in their list of values. The institutions identified by Cameron include the monarchy, the Westminster Parliament and the National Health Service, the first two being typical of Conservative state patriotism. Both view the decline of Britishness as an important factor in the rise of separatist sentiment, yet the British institutions they identify (e.g. Westminster and the NHS) are not the unifying factors they were in the pre-devolution Union. Rather than the 'flags on lawns' and British day suggested by Brown, Cameron proposes the teaching of British history and active citizenship.

Two visions of nationhood have emerged within the Conservative Party in Opposition. The first is authoritarian individualism. It draws

upon the Tory vision of the nation, particularly its core beliefs in parliamentary sovereignty and state authority, and the political thought of Enoch Powell. It is robustly Eurosceptic, viewing European integration as incompatible with British sovereignty, interests and identity. Adherents favour a fundamental renegotiation of British membership or, in the case of the Better Off Out campaign, withdrawal from the EU and new global trading relationships.[40] The Tory position was once staunchly Unionist, viewing the UK as a unitary state with authority firmly located within the Westminster Parliament. It now believes that devolution has damaged the Union beyond repair and seeks radical reform to redress its perceived anti-English bias. Many authoritarian individualists are staunch advocates of English interests and identity, promoting a revival of English identity, both cultural and political. This has been expressed most forcibly and elegantly by conservative commentators rather than MPs.[41] Roger Scruton's Englishness embraces sovereignty, a Tory concept of liberty, Anglicanism, high culture and rural life, all of which are under threat.[42] Simon Heffer's celebrates the re-emergence of English identity and demands political expression for it in an independent England.[43] Few Conservative MPs have backed an English Parliament and it has been ruled out by the Party leadership. The repeal of the Human Rights Act is another example of the constitutional radicalism advocated by the Tory position.

The second perspective on nationhood is a pluralist civic nationalism. Its roots lie in the Whig vision of the nation-state which was the dominant strand in Conservative politics for much of the 'Conservative century'. It treated the UK as a union state in which the distinctive identities and interests of its component national identities were recognised by the centre. In the 1960s it became pro-European, supporting a pooling of sovereignty in an intergovernmental European Community. It is this pluralist civic nationalist account that the Conservative leadership has sought to rework in Opposition. The revised version sets out a positive case for the Union within the context of a multi-level polity, supports continued membership of the EU, albeit a reformed one in which the UK gains additional opt-outs, and rejects a narrow English nationalism in favour of a civic nationalist British identity.[44]

Conclusions

Under David Cameron, the fortunes of the Conservative Party have been transformed. Since becoming leader of a beleaguered party that had suffered its third successive heavy election defeat in 2005 Cameron

has led the Conservatives to a healthy and lasting lead in the opinion polls and revitalised its image. His Party has developed a more coherent narrative, benefiting from an extensive policy review process. Cameron has addressed the electoral and ideological causes of Conservative decline more effectively than his immediate predecessors did. In late 2008 the Cameron project entered a different phase, seeking to establish its credibility as an alternative government at a time of global economic turbulence, dampening down expectations and emphasising the Party's preparedness to take difficult decisions. Attention is turning to the challenges a Conservative government would face in its first year in office should the party win the next general election. Dealing with the aftermath of the credit crunch and recession is likely to absorb much of its energy.

But Cameron's modernisation project has yet to develop a coherent response to the end of 'Conservative Britain'. If asked what his or her Party was for, a Conservative of thirty years ago would most likely have mentioned the constitution, Union, nation and Europe in their answer. But these are now problematic for today's Conservatives, posing difficult questions about the Party's self-identity. Cameron's response to the challenges of constitutional reform, devolution and further European integration has been one of pragmatic adaptation, but these issues threaten to make life difficult for a Conservative government. Should he enter Downing Street in 2010, Prime Minister Cameron will have to deal with an SNP Government preparing for a referendum on independence and an EU whose Member States may or may not have ratified the Lisbon Treaty. The effectiveness of a Cameron administration's statecraft may well depend on how it addresses these issues.

16
Response to Garnett and Lynch

Andrew Gamble

Since becoming leader in 2005 David Cameron has revived his Party's fortunes and during the first half of 2008 the Conservatives became strong favourites to win the next election. What was surprising was that it had taken so long. After 1997 the Conservatives' famous instinct for power seemed to have deserted them. The Party had never lost three elections in a row to the Labour Party, and in the modern era had never before been excluded from government for more than ten years. The Conservatives even after suffering major defeats as in 1945 or 1966 had always come back very strongly at the next election. Labour had never been able to consolidate itself in power.

The ascendancy of Tony Blair and New Labour after 1994 seemed to change all that. The Tories flatlined in the polls after Black Wednesday and continued to flatline throughout Blair's premiership. Blair may have warned his Party that the Conservatives were not dead, only sleeping, but the difference was not obvious, especially in 2005, when, despite the obvious unpopularity of the Labour Government and of Blair himself, the Conservatives still failed to make a breakthrough. Much of the problem appeared to be that the Conservatives became mesmerised by Blair, and were unable to find a way of defusing his appeal. Many Conservatives secretly, and some not so secretly, came to admire him, and this made it harder to find ways to oppose him.

Another key factor in Conservative disarray is highlighted by Philip Lynch. By the 1990s Conservative Britain had lost many of the themes and arguments which had sustained it for so long and made it such a formidable political force. For a variety of reasons, some of them of its own making, the Party found itself considerably weakened and uncertain of its direction. The disappearance of familiar enemies, both at home and abroad, and the reinvention of the Labour Party which made it possible

for many voters to vote for it again, left the Conservatives adrift. Their old tunes no longer seemed to work, and they were very short of new ones. They had acquired an image in the 1990s, whether fairly or unfairly, of economic incompetence and sleaze. They were widely regarded as uncaring, whether about the plight of the poor or the state of the public services.

After the Conservatives lost office many in the Party saw no reason for any fundamental change in the Party's policies or beliefs. Labour, it was argued, had moved towards the Conservatives. The great ideological battles of the 1970s and 1980s had been won by the Conservatives, and their ideas were still in the ascendancy, so there was no need to jettison them. The voters would soon tire of Labour and come back to the Conservatives. In the meantime the Party should stay true to Thatcherite principles, particularly on tax, on Europe, on immigration and on law and order. The Party elected three leaders in quick succession who all offered continuity, and spurned the opportunity of going in a different direction, suggested by Ken Clarke and Michael Portillo. It took a third consecutive election defeat to make David Cameron and the Cameroons possible.

David Cameron has liked to present himself as the heir to Blair, trying to cast Gordon Brown as the heir to old Labour. He and his immediate circle have made a meticulous study of the methods by which Blair and his allies established their control of the Labour Party and changed the Labour Party brand. Many of the techniques have been copied, so that at times in the period after 2005 the Conservatives have seemed to be following an almost identical strategy to Labour before 1997, trying to persuade the electorate that the Party had really changed and could now be trusted to govern again. The only ingredient missing has been the branding of the Party as New Conservatives.

In certain respects, however, as both Philip Lynch and Mark Garnett point out, the Conservatives under Cameron have not yet achieved the kind of dominance Blair and New Labour secured between 1994 and 1997, and both question how much the Conservative Party has changed and how prepared it is for office. So many questions, including the Union and Europe remain unresolved. As many opposition leaders in the past, the real nature of Cameron's Conservatism is unlikely to emerge until he is forced to define it by the nature of the choices he makes in office.

Conservative fortunes have fluctuated, particularly in the summer of 2007, when the Party suffered internal rows and for a short period was put on the defensive during Gordon Brown's brief honeymoon. With the collapse of Brown's and Labour's ratings after September 2007 Cameron

and the Conservatives moved into a commanding lead, but they began to lose support again during the financial crisis in the autumn of 2008. Cameron's strategy had been to reassure voters that he would not undo many of the changes of the Blair years, but would build on them in a way which Labour itself he suggested no longer could. This was the new One Nation strategy which Mark Garnett describes. It was never popular with Thatcherites and the right of the party but during 2008 it seemed to be bringing success. The financial crash poses difficult issues for the Conservatives, not least because, however culpable the Government may be, David Cameron and George Osborne have in the last few years been champions of the City of London and the virtues of deregulated financial markets, and the need to keep the involvement of government to a minimum.

The new politics of recession offer the Conservatives the opportunity to resurrect a tough economic message, coupled with a populist rhetoric on Europe, immigration, climate change, and law and order. But Cameron's whole strategy up to now has been opposed to this. A battle over who is best placed to protect citizens in a major economic downturn was not part of the script for the Cameroons. Until recently their economic policy was concerned with how to distribute the proceeds of growth.

The real test for Cameron, as Lynch and Garnett suggest, is still to come. He has to show that his new Conservatism can be more than just a rerun of new Labour which relied on much more benign times. He has to craft a new Conservative message which resonates with the mass of voters who are going to suffer during the recession, and do it in a way which establishes the credentials of the Conservatives to govern. As Lynch and Garnett show, the main failing of Cameron's leadership, rather reminiscient again of Tony Blair, is that he has been unable to dispel the impression that his new Conservatives are mostly style rather than substance. In the grim politics of recession the Conservatives start with a major advantage – they are not the Government – but they will need to find a new narrative and a new purpose which persuades the voters that they can manage the crisis better than the present Government.

17 Mutualism and the Reinvention of Civil Society: A Conservative Agenda?[1]

Charlie Ellis

> I am glad that in the friendly society movement we know no politics. Politics have such powers of penetrating most things that I am thankful that this movement has never been captured by any of the political machines. (Stanley Baldwin, 'Friendly Societies', 1924)[2]

Though the 'demutualisation' of insurance and building societies has been rapid in recent years,[3] the promotion of the third or mutual sector has, since the early 1990s, become a fashionable theme in British politics.[4] In essence its proponents seek to devolve activities currently performed by state institutions to communally run and mutually owned providers. Mutualism has taken over from stakeholding, communitarianism, citizenship as a 'buzzword' in think-tank publications, opinion pieces and political speeches, which often contain wistful invocations of friendly societies and self-help. Mutualism forms a sub-theme of the wider debate surrounding the desire to reinvigorate or 'reinvent' civil society,[5] and attempts to promote 'localism'[6] and has attracted interest from those holding differing ideological positions and party affiliations.

A political ideology is generally conceived of as a 'set of beliefs about political and social arrangements'.[7] Instead, the concept of ideology employed here is that it can consist of the claiming of a set of attractive values or ideas for a particular political tradition. Often what is competed over is an abstract value such as 'liberty' or 'freedom', but similar ideological disputes can relate to the rightful ownership of particular policy approaches. What is examined here is not mutualism as an ideology in itself or the practical questions involved in its implementation but as a policy agenda claimed by those of differing ideological persuasions. In particular I focus on the claim to mutualism by British Conservatives.

Mutualism has, as Robert Whelan notes, been 'pounced upon by members of all political parties, who tried to coopt it into their manifestos'.[8] This is an agenda which transcends not only the party divides but also, it is suggested, traditional conceptions of the left-right spectrum. Paul Hirst argued that the agenda is not 'tied to any given part of the old-left-right spectrum',[9] while, for Jonathan Sacks, the politics of the 'third sector' has 'nothing to do with left or right, Labour, Conservative or Liberal Democrat'.[10] While Peter Kellner posits that '[n]ew mutualism is not an ideology in the Marxist or free market sense'[11] and thus well suited to 'a post-ideological era',[12] it will be evident from what follows that it is certainly discussed in a highly ideological manner, often by well-known ideologues. On the left, the notion of 'associative democracy' has been prominent and the themes of localism, mutualism and the reinvigoration of the voluntary sector have been evident in the rhetoric of New Labour, who have claimed it as part of their Third Way approach.[13] However, the most sustained treatment has been within the 'Conservative movement',[14] where mutualism and associated ideas such as 'civic capitalism' and 'civic Conservatism'[15] have become regular themes of think-tank publications, and has found its way into Conservative Party rhetoric and policy pronouncements.

What is odd about the recent Conservative embrace of mutualism and the 'third sector' is the apparent disjunction with their approach when they were last in power. A major line of criticism, not least by some conservatives, of Thatcherism was that its promotion of the private sector undermined the intermediary institutions of the public domain and weakened Britain's civil society.[16] The social commentator Melanie Phillips has become one of the principal advocates of this agenda, and has also charted its rise to prominence. According to her, the concepts of civil society, mutualism and localism could constitute the next set of dominant political ideas. She also argues that its popularity among free-market thinkers was significant for the future direction of British Conservatism. As Phillips points out, the IEA were a (perhaps *the*) 'engine room' of neoliberal ideas which had, by the late 1970s, come to 'characterise Conservatism' and subsequently altered the political landscape'. Hence the 'split' in the IEA, signalled by the creation of a new, separate think-tank (*Civitas*),[17] represented a distinct 'change of emphasis'[18] in Conservative thinking. In terms used by Oliver Letwin, this is the shift from an 'econo-centric' to a 'socio-centric' paradigm;[19] the idea that, after concentrating on the economic sphere in the 1980s and 1990s, the Conservatives now need to focus on healing Britain's 'broken society'. A number of influential Conservative voices, including Iain Duncan

Smith's Centre for Social Justice, have argued that the third sector has 'unique potential' to do this.[20]

An unsullied sphere

Contemporary mutualists tend to be critics of both the post-war 'collectivist' settlement *and* Thatcherism. They argue that, despite Beveridge's efforts to ensure that 'voluntary action' remained 'vigorous and abundant',[21] his report signified the relegation of the voluntary and mutual sectors.[22] Hence part of the attraction is the sense that the mutual sector, unlike 'the state' or 'the market' is something of an unsullied form of social organisation which cannot be blamed for the failings of the post-war and post-Thatcherite eras. Kellner suggests that because 'mutualism has not figured in mainstream 20th century debate', it has not 'left a trail of change and contradiction, or dispute about its meaning'. It was therefore an 'advantage' that mutualism had been 'largely dormant through the 20th century'.[23] Implied in the notion that mutualism was 'dormant' throughout much of the twentieth century is the notion that it was something inherent in British society, just waiting to be released. This is indeed the argument made by contemporary mutualists, for whom mutualism is not some abstract doctrine but one of the 'outstanding features of British life'.[24]

Certainly many of those who have written about the character of British society have celebrated its mutualist and voluntaristic nature. In his 'sketch' of British society and its people Ernest Barker talked, in language now popular among contemporary Conservatives,[25] of the distinction between 'the State' and 'society'. In contrast to the State, with its basis in the rules of law and representative institutions, 'society' constituted 'the members of the nation ... living a voluntary life in a number of freely formed groups or associations each acting on the principle and by the method of voluntary cooperation'. Historically, the 'major proportion' of activities had been left to society and Barker hoped this would continue to be the case. While he was aware that there had been a 'growth of State action' in the early twentieth century he believed that this 'in no way involve[d] the suppression, or even the curtailing, of the old free voluntary activity of social groups'.[26] Contemporary mutualists do not share Barker's benevolent view of the state but do accept the notion that voluntary and mutual activity is a traditional part of British society. To suggest that what you propose is consistent with the traditional pattern is a powerful form of ideological argument. For instance, a major theme of Conservatives such as David Green, Shirley Letwin and David Willetts

has been the notion that the free market is a traditional aspect of British society[27] and that it operated in harmony with a thriving mutual sector until the growth of government throttled both. Despite this narrative, some of the most determined advocates of mutualism have belonged to ideological traditions which lie in opposition to the free market and Conservatism.

The socialist roots of mutualism

In *The Socialist Movement* (1912), Ramsay MacDonald defined socialism as 'an application of mutual aid to politics and economics',[28] and contemporary mutualists often refer to it as a lost part of the socialist heritage. Even a Conservative mutualist such as Ferdinand Mount has written that 'one of the charms of the "third way" – non-state, non-commercial, cooperative endeavour – is that it has genuine, though neglected and overgrown, connections to the earliest and most enduring traditions of socialism, from Robert Owen to the Guild Socialists'.[29] In similar fashion Gordon Brown has argued that 'it is too often forgotten today that the Labour Party itself grew out of voluntary organisations, friendly societies and mutual aid organisations'.[30] Implied in much of this is a suggestion that mutualist socialists are an extinct ideological breed. Though endangered, such ideas persist; particularly through the writings of Colin Ward, Paul Hirst and Frank Field.

According to Greenleaf, the 'basic antithesis in British socialism' between 'a stress on the role of the power of the state' and 'fear of it or at least unease about its growth, has persisted and been clearly observable since the end of the Second World War'.[31] However, it is generally the case that British socialism has largely come to be associated with a belief in the efficacy of the state. This has left those, such as Field, who favour 'collectivism without the state', in a rather isolated position. Field's attempt to argue that 'collective action was [once] the antithesis of state action'[32] is not, however, unsupported.

Colin Ward is another who belongs to the anti-statist socialist tradition and who views the post-war era as one in which British socialism took the wrong 'road'.[33] However, as Wheatcroft notes, alongside Ward's rejection of 'collectivist socialism' was a 'fierce hostility to capitalism'.[34] For Ward, an 'expansion of the cooperative principle' is necessary in the twenty-first century as 'both free-market capitalism and *state* socialism have been tried and found wanting'.[35] Despite his critique of the free market, Ward has some 'unlikely admirers'[36] on the right. Mount describes Ward as the 'indispensable anarchist',[37] while David Green has praised Ward's work[38]

(the compliment is returned by Ward, who describes Green's 'neglected' work on self-help as of 'great virtue').[39] Ward went on to endorse Green's *Reinventing Civil Society* as a 'criticism of the automatic assumptions of the political Left and its faith in the state'[40] and shares Green's view of the evolution of British welfare provision: that increased state involvement has been to the detriment of those most in need. For Ward, the statist socialists had wrongly assumed that the friendly societies and other mutualist organisations were the 'precursors of the welfare state', and therefore failed to appreciate the qualitative difference between the welfare state and the 'welfare society'.[41] Ward believed that the social failure of the welfare state suggested that the statist brand of socialism had 'reached a dead end', and thus '[f]or the sake of the future it has to turn back to the route it abandoned long ago, of local self-managed popular administration and control, and to the principles of cooperation'.[42] Ward considers the idea of the 'welfare society' to be 'far too valuable an idea to be confined to the political right', and was one the left needed to 'seize back'.[43] Ward therefore claims the mutualist agenda for a politics that fundamentally rejects the collectivist state and the free market, both of which, from his perspective, threaten civil association.

Ward's arguments are echoed by Hirst in his writings on the fashionable theme of 'associational socialism'.[44] He too believed that the left had become 'mesmerised by the state' and, instead, their aim should be to 'devolve activities *from the state to civil society* as far as is possible';[45] stepping away from the state represented a means of reinvigorating socialist values, not embracing capitalist ones. However, Hirst also suggested that associationalism could deliver 'the benefits economic liberals seek from the market without the same scale of economic costs and injustices that unregulated markets impose'[46] and would assist in 'embedding the market system in a social network of coordinative and regulatory institutions'.[47] Thus, although Hirst is keen to convince non-socialists of the efficacy of associationalism, he argues that it is most congruent with socialist values. Thus 'associational socialism' was a 'most invaluable alternative to the undiluted individualism of the free-market right and to the centralist and authoritarian trends in modern society'.[48]

The Conservative case

Despite the efforts of Hirst et al., it is among the thinkers of the Conservative movement that this agenda has, in the post-Thatcher era, been most prominent. It has been a common theme in the output of the IEA, Civitas, Politeia and the CPS, particularly in relation to welfare provision.

The Conservative claim to mutualism links to the idea that Britain is – as well as being naturally conservative – naturally mutualist in character. Their major historical argument is that 'remutualising' British society would be to return it to its natural, pre-collectivist condition. Mount talks of the period before the 'coming of the welfare state', when 'voluntary endeavours of one sort or another dominated British society', and that what 'made the country in the second half of the 19th century such a remarkable place was the wealth, vigour and variety of her private social institutions'.[49]

The naturalness of mutualism in British society is endorsed by Roger Scruton, for whom a core element of English society has been a vibrant, decentralised sector of civil associations. Scruton suggests that '[a]lmost the entire social order of the country arose from private initiatives', and that, in the main, the core institutions of the country – schools, universities, hospitals, theatres – were initiated by 'some public-spirited amateur'. The role of the state in this process was very much secondary and tended to be to 'guarantee the survival and propagation of good works that it would never have initiated *by itself*'.[50] The 'networks of self-help' were 'natural' and existed 'whenever the state has not extinguished them'.[51] Scruton suggested that the 'English view' was that '[c]harity heals communities, whereas politics divides them'.[52] By 'politics', Scruton essentially means the activities of an interventionist state: this concern regarding the 'politicisation' of institutions pervades much contemporary conservative thought. For Green, this is what separates the socialist and 'civic capitalist' versions of this agenda. While the socialist will place faith in the 'political sphere' the liberal or civic capitalist remains 'suspicious of political power' and instead stresses 'the importance of restoring tasks away from the state to voluntary associations' or to 'mediating structures'.[53]

The prominence of the mutualist agenda within the Conservative movement has, in large part, been due to the influence of Green. The central themes in his work are echoed by a number of others, including Whelan, Mount, Prochaska and Willetts, and thus his version encapsulates the free market and Conservative take on this agenda. This mutualist aspect has been present since Green's 'pioneering'[54] work of the early eighties:[55] it has been central to his work in *both* the pre-Thatcherite and post-Thatcherite eras. His earlier work offers a description of an approach that socialists had neglected,[56] while his later work (although thematically very similar) has become very influential among Conservatives. What is interesting about his own ideological evolution[57] is that misgivings regarding the collectivist-left position led

him to adopt not a left-libertarian outlook (such as that of Ward or Hirst) but one consistent with Hayekian neoliberalism.

What Green ultimately seeks is a return to the type of social organisation that existed in the pre-collectivist era, and this requires a reversal, in Oakeshott's terms (which he employs and are central to his account) of the 'steady evolution from civil association to enterprise association', which characterised 'the development of Western democracies in the 20th century, and especially Britain'.[58] As Oakeshott himself put it, 'collectivists' tended to reject the 'whole notion of the diffusion of power' and of 'a society organised by means of a multitude of genuinely voluntary associations'.[59] Green's conception of civil association also owes much to that of Edward Shils, for whom civil society not only provided 'the institutions by which the state is kept within substantive and procedural confinement'[60] but also – and this is an important aspect of Green's recent work – 'must be more than a set of markets and market-like institutions'.[61]

Thatcherism's missing dimension

A. J. Davies alleges that the Conservative re-embrace of the voluntary and mutual sectors constituted an ideological 'backpeddling'. It was, he argues, the 'free market philosophy' which 'helped to promote such a marked loss of confidence in those same societies and associations during the 1980s'. Thus, '[r]ather belatedly perhaps, right-wing ideologues have begun to recognise that the full-blooded expression of market forces requires some form of institutional framework or foundation'.[62] According to Hirst, the right's interest in mutualism revealed that some 'conservative intellectuals' had 'come to recognise that something has gone very wrong with the project of the New Right'.[63] Certainly Conservative mutualists such as Green and Mount do propose mutualism as something of a corrective to some of the 'rationalist' oversights of Thatcherism, though, as we shall see, not in any sense a recantation of its essential features, such as its belief in the essential efficacy of free markets.

Willetts argues that mutualism represents a rediscovery of *Conservative* insights regarding the importance of social institutions, which had, he argues, been ignored by 'free market neoliberals'. While the Conservatives had 'made a useful alliance of convenience' with neoliberals, they had to remain sceptical as these thinkers lacked 'any understanding of the institutions, values and ties which are not just good in themselves but are anyway essential for any free market to thrive'.[64] Mount, one of

the foremost advocates of mutualism, argues that '[t]he retreat of the state ... left behind an ideologically confused scene', and that in this climate, Mount suggests, free marketeers had 'grasped, for the sake of simplicity, at the principle of profit, without pausing to think when and where the profit motive is most effectively employed'.[65] However, like the 'free market neoliberals' Conservative mutualists reject the view that the state could have the primary role in 'promoting' these institutions and values, as it will inevitably fail in this realm as it had done in the economic. Instead the 'solution' lay in the 'promotion' of the 'voluntary and traditional', a route which, Ashford believed, 'did not contradict the basic principles of [economic] liberalism'.[66] Or, as Willetts puts it, that this 'radical free market agenda' can serve the 'long-term Tory objective of strengthening the little platoons within society'.[67]

The key Conservative text in this area is Green's *Reinventing Civil Society* which, as Ward notes, was, in part a 'criticism, not a defence of Thatcherism'.[68] While E. H. H. Green has suggested that Thatcherism was 'the ultimate expression of the Conservative belief in agencies of civil society as the fulcrum of social life',[69] this view is not shared by David Green, according to whom 'the renewal of civil society was simply not on the agenda of the Thatcher governments of the 1980s'.[70] Echoing some of the Conservative critics of Thatcherism, such as Ian Gilmour, Green was concerned that '[e]conomic rationalism' had 'dominated' thinking during the 1980s and was keen to emphasise that '[c]ontrary to the view attributed to Mrs Thatcher, that "there is no such thing as society", there is indeed such a thing' (a view now common in Cameroonian rhetoric).[71] Hence Green supplemented the standard neoliberal critique of the welfare state (that it suppressed 'the incentive system of the competitive market'), with the argument that it also 'suppressed those institutions which served as proving grounds for men and women of good character and which provided outlets for idealism, service and achievement'. To re-energise and 'reinvent' civil society, Green called for 'civic capitalism' in contrast to the 'hard-boiled economic rationalism' of the Thatcher era.[72] Despite Thatcher's own rhetoric, the nature of 'Victorian values' had only been partly digested. A central theme of Green's work (and that of the free-market conservatives more generally) has been an attempt to rescue the reputation of the Victorian era. Thus Green outlines that, while 'Victorian Britain tends to be thought of as the heyday of laissez faire', in fact it was a period in which cooperative and mutualist activity had thrived.[73]

For Green, there was among Thatcherite thinkers an overemphasis upon what they rejected and insufficient consideration of what needed

to be done: simply shifting away from collectivism was insufficient. As Green put it, 'Certain New Right schools have only embraced part of what is necessary in a civil association'. While 'limited government' was important, the next 'challenge' was to 'confine government to its proper tasks rather than to seek to reduce its scope as an end in itself'. The major issue was not 'the size of government ... but its character'. Thus there was a need, as a corollary of the limiting government, to achieve a 'dispersal of decision-making'.[74] This would require, 'without waiting for the government, champions of liberty [to] establish voluntary associations for assisting the less fortunate and run them in a spirit compatible with liberty'.[75] While, as he pointed out, some critics 'would see mutual aid as the very antithesis of a free market' and furthermore that 'the collectivism of the welfare state' was 'a form of mutual aid', he believed the reality to be 'very different'. Green held that '[w]ithout a free market' and 'freedom of choice for the individual' mutual aid was 'incomprehensible', and there was 'no validity in the common supposition that, in a free market, profit-seeking will inevitably come to reign supreme'. Instead, mutual aid was 'one of the possibilities that may emerge in a free market, but not in a state economy'.[76]

David Marquand provides, from a social democratic perspective, a critique of the idea that the state inevitably undermines voluntary and mutualistic activities. Marquand considers these a key element of the 'public domain', the creation of which was 'an essentially Victorian achievement', but was a counterweight to the market, and not as a sphere engendered by it. Thus the 'great work of the Victorian era was to carve out from the encircling market and private domains a distinct, self-conscious and vigorous public domain governed by non-market and non-private norms'.[77] Furthermore, Marquand argues, 'the 'emergence of a regulatory state', rather than subduing such efforts, actually 'went hand in hand with a remarkable growth in private philanthropy'. Thus while 'the upsurge in philanthropy did not imply a conscious backlash against free market dogmatism', the charitable and mutual sectors 'belonged unmistakably to the public domain, and not to the market domain'.[78] While the free-market advocates of mutualism do not contest the view that the mutual or third sector is distinct from the market, they believe that the state damages it rather than protects it. As Green puts it, civil society or the mutual sector were 'not intended to be synonymous with "the market"' but that the fundamental contrast was 'between civil society and the state'.[79]

In contrast, Marquand argues that it is the state, not the market, which creates the space for voluntary and mutual institutions to flourish.

Marquand's challenge to the free market case is echoed by Margaret May who contends that a 'vibrant voluntary sector' and 'state welfarism' should not be viewed as 'mutually exclusive options' and that the two had 'for much of the 20th century' enjoyed a 'fruitful collaboration'.[80] Furthermore, she argues, the 'major threat to the long-term vitality of the voluntary sector did not come from the growth of post-war state welfare so much as the restructuring of the 1980s and early 1990s', when the sector was remodelled on 'competitive, market-based, lines'.[81] What Marquand, May and others are arguing is that the attempt by 'civic conservatives' to portray the Thatcherite era as one in which the true social values of the market were ignored is false and hence the mutual sector would suffer under a Conservative government employing the ideas of Green et al.

As noted earlier, Hirst and Ward offer an implicit critique of the free market attempt to claim mutualism. In a review of Green's *Reinventing Civil Society*, Hirst makes this critique more explicit. Hirst welcomed Green's attempt to interest Conservatives in mutualism and suggested that his enthusiasm about the virtues of the friendly societies meant he 'could almost be mistaken for an anarchist or associational socialist'. According to Hirst, the critique of the state which underpins Green's mutualism needed to be matched by a critique of private corporations, as both tend to be 'top-down and managerialist'. More fundamentally Hirst alleges that the working-class mutualist institutions celebrated by Green *et alii* were largely destroyed by the disrupting and uprooting effects of the economic forces promoted by governments of the right (the 'new wave of uprooting and brutalisation that began in the 1970s'). For Hirst, the 'major problem' with Green's argument was that though Britain did once have an 'experience of working-class voluntary action almost unrivalled in Europe', by 1900 this tradition was 'more or less dead': Green was lauding institutions which by 1900 were already 'in the process of marginalisation'.[82] Further, Hirst argues that what Green and others 'assume to be necessary for a stable market society' actually had to be fought for by members of the working class: they had not emerged naturally. Hence it was not just politically expedient for the mutualist agenda to be claimed by the left but was only coherent as part of a wider effort to ameliorate the effects of the free market.[83]

Cameron's 'Green' agenda?

This indicates the nature of a potential 'external' challenge to the Conservatives' claim (though it seems unlikely that the Labour Party is likely

to promote associationalism as part of an explicitly socialist programme). The internal challenge may emerge from those Conservatives concerned about the social values often associated with this agenda. Hence while part of the appeal of mutualism is that it represents a 'softening' of Conservatism away from an over-reliance on 'hard-boiled economic rationalism', mutualism appears difficult to tally with the social liberalism promoted by many Conservative 'modernisers'. Many of the prominent advocates of mutualism see it as part of a project to re-moralise British society and hold the type of social attitudes associated with Conservative 'traditionalists' such as Norman Tebbit and Simon Heffer: attitudes from which, according to the 'modernisers', the Conservative Party should disassociate itself.[84] Indeed Green has been concerned about some aspects of Cameronian Conservatism,[85] and more fundamentally he rejects the notion that the free market should be accompanied by 'permissive' social attitudes (a view evident in his critique of Samuel Brittan's social libertarianism).[86]

So, while mutualism is sometimes considered merely a devolved and more effective mode of social organisation, most of its advocates see it as part of a wider social revolution, not least in social and moral values. A. H. Halsey talks of the 'authentic tradition of local collective self-help outside the state',[87] which he saw as part of the 'ethical socialist' tradition, central to which was the 'doctrine of personal responsibility under virtually all social circumstances'.[88] Halsey has described himself as '[i]n short both a socialist and a conservative'.[89] Frank Field might be described in similar terms and he has been one of the most determined advocates of mutualist ideas. Like Green *et alii*, Field links his support for mutualism with a narrative that links the decline of the mutual and voluntary sectors with a decline in Britain's moral fabric (according to Phillips, Field seeks 'nothing less than the re-moralisation of Britain through the welfare system').[90] Indeed Field has been keen to emphasise (and indeed celebrate) that the 'mutual aid movement' must not be 'divorced from another of the social objectives of the Victorian period', namely, the 'emphasis on character'.[91] Without 'collective checks', Field argues, individual freedom had a tendency to descend into 'anarchy', the 'sworn enemy of social virtues'.[92] But these 'collective checks' need not be carried out by the state: the mutual sector offered the means to achieve re-moralisation, as it had done in the Victoria era.[93] A view such as this seems closer to that of Conservative 'traditionalists' rather than the 'modernisers' and this suggests that mutualism may, in the longer term, be a source of tension among Conservatives: it may be a small c conservative agenda but not necessarily a Conservative one.

Conclusion

As we have seen, the desire to 'reinvent' the third or mutual sector as part of a wider renewal of civil society is shared by members of differing ideological strands. It is viewed as necessary to resolve the perceived social failures of post-war social democracy and Thatcherism. As with the notion of 'civil society' more generally, the mutual sector is conceived of as 'neither state nor market' but there remains no consensus as to the balance between the two that best allows it to flourish. Green's rediscovery of mutualism has been welcomed by Phillips, Field, Ward and others. However, what attracts them is the exposition of the agenda, and not necessarily the link he makes between it and an economic agenda that might be described as 'market fundamentalist' (the type of society Green wishes to see would include not only a greater role for the mutual sector but *also* for the market than is currently the case).[94] Because of the relative novelty of this agenda, its advocates are likely to limit their criticisms of fellow mutualists (Hirst's critique of Green is a rare example). However, if this agenda is to become a major player in the political sphere (as opposed to a popular theme in political rhetoric) its advocates cannot avoid the central question of what balance between the state and the market provides the best environment for the mutual sector. As with other attempts to create a new 'paradigm' in politics, traditional ideological divides will soon reappear once mutualist ideas are translated into policy. The financial crisis of 2008 is likely to increase interest in rebuilding mutualist forms of social and economic organisation but this will help end Mutualism's 'depoliticised' status.

18
Response to Charlie Ellis

David Willetts

Charlie Ellis offers a useful and wide-ranging review of what he calls neo-mutualism. I regard it even more broadly as the renewed interest in the institutions of civil society. It is an important area of intellectual enquiry with intense research on social capital. It is also an important area of political competition with both main parties vying for the true centre ground of British politics – recognition of the value of non-state collective action. I tried to link this to the renewal of Conservatism with my essay, *Civic Conservatism*, published by the Social Market Foundation in 1994.

I would like to add some key factors explaining the revival of interest in this subject which are not covered in his account. In particular they may help to explain why some of the potential conflicts with free-market economics are not as intense as he fears. The origins of the renewed political interest in what he calls neo-mutualism can be traced to the humbling of a certain sort of naive free-market economics. Two events were crucial, one international and one domestic.

The international event was the failure of economic reform in Russia after the collapse of the Soviet Union. Economic reform in Chile strengthened the influence of the Chicago boys, but twenty years later the Harvard boys who arrived in Russia were to have no such success. They had a rational plan for constructing a free-market economy. However, it failed. The reasons lay outside their economic model. Russia was a country where there was no independent judiciary and where if you had money it was because you were part of the old Communist hierarchy or the new Russian Mafia or both. It was the absence of the culture and institutions of the West that made it so hard to create a modern free-market economy. Suddenly capitalism seemed less like a system of universal economic laws and more like a precious cultural artefact sustained by a rather unusual set of institutions.

The domestic event was the failure to deliver credible monetary policy simply by the Treasury formulating monetary rules. The aim of such rules was to gain credibility with other economic actors and thus lower the transitional costs of the shift to a lower inflation world. But during the 1980s the Treasury kept on changing the rules. It became like the proverbial smoker who was good at giving up smoking – he had given up lots of times. No single rule seemed to capture all the key information so discretion was needed yet no-one trusted the Treasury to exercise such discretion. The answer was institutional reform. It began with the creation of a far more transparent exchange of information and monitoring of monetary performance involving the Treasury and the Bank – the so-called Ken and Eddie show. This is turn was the precursor to the independence of the Bank of England in 1997. Credibility was gained not by rules but by institutions.

So many of us who were free marketeers became more and more interested in the institutional underpinning of a modern market economy. You could say it was the discovery that the Adam Smith of *The Wealth of Nations* also had *A Theory of Moral Sentiments*.

Meanwhile the social problems which it was hoped might be tackled through economic growth proved frustratingly intractable as the state seemed all fingers and thumbs. By contrast the voluntary sector seemed far more effective at tackling the problems of the whole person. The third sector came to seem potentially significant in tackling social problems.

All this in turn led to the rediscovery of the civic tradition in British politics. It cannot be claimed exclusively by any one party but there are certainly strong Conservative elements to it. It was expressed in Disraeli's High Victorian medievalism – with the Pre-Reformation monasteries playing the role of the third sector today. The Chamberlainites brought a recognition of the value of municipal government. The Conservative critique of Lloyd George was a recognition of the role of the Friendly Societies as an alternative to conventional state delivery. And one of the best single essays on Conservatism in the post-war period, *The Conservative Faith in the Modern Age*, by David Clarke, the head of the Conservative Research Department after the Second World War, deployed these arguments as a critique of the Attlee model. He contrasts the respect for schools as free-standing institutions in Butler's Education Act with Bevan's nationalisation of voluntary hospitals. This approach carries on with our current critique of Gordon Brown's top-down model of public service delivery. Charlie Ellis has done well to show the wide and diverse origins of this important part of the Conservative tradition.

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Part IV
Where Now for the Liberal Democrats?

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19

Icarus Turns Back: Liberal Democrat Constitutional Policy

Matt Cole

> Liberal Democrats believe the role of democratic government is to protect and strengthen liberty, to redress the balance between the powerful and the weak … That is the Liberal Democrat vision: of active government which invests in people … and is answerable to them for their actions. (*Make the Difference*, Liberal Democrat manifesto, 1997)

> Britain's political system has changed for the better since 1997… But the gap between government and the governed is still too great. Public bodies are not sufficiently accountable. Voters do not have a strong enough voice or choice. No wonder that more and more people feel alienated from politics. (*Freedom Justice Honesty*, Liberal Democrat manifesto, 2001)

> Every time you open a newspaper or see the news, the Government seems to be taking more power for itself, and in particular for the Prime Minister … I have served in Parliament for thirty years, nearly twenty in the Commons and ten in the Lords. I have never been so worried about the safety of British democracy. (Baroness Shirley Williams, *The Real Alternative*, Liberal Democrat Manifesto, 2005)

The principles of the Liberal Democrats on constitutional questions including devolution, electoral and parliamentary reform and the role of the judiciary are distinctive and consistent. They reflect convictions held by liberal thinkers and proposals advanced by Liberal politicians for centuries. The challenge for Liberal Democrats since 1997 has been how to move from those principles and policies to legislative measures which will put them into practice. This journey from 'virtual' to 'real' policy has been undertaken by Liberal Democrats in an atmosphere of increasingly

adverse opinion at Westminster and arguably among the public, as the growing pessimism in the tone of the Party appeals above demonstrates. Like Icarus, the Liberal Democrats increasingly feared that flying too close to the heat of power threatened to melt the very policy which had got them there, and – unlike the legendary figure – they turned away. The flight path of timing and tactics adopted by leading Liberal Democrats in this has not enjoyed universal Party approval, and in one matter there has been substantial disagreement about policy itself; but for the Liberal Democrats the journey has, by comparison with the experience of recent decades, been an impressive one.

Background

Constitutional reform is, more than anything else, the unique selling point of the Liberal Democrats, and 'has remained at the core of the Party's ethos' according to Michael Foley, 'integrally connected to its identity and strategy'.[1] Even the Party's bitter critics like Simon Jenkins acknowledge that fact, arguing that 'it has no cause, theme, culture or strategy, beyond a yearning for the eternal coalition of proportional representation'.[2] From John Locke to John Wilkes to John Stuart Mill British liberals have championed constitutional devices to guarantee civil liberties, disperse power to the regions and between the branches of national government, and to make Parliament more representative of popular opinion. Liberal governments in the nineteenth and early twentieth centuries were associated with the most important measures limiting the powers of the Lords and extending the franchise.

As the twenty-first century approached, these principles were reiterated in the proposals agreed by a committee under Liberal Democrat constitutional affairs spokesman Robert Maclennan and his Labour Party opposite number Robin Cook between 1995 and 1997.[3] These committed both parties to reform of the Lords, the introduction of proportional representation for elections to new devolved bodies and for European elections, legislation to incorporate the European Convention on Human Rights into UK law and to grant freedom of information rights to British citizens. Most advanced of all was the promise by the Labour leadership – included in the 1997 manifesto – to hold a referendum on the question of whether a proportional electoral system should be used to elect the Commons. There was widespread optimism among Liberal Democrats that large parts of their programme for constitutional reform would be enacted. Even sceptical former Liberal MP Cyril Smith could declare the Cook-Maclennan document 'a wonderful agreement'.[4]

For the earliest stages of the Blair governments, however, the determination of some of the New Labour leadership to dilute the proposals became evident. The Liberal Democrats came quickly to adopt the role of the Government's radical conscience on constitutional questions. After 2001, they became openly hostile to some of the consequences of Blair's strategy for tackling terrorism, and they divided over how to react to Labour's drift from constitutional reform. What became clear was that the Liberal Democrats valued constitutional reform more than the promise of office and less than their independence.

Liberal Democrat constitutional policy is examined here in four areas: electoral reform; parliamentary reform; devolution and local government; and civil liberties and judicial reform.

Electoral reform

The Liberal Democrats advocate the introduction of the Single Transferable Vote (STV) system for elections at all levels in the UK. This has been Liberal Party policy since 1922. They argue that as a preferential, multimember constituency, proportional system it simultaneously gives voters a greatly increased choice of representative, and undermines the power of party leaderships and organisations in Parliament and outside. When the Blair Government established a commission under Liberal Democrat Leader in the Lords Roy Jenkins to determine which system should be proposed as an alternative to the current one in the promised referendum, the Liberal Democrats made the case for STV as a system which 'meets in full the criteria of the Electoral Reform Commission' and which 'is best suited to meet the needs of a modern parliamentary democracy'.[5]

STV has been introduced only in a small number of elections in mainland Britain, and only recently. However, Liberal Democrats have been able to take satisfaction that in Great Britain, where in 1997 only First-Past-the-Post was used, four new systems have been introduced, each representing at least a concession to the proportional and preferential characteristics of STV. In each case, however, Liberal Democrats came to fear that the concession they were being offered closed the door to what they really wanted, and worse still that the association with other choices was undermining the integrity of their own policy.

The first reform was the introduction of proportional representation for European Assembly elections, a matter on which the British had already been under pressure from the European Community itself, and on which the Liberals had even pursued the British Government to the European Court of Human Rights 17 years earlier.[6] Instead of STV,

however, the Labour Government chose to implement the party list system using large multi-member constituencies. This had been part of the Cook-Maclennan agreement, and could be explained partly by the small number of representatives to be elected, and by conformity with some other systems in use in Europe. However, the Liberal Democrats took exception to the 'closed list' system adopted by Home Secretary and ardent opponent of PR Jack Straw, because it obliged voters to choose a party's list of candidates without allowing them to identify which of the candidates they preferred. Straw assured Liberal Democrats that the case for an 'open list' system would be fully considered in the formulation of regulations, and on this basis Liberal Democrat MPs voted through the supporting legislation after Alan Beith announced:

> The Liberal Democrats welcome the Bill. It gives us an opportunity to provide fair voting for Europe. It fulfils a commitment that successive British Governments have made through treaty obligations, and it implements an agreement that was made publicly between my Party and the Labour Party before the election and put to the voters at the election.[7]

At least one Labour MP opposed to proportional representation later commended Straw on 'playing a blinder'.[8] Even though Beith and another Liberal Democrat MP, Adrian Sanders, joined the Standing Committee on European Elections Regulations in March 1999, the 'closed list' system was retained, and many in the 'First-past-the-post' group of Labour MPs opposed to reform believed Straw had wilfully exposed the weaknesses of proportional systems which allow party machines to choose representatives. The Liberal Democrats had been outmanoeuvred but had nonetheless established the principle of the value of proportionality – one which, among other effects, gave them 10 and later 12 seats in the European Assembly, where they had never had more than 2 before.

The principle of proportionality was also recognised in the electoral systems for the new representative bodies of Northern Ireland, Scotland, Wales and London in 1998, 1999 and 2000 respectively. Only in the first of these was STV used, and only because it has been used in Northern Ireland at all elections other than to the Commons since 1973. In the last three cases, it was by variants of the Mixed Member system used in Germany and New Zealand, which the Liberal Democrats again did not favour. Its proportionality depends upon the balance between the number of representatives in it elected under the first-past-the-post system, and the number of 'top-up' or 'additional' members chosen by

the List system already in place for Europe. Where – as in Wales – the number of 'additional' members was relatively low, the proportionality was limited, and so Labour with less than 40 per cent of the vote was able to form an Executive on its own after both the 1999 and 2003 Assembly elections. In Scotland and Wales, however, multi-party politics has prospered as Liberal Democrats have for generations hoped to see at national level. Scotland's coalition Executive implemented the most authentic copy of Liberal Democrat policy on electoral systems in 2003, when the Liberal Democrats insisted as the price on continuing their relationship with Labour that Scottish local elections would in future be decided using a variant of STV. As a result, since 2007 there have been only two single-party administrations in Scottish local government. STV was also recommended for use in the election of a larger and more powerful Welsh Assembly in the 2004 report by Lord Richards commissioned by the Welsh Executive.[9]

In English local government, another diluted version of Liberal Democrat policy was used for the election of executive mayors from 2000 onwards. For the election of single figures, as in large depopulated parliamentary constituencies, the Liberal Democrats favour the Alternative Vote, in which electors rank as many candidates as they like in order of preference. In the Supplementary Vote system chosen by the Labour Government, however, voters can indicate only two preferences: when no candidate has over half of the first preference votes, the second preferences of all but the two most popular candidates are redistributed to determine the winner. Thus in 2008 Boris Johnson benefited from winning most of the second preferences of Liberal Democrat Brian Paddick's voters in his bid to become London Mayor. Attempts were made in the House of Lords by Liberal Democrat peers to have the Alternative Vote considered for mayoral elections outside London met with frustration. Former Liberal MP Graham Tope complained of Labour Minister Lord Whitty that 'I am not surprised that the Minister rejected the amendments. On these Benches, one tends to get used to that'.[10]

These frustrations were only echoes of feelings over the central issue of electoral reform, namely, the question of a referendum on the electoral system for choosing the House of Commons. Before the end of 1997, the Government had established the Jenkins Commission to identify the alternative which would be put up against First-past-the-post in a public referendum. In this, STV had by October of the following year been rejected in favour of a combination of the Alternative Vote and a 10–15 per cent top-up from a List system. Though 'AV-plus', as it was known, would not be fully proportional, and would have allowed

Labour an overall majority in 1997 on 44 per cent of the vote, Paddy Ashdown immediately expressed approval of it as 'the opportunity to break out of the prison of First-Past-the-Post', and the Jenkins system seeped far enough into Liberal Democrat policy to be officially recognised in a paper prepared by a working group under Robert Maclennan as 'a first step towards our ultimate goal of STV'.[11] No sooner had Ashdown modified Liberal Democrat tactics, however, than even the hope of campaigning for this second-best option receded over the horizon as leading Labour figures poured cold water on the prospects of a referendum before the next election. Most notorious to Liberal Democrats was Straw, who toured TV studios upon publication of the Jenkins Report to announce wryly that the complexity of the proposed system meant a referendum before the next election could not be guaranteed; but even Blair was non-committal, saying merely that Jenkins made 'a well-argued and powerful case'.[12]

For Paddy Ashdown this was a bitter blow: he told Blair he was 'very angry and very depressed', and that Blair's sticking to his commitments about the timing of the referendum 'would have been of immense help to me'. Even a keen supporter of Ashdown's negotiations, future leader Menzies Campbell, acknowledged that 'this was to be the rhythm of Paddy's talks with Blair over the next eighteen months. Hope was followed by disappointment';[13] but for Liberal Democrat policy it was in a sense a liberation. Liberal Democrats were at once denied the chance to achieve something close to their chosen policy, and at the same time released from the obligation to help promote a system they regarded as ultimately unsatisfactory. Significantly this was the point at which Ashdown knew his leadership was over, because the Liberal Democrats would not stand for his relationship with Blair unless there was some sort of PR on offer, and they would not entertain a closer relationship even if PR were offered. When Charles Kennedy took over in 1999, his biographer writes he was aware that Party opinion was turning against any concessions to Blair: 'Lib Dem members would certainly have looked with suspicion on the Alternative Vote'.[14] Icarus' wings were uncomfortably hot, so the order of priority was clear: first Party identity; next reform policy; last, office.

The most recent Party policy papers have reiterated the commitment to STV and to the more recent decision to back voting at 16,[15] and STV was the focus of a recent Lords debate initiated by Liberal Democrat Peers.[16] This is not to say that Liberal Democrat policy has lost its significance outside the Party: apart from the reform of Scottish municipal elections, Liberal Democrats have kept the issue of electoral reform on the political

agenda more consistently since 1997 than for any similar period since the Second World War – which contributed, for example, to Gordon Brown's fulfilment of the Labour manifesto promise of 2001 to undertake an Official Review of electoral systems in the UK when he became Prime Minister. For the time being, however, the trade-off between policy and practice on electoral reform has for the Liberal Democrats swung in favour of the former.

Parliamentary reform

Liberal Democrat policy seeks reforms of the Commons which will give more legislative opportunities to back-bench MPs, strengthen Departmental Select Committees, fix the terms of Parliaments at four years and strengthen the Speaker's obligations to limit partisanship in the Chamber.[17] Pale forms of some of these proposals have emerged since 1997 in the use of fixed terms for all elected bodies in the UK other than the Commons, and in experiments such as the MPs' debates in Westminster Hall. Robin Cook's radical attempt to take control of Select Committee membership out of the hands of party whips in May 2002 was supported by Liberal Democrat MPs, but defeated by a combination of most Conservative, and some Labour, MPs. The defeat was seem by some as a sign of Cook's distancing from Labour Whips,[18] and Cook himself acknowledged two days later in reply to his Liberal Democrat opposite number that there had been 'an alliance between the Conservative party and old Labour'[19] to defeat their reforms. More recently there has been some convergence between the proposals made by Gordon Brown on becoming Prime Minister for the handing of certain Executive powers, such as the declaration of war and making of treaties, to Parliament, and the long-standing demands of the Liberal Democrats.

For Liberal Democrats, however, the greatest excitement, and the greatest division, over Parliamentary Reform has concerned the House of Lords. Liberals have been committed since at least the early twentieth century to the replacement of the Lords by an elected Second Chamber. The preamble to Asquith's Parliament Act of 1911 famously looked forward to the establishment of the Upper House 'on a popular basis'. The growing role of Life Peers in the Lords, however, has produced tensions within the Party which have been clearly visible in recent debates over Lords reform. While Liberal Democrat official policy favours election as the main characteristic of a reformed second chamber, consistent with liberal principles of accountability and the dispersal of power, some important voices reflect the contrasting liberal

tradition which fears an excess of democracy and seeks to check transitory majorities. The 1958 legislation to allow the regular creation of Life Peers caused a split between Liberals in the Commons, who's Leader described the measure as 'a pretence', and those in the Lords, where it was approved as 'a small advance'.[20] Liberal Democrats today suffer from the same uncertainty about the value of an appointed element in the Lords.

In 1997, following the Cook-Maclennan agreement, the Liberal Democrat manifesto promised a 'predominantly elected' Chamber, chosen by STV and, when the Government's White Paper of 1999 was published, Robert Maclennan declared himself 'delighted there is now the prospect of proposals for proper reform before the next election'.[21] As Blair warmed to an appointed House and Robin Cook lost influence in the Cabinet, however, doubts were already emerging about the consistency of the White Paper with Liberal Democrat policy. Even Ashdown had already dismissed the Paper angrily to Blair as 'clearly inimical to what we signed up to in Cook-Maclennan'.[22] The manifesto phraseology was replaced in 2001 by a pledge for a 'directly elected' Upper House, and the Liberal Democrats' response to the Government's White Paper on the Lords in 2002 stated carefully that 'there should be a transition period during which appointed members should be replaced by elected members, with a final decision to be made at the end of the transitional period on retaining some appointed independent members'. The paper indicated that these appointed members would not account for more than 20 per cent of the new House.[23]

This compromise, however, did not prevent a public division when the issue came for consideration in February 2003. Though Liberal Democrat MPs voted overwhelmingly for a wholly – or predominantly – elected House, a third of Liberal Democrat Peers, including notable former MPs such as Lords Bill Rodgers and Russell Johnston, voted for a wholly appointed House, and a quarter voted down the Party's policy of predominant election. The 2005 manifesto returned to the formula of a 'predominantly elected' second chamber, but the same voting pattern occurred in Parliament in March 2007, when former Leader Lord Steel wrote publicly that

> the conditions in which Prime Minister Asquith made his commitment have changed in three important respects: the hereditary principle has all but gone; the primacy of the House of Commons is universally accepted; and it has now been agreed by all parties that none should have a majority in the Lords.[24]

Steel voted with a quarter of his Liberal Democrat colleagues against Party policy and for an appointed Lords. Party Leader in the Lords Tom McNally replied insistently that 'a veto on constitutional reform by the House of Lords is not acceptable. It is now up to the House of Commons to assert its primacy. The Liberal Democrats' 100-year-old commitment to an elected House of Lords remains intact.'[25]

Following this split in the Lords, official Party policy hardened. It now favours a wholly elected Senate, smaller than the Lords, and chosen by STV for non-renewable 12-year terms, in staggered 4-year elections of a third of the House at a time. However, it is doubtful whether party policy is fully meaningful when its main objects – the Lords – cannot, even in the Party itself, be brought to act upon it cohesively. Like Labour, the Liberal Democrats have found building a new second chamber harder than breaking the old one and this has produced the most serious and sustained split over constitutional reform which the Party has endured in recent years.

Devolution and local government reform

The Liberal Party has favoured decentralisation for well over a century. In the nineteenth century it demanded Home Rule for Scotland and Ireland; in the mid- twentieth century its MPs were enthusiastic supporters of the Parliament for Wales campaign. The establishment of the Scottish Parliament and the Assemblies in Wales and Northern Ireland, as well as the creation of the Greater London Assembly and the process for instituting directly elected Mayors, were developments which the Party endorsed through the Cook-Maclennan agreement, and supported in the referendum campaigns of 1997 and 1998. The Party favoured a stronger Welsh Assembly, but recognised in 1997 that the demand in Wales for devolution was less intense than in Scotland, and backed the Assembly; but it seeks primary legislative powers for the Assembly, and its MPs supported the Government of Wales Act 2006, which set out the procedures whereby such a change could be endorsed in a new referendum, against a Conservative amendment at its Second Reading. Welsh Liberal Democrat Leader Lembit Opik argued that:

> Labour deserve some credit for grasping the nettle in 1998 and kick-starting the devolution process in 1997. The Bill that the Government presented then was a cautious one; it created the Welsh Assembly, but it kept the Assembly's powers firmly in check. In effect, Westminster still ran a large part of the show. The Government now have a mandate

> to give Wales the deal that it deserves – an Assembly with primary powers.[26]

In the same debate, Opik's colleague, Brecon and Radnor MP Roger Williams went on to assert that because such a change was manifestly necessary and popular no referendum was necessary to approve it.

It is in the area of regional devolution that Liberal Democrats have had tactical differences of opinion. Here again the Party has long-standing and strong credentials as a supporter of reform, having demanded elected assemblies to govern the English regions throughout the post-war era, and made the case for this strongly in Parliament in the 1970s. The most recent Liberal Democrat policy paper committed the Party to a substantial increase in the powers of local government at all levels, the creation of consumer boards to govern local services, and 'the establishment of directly-elected regional government in those regions that want it, taking powers and functions from central government'.[27]

The proposals for regional devolution produced by the Labour Government after 2001, however, met with immediate criticism from Liberal Democrats. Liberal Democrat MP for St Ives Andrew George criticised the White Paper for dictating inappropriate regional boundaries and retaining too much power to Westminster and Whitehall, particularly over expenditure. He pointed to the example of powerful but organically developed Canadian regional government as a preferable model, and to demands for Cornish self-determination rather than the larger-scale units the Government had in mind.

> The White Paper is entitled 'Your Region, Your Choice', but people who want devolution believe that it should be re-entitled 'The Government's Region, The Government's Choice.' Throughout the White Paper,' George went on, 'the Government seem not to have sufficiently constrained their control freak tendency.[28]

Junior Minister Nick Raynsford's defence later in the year reflected the distance and tension which had by this stage developed between Liberal Democrat and Labour approaches:

> As far as Liberal Democrat opposition is concerned, they support the principles of regional devolution, which we welcome. However, they will no doubt claim that we should go further and faster. We look forward to hearing their debates, but I suspect that they will reveal all too clearly the characteristics of a party that has not held

> national office for 80 years and is strong in ideas but not necessarily in experience.[29]

The first attempt to establish a regional assembly was made in the north-east, where a referendum to endorse the Government's proposals was held in November 2004. As arrangements were confirmed in Parliament, Matthew Green MP, deputising for Alan Beith, declared for the Liberal Democrats that 'we will be fully behind the "Yes" campaign ... There has been long-standing demand for a regional assembly in the north-east from the ... Liberal Democrats.'[30] The campaign, accused by many of being lacklustre, was led by Deputy Prime Minister John Prescott, and few other members of the Government participated.[31] The proposal was resoundingly rejected in the referendum by four votes to one in a turnout of nearly 50 per cent. Though most Liberal Democrats did support a 'Yes' vote, they did so with varying levels of enthusiasm given the limited powers on offer. For some Liberal Democrats, rather like some Scottish Nationalists at the 1979 devolution referendum, the scheme on offer was too feeble to be endorsed. Former Liberal Democrat leader in the Lords Bill Rodgers, who wanted a 'Yes' vote, acknowledged that 'there was a lot of cross-voting in the region' and that 'some Liberal Democrats ... may have voted "No", despite a firm and longstanding commitment to regional government'.[32] Alan Beith agreed on reflection that the vote had been lost because 'what was on offer was a distinctly underpowered model of devolution'.[33] Lord Tony Greaves, a veteran of decades of service in local government, was one of these, but insisted that the split in the Liberal Democrats was tactical rather than substantial:

> The referendum was a complete botch the whole way through and the Government got exactly what they deserved. I kept well out of it. I took the view that it was not my job to interfere with what my colleagues in the north-east might or might not wish to do. But had I been an elector in the north-east, I would have voted 'No'. One of my reasons for that is that I am a passionate believer in devolution to the English regions, particularly to those regions in the north of England. Devolution to the north-east was simply not on offer in the referendum that took place. I disagree with many of my colleagues on that but, at heart, I think we agree on what we want to see.[34]

Once again, the Liberal Democrat leadership's flexibility in policy had been greater, and their patience with Labour longer, than that of some of their followers.

Civil liberties and judicial reform

Reforms aimed at entrenching protection for civil rights were the subject of controversy throughout the Blair era, and were the source of the greatest single achievement, and some of greatest frustration, of Liberal Democrats.

The Human Rights Act (HRA), passed in 1998, was the fulfilment of the policy of incorporating the European Convention on Human Rights (ECHR) into English Law which had featured in Liberal manifestos since the 1970s. The Act was first promulgated in the Lords, where Liberal Democrat human rights lawyer and erstwhile advisor to Roy Jenkins Lord Lester was a key figure in crafting the Bill and its passage through to the Commons. Liberal Democrats not only supported the introduction of the Human Rights Act, but have remained loyal to it after ten years in which it has become the object of sustained attacks from the Conservatives and the right-wing press. After the 2005 London bombings Tony Blair himself warned judges, who had used the Human Rights Act to demand an end to the indefinite imprisonment without trial of foreign suspects of terrorism, that 'the rules of the game have changed' and that 'the independence of the judiciary is a principle of our democracy, but I hope that recent events have created a situation where people understand that it is important that we protect ourselves'.[35]

By contrast, Liberal Democrat MPs and Peers led debates in February and March 2007 to celebrate the successes of the Act,[36] and the following year Chris Huhne responded to demands from the Conservative conference for the scrapping of the Act by referring to the case of Jean Charles de Menezes, shot in error by the Metropolitain Police who believed him to be a terrorist, and saying that

> it is easier to call for the Human Rights Act to be scrapped and for people to take the law into their own hands because it saves the Tories from having to come up with any real policies to cut crime.[37]

The Liberal Democrats would like to see the Act strengthened so that it has jurisdiction over primary as well as secondary legislation, and they want fuller explanation of the relationship between new legislation and the ECHR as Bills go through Parliament; ultimately, they would prefer a constitutional Bill of Rights. For now, however, Lester describes the HRA

as ‘the next best method of constitutional protection’.[38] Simon Hughes concurred that

> I am proud that we have this strong convention. I hope that the Government are resolute and stand firm on this issue, and do not wobble again … If we build on that and seek a consensus, we could end up with a document that would be as valuable in the 21*st* century as the Magna Carta has been in past centuries.[39]

The Liberal Democrats have had a much rougher ride with their policy on Freedom of Information, provision for which was the subject of Bills presented to the Commons by Clement Freud in the 1970s and Archy Kirkwood in the 1980s and 1990s. A Freedom of Information Act was one of the pledges in the 1997 Cook-Maclennan agreement; but it carried the rider that ‘there would of course be a need for exemptions in areas like national security, personal privacy and policy advice given by civil servants to ministers’[40] and it was the issue of exemptions which came to split the Labour Government from the Liberal Democrats, and the Liberal Democrats from one another.

Preparation of the Bill was initially in the hands of Chancellor of the Duchy of Lancaster David Clark, who published a White Paper in December 1997, *Your Right to Know*,[41] which was well received by Liberal Democrats and the civil liberties lobby. In July of 1998, however, Clark was dismissed, and his legislation handed from the Cabinet Office to Jack Straw, the Home Secretary. As with electoral reform, Straw became the villain of the piece for Liberal Democrats and other reformers, limiting the terms of the Bill and leaving them with a tactical dilemma. Straw’s legislation, published in May 1999, abandoned the need for ministers to show that ‘substantial harm’ would come from publication in favour of the more achievable test of ‘prejudice’; the security services and civil service advice to ministers were exempted from the Bill altogether.

As soon as these changes became public knowledge, 23 reform groups, ranging from the Campaign for Freedom of Information and Charter 88 to Greenpeace, the Consumer Association and the Methodist Church, launched a campaign against them. Liberal Democrat members of the Joint Consultative Cabinet Committee came under criticism from colleagues and commentators for allowing the Bill past the Committee and for staying on it at all. In *The Guardian*, Hugo Young said they were ‘accessory before the fact … What, any longer, is the point of their presence if they let one of their own signature issues be travestied under their very

noses, making them complicit?'[42] Robert Maclennan replied equivocally that:

> There are significant weaknesses in the draft Bill, but it is a consultation document. We will not know whether a crime has been committed until the ink is dry on the final Bill. Liberal Democrats are consultees, like the rest of the population, and we will leave the government in no doubt of our detailed criticisms.[43]

Not all Liberal Democrats were impressed: former MP and Liberal Party Chairman Richard Wainwright, just retired from the Presidency of the Yorkshire Liberal Democrats, scoffed that

> Robert Maclennan dodges, implausibly, Hugo Young's accusation that Lib Dems on the Lib/Lab Cabinet Committee failed to resist a deeply flawed Freedom of Information Bill; nor did he attempt to answer Hugo Young's question as to why Lib Dems remain on that committee … Lib Dem activists, who have to answer for their Party on the doorstep and in the media, need to hear more from Mr. Maclennan.[44]

Maclennan became increasingly weary of defending the Bill, and within a year was acknowledging that

> I must admit candidly that I sometimes felt that the entire process was going backwards. Most of us could have signed up with enthusiasm to the White Paper introduced by the Hon. Member for South Shields [David Clark] … whereas in the present Bill … there were real flaws, and they still deface the Bill.[45]

Liberal Democrat MPs' amendments seeking to restore some of the original rigour of the White Paper were voted down by both major parties, but in the Lords – where they held the balance of power and could determine the fate of the Bill – they succeeded in squeezing some very limited concessions out of Straw. The deal the Liberal Democrat Peers struck won too little for their colleagues in the Commons, and Maclennan was forced to acknowledge that there had been 'a failure of communication between ourselves and our peers'.[46] Hugo Young was more forthright:

> The progressive alliance … is turning into a conspiracy to gut true reform. From the Government this has been signalled for a long time.

> What is new and shocking is the willingness of the Liberal Democrat peers to assist in the butchery ... It's a political blunder suggesting they have crossed a crucial line from the territory of constructive scepticism into that of compliant, abject governmentalism.[47]

'We are reaching the absurd situation' said the Campaign for Freedom of Information, 'when the Conservatives will be able to claim the high moral ground on this issue'.[48] When the Bill returned to the Commons under a severe guilloutine, *The Guardian* reported that 'Mr. Straw's biggest critics came from the Liberal Democrats',[49] and, though Maclennan could not vote with the Tories against the Bill, 30 of his colleagues did. The episode had begun with the promise of achieving a key Liberal Democrat goal but it had ended in division and failure.

In the later stages of the Blair era, Liberal Democrats took some satisfaction from their role in the passage of the Constitutional Reform Bill, which moved Britain some distance towards the structurally independent judiciary which Liberal Democrats had always wanted to see enshrined in a written constitution. Once again, however, they were forced to support a measure which slipped away from their own preferred policy.

The Liberal Democrats have always supported a formal and complete separation of the judiciary from the legislature as a measure to guarantee the independent exercise of the greater powers which their envisaged Bill of Rights would grant to the courts. Ideally, the Liberal Democrats would effect this change as part of the introduction of a written constitution, Lords reform and 'a new way of law-making' which Lester had set out in an article published shortly before New Labour came to office. Lester acknowledged that the Constitutional Reform Bill did not achieve this overall approach, but argued that it contained 'much-needed reforms' and should be welcomed. Lord Goodhart explained Liberal Democrats' endorsement of the measures:

> We on these benches ... support the setting up of the Judicial Appointments Commission. We support the ending of the office of Lord Chancellor and the creation of a Supreme Court. These are all ideas which we have advocated since long before the Government underwent their remarkable conversion last June.[50]

Liberal Democrat Peers, however, began to have misgivings when, following opposition from some judges and the Conservative Peers, the Bill was sent to Committee in March, jeopardising its passage before

the coming General Election; and Lord Chancellor Lord Falconer indicated that his office might not be abolished altogether, though most of its connections with judicial work would be severed. Baroness Shirley Williams sounded a much graver note than her colleagues had the previous month:

> This is a very serious moment for the House. As Members on the other side will know, the Liberal Democrats supported what they regarded as a serious attempt to try to move towards a reformed situation with regards to the judicial functions of the Lord Chancellor ... We will consider very carefully on these benches any way that we can rescue the Bill and the essential amendments that should be made to it.[51]

The most consistent approach of Liberal Democrats in this area has been the most negative toward the Government, which is on the question of civil liberties. They opposed legislation strengthening state powers against terrorism in 2000, 2001 and 2006, as well as resisting measures to introduce ID cards, the restriction of trial by jury and – successfully – increasing police detention powers in 2005 and 2008. Here two powerful forces pulling in diametrically opposed directions made accommodation between Liberal Democrats and the Government all but impossible: on the one hand, the strength and distinctiveness of the liberal commitment to natural and civil rights as the *raison d'être* of the state and, on the other, the Blair Government's determination to strengthen state powers in response to the threat from international terrorism. 'Labour doesn't seem to understand that in fighting crime and terrorism, the point is to defend Britain's justice and democracy, not give it away', wrote Lord Dholakia in the 2005 Liberal Democrat manifesto: 'We won't surrender Britain's liberties.' Even visceral opponents of the Party like Simon Jenkins acknowledged the Liberal Democrats' stand against the Government: 'it was left to the Liberal Democrats to confront the new "9/11 authoritarians"'.[52]

Even in this area there exists the potential for tactical division between Liberal Democrats which are exposed when electoral pressures or relations with other parties are at issue. Dholakia, for instance, expressed disapproval of the decision to give David Davis a free run as the champion of civil liberties at the Haltemprice and Howden by-election of 2008, because these convictions were not 'part and parcel' of his views and the Conservatives were not to be trusted on the vital issues concerned.[53] The appointment of former Liberal Democrat MP Lord Carlile as Independent Reviewer of legislation on terrorism since autumn 2001 has put him at

odds with the policy of his own Party on key issues. At least one MP who joined the Liberal Democrats in the Commons in 2005 has recognised the tensions between purist civil libertarianism and a 'common-sense' approach to policy. 'In the past the Party had a number of stupid positions', said John Hemming, 'which nobody in their right minds would take, and that's stopped.' Hemming illustrated the point:

> For instance, a viewpoint that says a 16-year-old should be allowed to be paid to be in porn movies. There's no good reason for that, because you have people exploited … And similarly, we did have a very odd position on anti-social behaviour at one stage, which was not really recognising how serious the problem can be if you're on the other side of it.[54]

None of these differences of emphasis has yet surfaced in a major split, however, and the primacy of individual rights in Liberal Democrat thinking makes that unlikely. Policy has remained clear, because it has been unadulterated by compromise with other parties. The 2007 Party conference confirmed this position with a thoroughgoing debate and resolution on the topic. This strategy has, however, usually put the Liberal Democrats on the losing side.

Conclusion

Non-partisan observers generally recognise that 'the Liberal Democrats have the most detailed policies for constitutional reform'[55] and that 'the Liberal Democrats are the most enthusiastic supporters of reform. Their list of demands … is impressive, but Liberal Democrats make no apology for it.'[56] Yet the experience of the last decade has raised for the Liberal Democrats the question of what 'policy' effectively means. The Party has found that all levels of policy – from parliamentary positions, to pronouncements in the media and even official policy papers and conference decisions – are eventually affected (some would say infected) by the process of their implementation. This is nothing new: the distinction between policy and its implementation was one the Liberals also discovered during the Lib-Lab Pact, when David Steel encouraged Archy Kirkwood to think of policies as both 'principles' and 'demands';[57] even the great constitutional reforms of 1911 and 1832 involved compromise and negotiation. The trade-off between theoretical purity and achieved compromise has caused tactical divisions between Liberal Democrats in most of the areas examined above, and produces

a graduated continuum of responses from members: in one Commons debate on regional devolution, Matthew Green described the Government's proposals as 'three-quarters of a loaf' only to be interrupted by his colleague Ed Davey shouting 'half a loaf'.[58]

Liberal Democrat short- and medium-term policy has been determined partly by the Party's relationship with either other parties or elements of other parties. The Liberal Democrat Icarus came to land before long-term principles were endangered; even the most flexible of compromisers, Robert Maclennan, wrote in 2004 that the Liberal Democrats on the Joint Cabinet Committee 'came to find the position of privileged petitioners almost as unrewarding as did the different Labour Ministers who had to attend the sessions'.[59] An article by Nick Clegg seemed almost to forget his Party's constitutional journey of the previous decade, saying that 'I am certain that once it begins, and people see that change really is achievable, the tide will be unstoppable'.[60] The Liberal Democrats are back in 'outsider' mode for now, but it is not impossible that the same trade-offs as before could be on offer from other governments – Labour or Conservative – in the future, as Gordon Brown's 2007 constitutional reform statement showed. The Liberal Democrats have come closer to getting what they want, and have got more of what they want, in the last decade than for a hundred years, and they have established a profile for the issues they still want to pursue. Having turned back, Icarus can fly again. He may even fly further next time.

20
The Liberal Democrats and the Role of the State

Duncan Brack

The impact of New Labour on Liberal Democrat policy-making and positioning has been mixed. On the one hand, the centralising and authoritarian nature of much of New Labour's legislation has helped focus attention on long-standing Liberal positions on decentralisation and civil liberties. On the other, the Government's substantial injection of extra funding into public services, notably health and education, has undermined one of the Liberal Democrats' key policy messages of the 1990s – the need for investment in public services – and revived an internal debate over the role and size of the state that had seemed to be settled a decade before.

Liberalism and the state

British Liberalism has a distinctly different approach to the role of the state than does the other main progressive tradition in British politics, that of the Labour Party. Partly this is because it has much older historical roots, stretching back to the political and constitutional struggles of the seventeenth and eighteenth centuries, revolving primarily around issues of freedom, particularly of thought, conscience and religion.[1] Thus, through to the late nineteenth century, Liberals were mainly concerned with the removal of constraints and the establishment of freedom from external restrictions, whether imposed by state, public opinion, religion or custom. The state was to be kept as small and constrained as possible, and economic policy meant freedom to trade and the reduction of taxation to the lowest level practicable.

This set of beliefs, which can best be described as 'classical liberalism', and also often as 'economic liberalism',[2] still underpins the approach

of many continental European liberal parties. For classical liberals, freedom means what Isaiah Berlin called 'negative freedom': the absence of obstacles, barriers or constraints. The state has to be limited in order to protect individual liberty, the rule of law and the functioning of the market economy; free markets and free trade are more efficient than any form of state planning or interventionism, and state welfare must not undermine incentives to hard work and self-help.

In Britain, however, Liberalism followed a different path. From at least the 1870s onwards, Liberal local councillors started to use the powers at their disposal more actively to improve the conditions of life of their citizens, including establishing municipal utilities (gas, water, electricity), clearing slums and constructing new public buildings. The New Liberals of the turn of the century broadened this approach, arguing that the simple removal of constraints on the individual – the central aim of classical liberals – would not necessarily lead to freedom of choice for all, as not everyone enjoyed access to the same opportunities. In reality, poverty, unemployment, ill-health, disability and a lack of education were serious enough constraints on the ability of people to attain individuality through personal self-development and self-realisation that state action was justified to redress them. The New Liberalism justified the role of the state in undertaking collective action, not just to remove barriers to individual liberty but to equip individuals and the community to make the most of their opportunities.

Thus it was that the Liberal Governments of Campbell-Bannerman and Asquith for the first time used fiscal measures – redistributive taxation – as a tool to achieve social ends, and laid the foundations of the welfare state that Attlee's Labour Government was to build on after 1945 (in turn the design of the post-war welfare state owed much to another Liberal, William Beveridge). This approach, which is generally termed 'social liberalism', was also adopted by some European liberal parties, chiefly though not exclusively in northern Europe; some countries, including Denmark, Lithuania and the Netherlands, now possess two liberal parties, one classical or economic liberal and one social liberal.

The distinction between classical and social liberals, therefore, revolves around attitudes to the balance between the free market and state intervention. Social liberals do not, in general, question the value of market-based economies, but accept a significant role for state action in adjusting or supplementing market outcomes, for example, through generous welfare provision, socialised medical care, state education and so on. This usually implies a higher level of taxation than classical liberals would desire, and also a greater role for the use of redistributive fiscal policy. In recent years, social liberals have also tended to accept a growing

role for the state in regulating economic activity to tackle environmental degradation.

The growth in the size of the state throughout the twentieth century, however, led to new problems for supporters of state intervention, including the increased power of bureaucracies and the infringement on civil liberties that this could result in, the tendency for elites to capture elements of state power (leading to market distortions such as subsidies), the growth of corporatism, a rising burden of taxation and so on. The case for a return to classical liberal approaches was made most notably by Friedrich Hayek in *The Road to Serfdom* (1944) and steadily grew in influence with the gradual collapse of the post-war Keynesian consensus in the 1970s. In Britain, however, its main effect was on the Conservative Party under Margaret Thatcher; the Liberal Party stayed true to its social liberal inheritance. The association between the revived classical liberalism and other aspects of the Thatcher style – authoritarian, nationalistic and socially reactionary – helped to keep the Liberal Party firmly in the social liberal camp. This was reinforced by its Alliance, and then merger, with the Social Democratic Party in the 1980s (David Owen's attempts to move the SDP in a more pro-market direction, through his concept of the 'social market economy', were not, in the main, successful), and also by the growing influence of local councillors within the Party, comfortable with using the power of the state at local level to improve their constituents' lives.

Constraining the state: constitutional reform, decentralisation and non-interference

Although they accept the need for state intervention, social liberals have also responded to the dangers of the growth in state power highlighted by Hayek and others. The social liberal answer, though, is not, in general, to seek the withdrawal of the state from areas of activity, but to make it more accountable and responsive to its citizens, for instance through decentralisation of power, the creation of federal systems of government and electoral reform, and to constrain it through mechanisms such as written constitutions and bills of rights. All of these elements have played an important role in Liberal, SDP, and Liberal Democrat policy platforms. Under the New Labour Government, in particular since 2001, with its focus on the 'war on terror' and obsession with seemingly endless new criminal legislation, Liberal Democrat proposals for the defence of civil liberties have come to occupy a much more politically salient position than hitherto. This is dealt with at greater length in Matt Cole's chapter, so is not considered further here.

Alongside this, the Party's proposals for localism and decentralisation of government have also played a crucial role in its approach to constraining the central state, and spreading state power to local levels closer to its citizens. This has had two elements. First, a belief that decentralisation of power was by its nature more empowering of individuals; the more local the level at which decisions are taken the more the decision-making process is receptive to individuals' wishes and needs. Consequently, individuals are more likely to take on the role of active citizens in both local government and their wider communities; as rational actors, they will see that their actions and views can have a significant influence on matters which concern them.

Second, decentralisation flows from the view that the more centralised government is the less likely it is to be efficient, a position which gained in strength throughout the period when New Labour was significantly increasing funding for public services, with, however, often disappointing outcomes.[3] As Chris Huhne MP put it in 2007:

> There is something with the way we are attempting to deliver public services ... If you complain locally, the odds are that managers will blame Whitehall. If you attempt to hold Whitehall to account, ministers or officials are likely to say that the information is not held centrally or that local bodies are responsible. The most pervasive feeling in the British public sector is of the enormous difficulty of change and responsiveness to new circumstances ... In my view, the failure of the British state is essentially a failure of giantism ...[4]

So, in the 1997 election manifesto, the Liberal Democrats called for home rule for Scotland and Wales, the establishment of elected regional assemblies in England where there was public demand, the creation of a strategic authority for London, and strengthened local government, with greater powers, including more discretion over councils' own finances.[5]

By 2001, of course, Labour had devolved power to Scotland and Wales (an outcome of the Cook-Maclennan agreement reached between Labour and the Liberal Democrats before the 1997 election) and to London. The 2001 Liberal Democrat manifesto, accordingly, called for greater powers for the Scottish Parliament and Welsh Assembly, as part of 'steps towards the creation of a federal United Kingdom where services are delivered at the lowest level possible'.[6] The other commitments remained essentially the same as in 1997, with slightly more detail added on regional government in England. What was new was a stress on 'freedom', which was not only reflected in the title of the manifesto (*Freedom, Justice,*

Honesty), but also in 'Setting you free' text boxes within each manifesto section. These included commitments to, for example, reducing the number of centrally set targets for public services, reducing restrictions on local government, and ending unnecessary regulation of business – all of this as a response to the perceived 'nanny-state' governmental style of New Labour. The Party remained hostile, however, to the removal of public services from local government control; in autumn 1998 the party conference had heavily defeated a proposal from the leadership for 'neighbourhood schools trusts', a similar idea in some ways to the Academies later introduced by the Labour Government.

In 2002 the Party published a major policy paper on public services,[7] with a focus on ensuring local accountability and stopping Whitehall interfering with operational decisions. In the NHS, Primary Care Trusts were to be made accountable to local authorities (thus ensuring also that health and social services would be more effectively integrated) and strategic health planning handed over to elected regions.

This former policy was reflected in the Party's 2005 election manifesto, which contained similar commitments as before on Scotland, Wales and local government, though no mention was made of elected regional assemblies – largely thanks to the resounding defeat, in a referendum, of the Government's proposals for an elected assembly in North East England in November 2004.[8] These policies were situated in a manifesto section entitled 'Stop the abuse of power', which also contained proposals to curb the power of the Prime Minister and cut back central government (by reducing the number of departments and ministers) – a response in particular to the actions taken by the Government leading up to the invasion of Iraq in 2003. In addition, the manifesto contained a commitment to abolish the Department of Trade and Industry, as part of a series of proposals for 'getting government off the back of business'.[9] Thus although the main policy commitments in 2005 remained essentially the same as before (with the exception of the disappearance of the commitment for regional assemblies), the tone was rather more sceptical of government activity than it had been in 1997, or even in 2001.

Policy developments after 2005 took on an important new dimension. A pair of policy papers in 2007 contained the familiar commitments to increase the powers of the Scottish Parliament and Welsh Assembly, establish elected regional government where there was a desire for it, and strengthen the powers and financing of local government and reduce central interference.[10] Two further papers in 2008, however, contained new proposals to establish directly elected authorities to manage primary

health care and the police.[11] Both proposals were controversial within the Party, particularly with many of its local councillors, who argued that local authorities should become the route of democratic accountability in each case. The proposal for directly elected local health boards (replacing existing Primary Care Trusts) was accordingly amended to comprise two-thirds directly elected members and one-third local councillors. Supporters of the case for new directly elected authorities pointed to the relative unpopularity and poor image of local authorities with the public; indeed, Liberal Democrat MPs are often elected on the back of campaigns against the poor services delivered by their local councils, and the compromise proposal clearly satisfied many Liberal Democrat councillors at the spring 2008 conference. The proposal for directly elected police authorities included a similar structure for cases (the majority) where police forces straddled several local authority areas, with two-thirds directly elected members and a third nominated by councils; for the minority of cases where police authorities were coterminous with local authorities, the council was to be solely responsible. An amendment to make police authorities directly accountable only to local authorities in all cases was defeated; once again, although most of the amendment's supporters were councillors, many councillors were happy with the original proposal, probably not wanting their own authorities to take over responsibility for the often poisoned chalice of police oversight.

Critics of the proposals for new directly elected authorities questioned how many more bodies would need to be established to run particular services, but actually it seems likely that there are no more candidates; apart from health and policing, there are no obvious remaining public services that are not already at least partly subject to local control. So while this represents an important modification of the Liberal Democrat approach to decentralisation, it is not a wholesale abandonment of the Party's proposals to strengthen local councils, and it does not represent a move away from the overriding commitment to decentralisation and localism.

It seemed possible at one point, that the question of local control over education could provide another controversial issue. The 2005 manifesto was entirely silent on the issue of Academies, but in his first speech as party leader, in January 2008, Nick Clegg called for the establishment of 'Free Schools', 'under local government strategic oversight but not run by the council, and free to innovate'.[12] In the end the concept was not pursued further, as Clegg was unable to convince the Party's Federal Policy Committee of its merits in the preparation of the policy paper on school education debated at the Spring 2009 conference.

The size of the state: taxing and spending

In other respects, however, the Liberal Democrat approach to the role of the state may be changing. From the late 1980s, although the economic policies of the Liberal Democrats – along with those of the other political parties – shifted to a more pro-market emphasis, in its support for an interventionist role for the state, particularly over public services and environmental issues, and in its taxation policy, it was identifiably a social liberal party – until a possible, and still contested, change in direction from 2004 onwards and, more strikingly, from Nick Clegg's election as party leader in December 2007.

Against the background of a decade of Conservative government dedicated to reducing both taxation and public expenditure, from the early 1990s onwards the Liberal Democrats made the need to invest in public services a key part of their platform. They concentrated in particular on education, accompanying this with a commitment to raise taxes to pay for it – the famous penny on income tax for education. Initially viewed by commentators as a risky move, the 1992 election campaign proved it to be a popular selling point, and the message was given a much higher profile in 1997, and hammered home repeatedly in a highly focused campaign. The Party was also critical of much of the Conservative Government's introduction of market mechanisms into public services.

The Liberal Democrats also identified a clear role for the state in the area of environmental policy – chiming with the growing concern over the environment, and particularly climate change, exemplified by the 1992 'Earth Summit' in Rio, and the gradual understanding that environmental degradation was an inevitable consequence of the way in which Western economies were structured, culminating in the concept of environmentally sustainable development. The Party responded to these developments by arguing for a shift in taxation from income and employment to pollution and resource use, and calling for much stricter national targets for reducing pollution. It also argued for some environmental constraints on free trade, recognising the impact that trade could have on magnifying the effects of unsustainable patterns of production and consumption.

These positions remained largely unchanged for the 2001 election, though environmental policy became even stronger, with green policy points picked out in every major policy area in an attempt to demonstrate the sustainable development-led imperative of integration of environmental concerns throughout government and the economy.

By 2005, however, the argument for increasing taxation to pay for public investment was becoming rather weaker, as the Labour Government had injected substantial additional expenditure into public services in any case – and, as noted above, with less effect than had been anticipated. The policy of raising the basic rate of income tax was therefore abandoned (it was dropped in the Party's 'alternative Budget' of 2003), and Liberal Democrat taxation policy concentrated instead on being 'fair' – through replacing the Council Tax with a local income tax and raising the top rate of tax to 50 per cent. The extra revenue this would generate was allocated primarily to pay for providing elderly and disabled people with free personal care and abolishing university tuition and top-up fees; the Party thus hoped both to appeal to the growing sense of disquiet over Labour's failure to reverse the significant growth in income inequality that had taken place under the Conservatives and to provide electoral rewards for particular groups in the electorate. (In fact, while the commitments on education funding may well have helped win the Party a string of university seats in 2005 [though the association between levels of education and voting Liberal long predates 2005],[13] the policy of providing free personal care appeared to have little impact; the Liberal Democrats actually did worse in the older age groups than in the younger.)

Social versus economic liberals?

Shortly before the 2005 election, however, a challenge arose to the social liberal tone of party policy, with the publication of *The Orange Book: Reclaiming Liberalism*[14] just before the autumn conference in 2004. The book was heavily trailed before its appearance, *The Guardian*, for example, leading an article with the claim that the 'Liberal Democrats are set to be shaken by a controversial call for the Party's young Turks to adopt new "tough liberal" policies which are pro-market and more Eurosceptic and place new responsibilities on persistent offenders.'[15] Similar stories appeared elsewhere.

The opening chapter of the book, written by one of its two editors, the former party policy director David Laws MP, analysed Liberalism along four axes: personal, political, economic and social. Laws argued that the Party had too often veered towards 'a well-meaning "nanny-state liberalism", in which respect for personal rights and freedoms has at times been compromised by the pursuit of other, no doubt well-intentioned, objectives';[16] he cited the taxation of road travel and aviation as examples, together with policies on animal welfare that ignored personal

liberalism. Similarly, he criticised the Party's European commitment as sometimes overriding its belief in decentralisation and complained that 'in the decades up to the 1980s, the Liberal belief in economic Liberalism was progressively eroded by forms of soggy socialism and corporatism, which have too often been falsely perceived as a necessary corollary of social liberalism'.[17] While being careful not to reject the social liberal agenda explicitly, Laws called for the Party to draw on its economic liberal heritage to address public service delivery, introducing more choice, competition and consumer power. He drew attention to the problems of inequality of opportunity, particularly as caused by child poverty, though he failed to set out any proposals to deal with them, and did not discuss issues of redistribution.

Despite *The Orange Book*'s pre-release spin and the tone of some its chapters, in fact its contents were almost entirely existing party policy. Almost the only new proposal was Laws's call for a social insurance basis for health care, an idea which had been explicitly rejected by the Party's policy working group on public services in 2002. Issuing a call for such a major revision of policy, accompanied by the broad criticism of the Party's approach as 'nanny-state Liberalism', could well have been acceptable two or three years before an election, or immediately after one – but to do so just before a campaign (everyone expected the autumn 2004 conference to be the last before the election) struck many Liberal Democrats as unnecessarily divisive and likely only to give ammunition to the Party's opponents (as it did, with Labour canvassers in the Hartlepool by-election the week after the conference claiming that the Liberal Democrats wished to privatise the NHS). Laws was subject to bitter criticism within the parliamentary party, the book's conference launch meeting was cancelled and several speakers in conference debates took the opportunity to denounce *The Orange Book*, its authors and its contents.

Nevertheless, the publication of the book triggered a wide-ranging debate over the future direction of party policy, particularly after the election in the following year. Although the 2005 election result had been good, many in the Party felt that it ought to have been even better, given the Party's high profile over opposition to the Iraq War and the failure of the Conservative Party to stage a significant revival; the period after the election saw several displays of unhappiness with Charles Kennedy's lacklustre leadership. Journalists enjoyed identifying divisions between economic liberals and social liberals that did not exist to the extent they claimed, but there was no clear leadership on offer to damp down differences of opinion and take the party in any particular direction. In fact

the supposed divisions became a short-hand for all sorts of other disagreements within the Party, including the normal tensions that always exist between the parliamentary leadership and the grass-roots activists. 'Economic liberals' became equated with parliamentary 'modernisers', eager to short-circuit the Party's internal democratic structures and put more power into the hands of the MPs, while 'social liberals' were portrayed as the grass-roots activists unwilling to compromise the purity of their beliefs in the pursuit of power, happier to stay in opposition as a party of protest.

Most of this was exaggerated, but it had a core of truth. Certainly the bulk of the parliamentary party – who, through their constituency surgeries, routinely saw those whom the state had failed – tended to be more sceptical of the use of state power than the bulk of the grass-roots activists, a high proportion of whom were councillors engaged in running local authorities, comfortable with using state power at local level to improve their constituents' lives. The 2005 party conference saw a couple of clashes over policy issues (including one over the part-privatisation of the Royal Mail) that could be seen in these terms.

Party policy development after 2005 gave a slightly confused picture. In debates on two papers on tax policy, in 2006 and 2007,[18] the commitment to a 50 per cent top tax rate was dropped, on the grounds that it appeared to be too much of an attack on aspiration. The new policy, however, which abolished most exemptions and reliefs for top-rate taxpayers and reduced the basic rate of income tax sharply, paid for by much higher environmental taxes, was in fact more redistributive than the previous one – though it did not look like it very obviously; the scrapping of the higher top tax rate made it seem as though the Party was abandoning its position of the previous two decades and becoming a low-tax party. At the same time, a major policy review exercise conducted in 2005–06[19] concluded that tackling the extent of inequality in British society should be one of the top two priorities for further party policy development. This led in turn to the 2007 proposal for a 'pupil premium', providing extra resources for schools taking in children from disadvantaged backgrounds. The other top priority identified in the policy review was climate change, and in 2007 the Party also reaffirmed its environmental credentials, endorsing an ambitious programme for a zero-carbon Britain by 2050 and opposing the new generation of nuclear stations supported by the other two parties.[20]

The publication of *The Orange Book* also led, three years later, to the appearance of an explicitly social liberal alternative. *Reinventing the State: Social Liberalism for the 21st Century*[21] was put together by two former

party policy directors (including this author) and one MP; it contained contributions from a series of Liberal Democrat MPs, peers and activists, including several who had written for *The Orange Book*. It set out to make the case not only for state action in a series of areas but also for the need for a different kind of state, not the centralised and insensitive bureaucracies created by governments of both the other parties: 'it is about reinventing the British state so that it delivers social justice and environmental sustainability through a decentralised and participatory democracy'.[22]

The book dealt with the social liberal–economic liberal division by arguing that Liberalism in Britain had been of the social variety since the late nineteenth century. Like their classical liberal forebears, social liberals (perhaps better described as 'social justice liberals')[23] believed in the core value of freedom. They held that the state should as far as possible leave people alone to make their own decisions on how to live their lives, but they believed in addition that freedom was not attainable without a fair distribution of wealth and power. This in turn led to support for redistributive taxation as a way of fairly distributing wealth, and for democracy as a way of fairly distributing power. Economic liberalism was not a distinctive and opposed strand of liberalism but simply 'a preference for market mechanisms not in opposition to redistribution but as a method to be used in the detailed design of mechanisms for it',[24] and those party members who journalists liked to identify as economic rather than social liberals were in reality both. The question of whether a particular public service could best be delivered by the market or the state had no general answer but depended on circumstances. Differences between Liberals over the details of policy were more appropriately viewed as a continuous spectrum between 'maximalist' and 'minimalist' social liberals, who differed primarily over the extent of the redistribution they believed necessary to achieve the conditions for political freedom.

Other chapters set out the case for state action to reduce income and wealth inequality (arguing that the degree of inequality was itself damaging to social outcomes such as standards of health, crime levels and social cohesion) and to tackle climate change; the argument was also made that nation-states were not as supine in the face of globalisation as their governments sometimes claimed. A major theme of the book was localism, and a series of chapters explored how decision-making and public service provision could be decentralised.

The launch of *Reinventing the State* caused far less controversy than had that of *The Orange Book*, partly because its editors, aware of the unfortunate precedent, went out of their way to avoid presenting it as a challenge

to the party leadership; and also, as with *The Orange Book*, its differences from existing policy were more a matter of tone and direction than specific details. Nevertheless, the way in which policies are communicated, and the emphasis given to particular aspects, is usually more important than precise policy details, and election manifestos based on the two books would look significantly different from one another.

New leader, new direction?

Like most Liberal leadership elections, that of late 2007 was not fought on particularly ideological grounds. Both candidates, Nick Clegg and Chris Huhne, had contributed chapters to both *The Orange Book* and *Reinventing the State*, though Huhne's policy platform and supporters were rather more in sympathy with the latter than the former. After the election, the victor, Nick Clegg, argued in several speeches that he was both a social and an economic liberal. As he said in his first major speech as party leader, in January 2008: 'marrying our proud traditions of economic and social liberalism, refusing to accept that one comes at the cost of the other. On that point, if not all others, the controversial *Orange Book* in 2004 was surely right.'[25]

The argument took on a new form, however, with the publication of the Party's 'vision and values' paper, *Make it Happen*,[26] in July 2008. The paper contained a cautiously worded commitment hinting at reducing the overall size of public expenditure as a result of dropping Labour spending commitments the party opposed: 'if there's money to spare, we won't simply spend it. We're looking for ways to cut Britain's overall tax burden, so ordinary families have more of their money to help themselves.'[27] This proposal was highlighted much more strongly by Clegg himself at the launch of the paper and in a series of media interviews before the autumn conference at which it was due to be debated, though he was never very clear about the likely size of the cuts. The position became confused by the fact that the amount of money earmarked for reducing the basic rate of income tax in the tax package agreed in 2006 (paid for by removing reliefs and by new green taxes) was the same (£20 billion) as the sum earmarked for reductions in government spending programmes in *Make it Happen*. When Clegg and his supporters talked about tax cuts for the lowest paid, it was often not clear which commitment they were referring to.

In the debate on the paper at the autumn 2008 conference, critics of this approach highlighted the lack of clarity in the proposals, which they feared would lead to the party being attacked as possibly contemplating

cuts in key public services – and indeed, the weeks following the conference saw a series of Labour MPs, including the Prime Minister, portray the Liberal Democrats as seeking a total £20 billion worth of spending cuts.[28] They also argued for the need for continued public spending to improve health and education and to tackle climate change. They failed to convince the Liberal Democrat conference, however, and their amendment was defeated by a margin of more than two to one: a combination of a desire to reduce the burden of taxation against a background of sharply rising food and fuel prices, confusion between the 2006 tax package and the new (though unspecified) cuts and a wish not to defeat the Party's new leader at his first autumn conference proved a powerful argument.

Does the *Make it Happen* commitment to reducing overall levels of taxation and public expenditure represent a major change in the direction of party policy and a possible shift from a social liberal to an economic liberal direction? Some of the media commentators thought it did: the *Independent on Sunday* believed that 'after some years of positioning themselves to the left of Tony Blair's Labour, this looks like an attempt to be to the right of David Cameron's Conservatives',[29] while *The Times* claimed to detect in it the triumph of liberalism over social democracy: 'between the liberals and those whom Keynes derided as the "watery Labour men" there can be no permanent reconciliation. Though the organisational merger was clean, a philosophical merger has proved impossible.'[30]

This was not, however, the predominant tone either of the debate, where supporters of the paper repeatedly stressed that the new commitment did not represent a shift to the right, or of the bulk of the media comment, which simply regarded the tax-cutting proposals as a sensible adjustment to the prevailing political climate (*The Independent*, for example, saw the proposal as adjusting 'the Party to the new, more conservative times').[31] The rest of the policy proposals debated at conference did not represent a determined effort to move the Party in an economic liberal direction, with a transport paper, for example, containing a highly interventionist programme of investment in public transport, including a new high-speed rail network, funded by new road user charges and the taxation of aviation.[32] Criticism of state spending was generally couched in practical rather than fundamental terms, concentrating on the need for decentralisation and greater efficiency rather than any desire to shrink the size of the state as a matter of principle. The Party's Treasury spokesman, Vince Cable MP, for example, argued that 'we have a public sector which is, all too often, bloated, over-centralised, incompetent and unaccountable' (rather confusingly, he also implied that high

levels of taxation and spending in countries such as Sweden or Denmark were acceptable since those countries had more decentralised systems of government than the UK – apparently forgetting Liberal Democrat proposals for exactly such decentralisation).[33] And of course, as supporters of the leadership claimed, there was nothing sacrosanct about the level of public expenditure reached by Labour at any given time, and the cuts contemplated in *Make It Happen* were tiny in comparison with the total size of the public sector.

In any case, the argument for reducing overall public expenditure largely evaporated in the months following the 2008 conference, with the Government's huge expansion of public spending in response to the banking crisis and the recession. Given sharply rising unemployment and higher welfare spending, and in the light of general public approval for the stronger state action taken by Gordon Brown's Government, it seems unlikely that the Liberal Democrats can now credibly – or popularly – argue for shrinking the size of the public sector in the short term – and, indeed, party spokespeople tended to downplay this aspect of party policy in their response to government proposals, focusing instead on the need to make the tax system fairer, along the lines of the tax policy agreed in 2006.

Conclusion

Are the Liberal Democrats, then, social or economic liberals – and does it matter anyway? In reality, the party's policy agenda remains essentially a social liberal one: an interventionist, though decentralised, state using redistributive taxation, public expenditure and regulation to create the conditions in which individuals and communities can fully exercise their liberty. This is an approach that the New Liberals of a hundred years ago would have recognised, and is quite different from a strict classical liberal approach.

Nevertheless, there are a number of reasons to think that in the next few years attempts will be made to change this image. The starting point is the limited impact of some of New Labour's spending programmes. Despite advances, there are also areas where people believe that services are inadequate or, whether justified or not, have even got worse since 1997. Although it is clear that public services, particularly education and health, have improved in response to the substantial increase in funding they have received, the results are not in proportion to the money spent, and the accompanying bureaucracy, targets and controls imposed by

central government have helped to weaken the case for further increases in public expenditure.

Second, although it does not seem as though Nick Clegg has any detailed plan to move the Party in an economic liberal direction, his instincts appear to be rather more inclined in that direction than any of his predecessors; thus the tax proposals in *Make it Happen* were an indication of a rough direction of travel rather than part of a detailed and worked-out set of proposals. Reinforced by the economic liberal tendencies of the majority of the Liberal Democrat shadow cabinet (in contrast to the wider parliamentary party and the party membership as a whole), and also by a broad loyalty to the leadership and a dislike of factionalism (particularly after two leadership elections in the space of less than two years), the Liberal Democrats may simply continue to drift gradually in a more economic liberal direction. This should not be exaggerated; it seems very unlikely, for example, that the redistributive nature of the party's tax policies will change or that the Party will abandon its environmental policies, but there may well be continued attempts to introduce policies to reduce the overall size of the state, to withdraw state control from some areas, to extend the use of market mechanisms in public service delivery and to oppose stronger measures to reduce inequality in British society (e.g. by raising taxation on the rich).

The third factor making this shift in direction more likely is the Party's lack of a clear image. To a large extent this is a problem suffered by all third parties, but the Liberal Democrats themselves must share some of the blame for it. With a general election vote under New Labour ranging between 16 and 22 per cent, the Party has won seats in increasing numbers largely by running very effective local campaigns. In effect, general elections have been fought as a series of by-elections within a small number of winnable seats, ruthlessly targeting resources on good prospects and presenting candidates primarily as strong advocates for the local community. A clear national image is not necessary to this approach (though, in 2005, the Party's opposition to the war in Iraq undoubtedly helped) and in some cases it can be viewed as actively unhelpful; local campaigners sometimes downplay national policy commitments which appear to be unpopular in their area. Thus the Party has no strong or distinctive public image on economic policy and has not really tried very hard to develop one; rather, it has tended to drift with the mood of the times, calling for greater public investment under a Tory government and downplaying this under a Labour one. Clear and distinctive messages like the penny on income tax for education, in the 1990s, have been the exception rather than the rule.

To an extent this lack of a clear message on economic policy has been consistent with the Party's basic philosophy, which, as noted above, is based on a set of beliefs about the distribution of power and opportunity in society rather than on any fixed views about the role and size of the state. In particular, economic policy is only important as a means to an end, because it affects the distribution of power in society and can thereby enlarge, or diminish, the life chances of individuals. There is no real hard-and-fast distinction between the so-called social and economic liberals – or, more accurately, in David Howarth's phrase, between maximalist and minimalist social liberals[34] – within the Liberal Democrats; rather, there is a spectrum of views and positions, depending strongly on the economic and social circumstances of the time. Other aspects of the Liberal approach – commitments to individual rights and civil liberties, for example, or to internationalism and European integration – have generally been more important, and have united social and economic liberals more than economic policies have divided them.

Nevertheless, the differences of approach within the Party have been thrown into relief by New Labour's approach to government, the poor cost-effectiveness of some of its recent investments in public services and its attachment to centralised control. These have all made the job of the social liberals within the Party more difficult in arguing for an active state and a clearer commitment to social justice. It does not seem likely that these differences of opinion will lead to any fundamental divisions, however, or the kind of bitter infighting that characterised Labour in the 1980s or the Conservatives in the 1990s. Whether this rather flexible approach to the role of the state, however, will enable the Liberal Democrats to develop and promote a coherent, distinctive and popular policy platform for the election expected in 2010, and beyond, remains to be seen.

21
Response to Cole and Brack

Alan Beith

The annual conference of the Liberal Party, as Duncan Brack will remember, used to be referred to officially not as the Federal Conference but as a 'Joint Assembly'. Only constitutional enthusiasts and some of the Scots ever remember that this was because of the autonomous status of the Scottish and Welsh Liberal parties. When some people write about 'social Liberals', 'economic Liberals' and/or 'classical Liberals' they make it sound as if the Liberal Democrats are a 'joint' party in which these different traditions sit in uneasy coalition on opposite sides of the conference hall. Indeed, it is notable that this presumed division attracts slightly more attention than any division between former Liberals and former Social Democrats, with which it is by no means co-terminous. Duncan Brack spends some time seeking to prise apart the classical and social Liberal traditions within the Party, only to discover that they are inseparable. If classical liberalism cannot find a way of freeing people from the obstacles to liberty which arise from poverty, ill-health or lack of education, it ceases to be liberal; if 'social' liberalism loses sight of the corrupting and enfeebling dangers of state and centralised power, it ceases to be liberal. Freedom is the lifeblood of liberalism.

There is a tension which is created by having a need to use the power of the state in order to protect and enhance freedom, and the need to prevent that accretion of power from damaging freedom. It is dealt with in Liberal Democrat terms by insisting that power over the individual is not taken by the state unless it is for the purposes of protecting or enhancing freedom and maintaining a society in which freedom can flourish. If such power has to be taken it must be subjected to effective mechanisms of democratic accountability and transparency within a clear framework of law and justiciable civil rights; and it should be exercised at as local a level as is consistent with carrying out the purposes for which it is taken.

The very possession of such a framework of belief is a uniting force within the Party, and it is the answer to those who would seek, like old-fashioned botanists, to classify us as 'social', 'economic' or 'classical'. This ideology distinguishes us very clearly from parties which accept some of the policies which arise from Liberalism but do not have this basic framework of belief, and do not test policies by the standards it sets. Mrs Thatcher is often referred to as an economic liberal because she believed in free markets, but she was emphatically not a liberal because she enthusiastically enhanced the centralised nature of the powerful state and because she was an economic and political nationalist. There are people on the left of the Labour Party who make common cause with Liberal Democrats on some civil liberties issues but whose faith in the value of state economic power and trade union corporatism is never tested by liberal principles.

Duncan Brack makes the point that Liberal Democrat election campaigning emphasises community issues and that this does not present a clear picture of the Party's philosophy and beliefs in areas such as economic policy. That is partly true, but perhaps the section was written before Vince Cable came to be recognised nationally as by far the best analyst of the country's economic problems in any party. Duncan's criticism that the Party called for greater public investment under a Tory government and not under Labour is incorrect in relation to education spending; to the extent that it is true it is hardly surprising, since the Tories failed to recognise some of the most pressing needs and Labour has spent vast sums ineffectively, as he goes on to point out.

Duncan Brack's conclusion is no different from mine. He experiments with separating the components of liberalism, but in the end he recognises that the philosophical glue is too strong for them to be pulled apart.

Matt Cole's chapter is about the constitutional issues which are such a defining characteristic of Liberalism and the Liberal Democrats. He presents an image of the wings of Icarus, in danger of melting as he gets too close to the sunlight of power. The wings melt if the Party loses its philosophical commitment when in or close to power, and fails to apply liberal tests to policy and action. The analogy is inventive but, in the end, unproductive.

Loss of commitment was not a feature of the Cook-MacLennan cooperation on constitutional change. The success of that process, until it hit the buffers on electoral reform for Westminster, depended on Ashdown-Blair cooperation. I fundamentally disagreed with Paddy Ashdown over the whole idea of close alignment or even merger with New Labour. I did not believe that a Lib-Lab coalition was sensible or sustainable when the Government had a large majority and we could not threaten it with

defeat. But I was entirely happy to use the Blair-Ashdown relationship to deliver real constitutional reform.

The reforming record achieved by the cooperation is better than Matt Cole claims, with proportional elections for the Scottish and Welsh parliaments, and the Freedom of Information Act and the Human Rights Act. For the European elections, it was absolutely vital that we secured a proportional system. To allow first-past-the-post to continue because we did not have the votes to force Labour to accept open lists would have been absurd. First-past-the-post is a closed list of one which distorts the wishes of the electorate on a massive scale, but without the reform we would still be stuck with it.

Freedom of Information, which Matt Cole strangely thinks was a failure, has in fact been very successful at many levels, with the flaws in the legislation far outweighed by the extent to which it has enabled individual citizens, organisations and the media to dig out information. It is becoming embedded in our political system.

Another puzzling conclusion is that subjecting the Bill setting up the Supreme Court to more detailed scrutiny – a course strongly recommended by the Committee I chair – imperilled its passage. The Act is now on the statute book, and it would have been seriously flawed if it had not been significantly amended.

Matt Cole says that I agreed 'on reflection' that the vote for a North-East Assembly had been lost because it was such a weak proposal. That was actually my view, publicly stated, from the beginning of the referendum campaign: but I believed that an Assembly, once set up, would gain more power, as has happened in Wales. I am not convinced that the vote would have been won even with a stronger assembly, because there was so much mistrust of New Labour by the time of the referendum, but it was impossible to sell what could too easily be derided as a talking shop.

Lords reform remains the challenge, not least because in all parties, even ours, there are some peers who become seduced by the advantages and convenience of an appointed house, an argument which is too easily disguised as 'maintaining the primacy of the elected Commons'. It is an absurdity that, while MPs vote for reform, the unelected House claims to be looking after the legitimacy of the lower house by blocking change. Reform will depend on a substantial Liberal Democrat effort in the next parliament.

When you add to what was achieved from the Cook-MacLennan agreement the leadership shown by Liberal Democrats in the battle against New Labour on civil liberties, it adds up to a pretty good record. It is one of the most important defining characteristics of the Party.

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Part V
Cross-Party Debates

22

Reforming Public Services: The Views of the Main Parties

Rajiv Prabhakar

> The NHS of the future will be more than a universal service – it will be a personal service too. It will not be the NHS of the passive patient – the NHS of the future will be one of patient power, patients engaged and taking greater control over their own health and healthcare too. (Gordon Brown, Speech on the NHS, 7 January 2008)[1]

> [The] design of our public services is out of date. They too often reduce the individual user to the status of a unit, and they disempower the professionals whose vocation is all that makes public services work. (David Cameron, Speech on the Conservative approach to improving public services, 26 January 2007)[2]

> Give real power and responsibility to people who use public services and people who work in them. And change those services so they're human in scale and personal in nature – bringing an end to the faceless bureaucracies that alienate and confuse us all. (Nick Clegg, Speech at the Liberal Democrat's Manifesto Conference, 12 January 2008)[3]

This chapter examines the ideas of the main political parties in Britain towards the reform of public services. I suggest that a growing emphasis among Labour, Conservatives and Liberal Democrats is to organise public services more closely on the needs and wants of users. This is supposed to mark a shift from a model of public services dominated by the interests of producers to one shaped more by the interests of users. This informs initiatives such as 'personalisation' and choice. This focus on users has consequences for how public services are delivered, with interest in encouraging a diverse range of providers of public services. I chart some of the main reasons for this change and outline some of

the differences that are emerging between the parties on this broad terrain. I consider some of the dilemmas that a focus on users is likely to provoke.

The reform of public services is high on the political agenda. Andrew Rawnsley writes that the

> enduring question of British politics is about our public services. How do we make them responsive to those who use them and accountable to those who pay for them? ... Those questions will intensify as we approach the next election. The outcome of that election may well depend on who offers the most plausible answers.[4]

Labour has made significant investments in areas such as health and education since coming to office in 1997. For example, between 1997 and 2006, public spending on health increased from 5.4 per cent to around 7.3 per cent of Gross Domestic Product (GDP). In 2007/08, spending on the NHS will be approximately £92 billion as compared with £33 billion in 1996/97. Between 1997 and 2006, government spending on education rose from 4.5 per cent of GDP to roughly 5.5 per cent of GDP.[5] Shadow Conservative Chancellor George Osborne has pledged that an incoming Conservative administration would abide by some of Labour's key spending commitments, for example, honouring the spending plans for education.[6] This mirrors the promises that Tony Blair and Gordon Brown made to stick to the Conservative's spending plans just before the 1997 general election.

Although issues of funding are still important, much of the current debate is about the way that public services are delivered. In remarks to a Liaison Committee in Parliament on 13 December 2007, Prime Minister Gordon Brown called for a widening and deepening of the reform of public services. He stated that the 'next stage is to combine the diversity of supply with greater attention to diversity in demand. In other words, services that meet the personal needs of the individual citizen.'[7] Opposition politicians have also called for reform of the public services. One prominent criticism of Labour is that the money invested in public services has not been well spent. Just before he was elected Conservative party leader David Cameron commented that the Labour Government has failed to 'deliver genuine public service reform. That's why all the extra billions spent by Labour have not produced what we want: more police on the beat, rigour in education, and shorter hospital waiting times.'[8] Consequently, both government and opposition are concentrating efforts on reforming the delivery of public services.

I look at the main ideas informing proposals for reform. Of course, there may be a significant gap between rhetoric and reality. Policy is typically shaped by a series of factors, not simply ideas. Electoral calculations, unexpected events and deals struck with vested interests often influence the shape of policy. Therefore, ideas and intentions may offer an imperfect and misleading guide to eventual policy and policy positions. None of this means that ideas are unimportant. Ideas often provide a framework for guiding the development of policy and are useful for trying to identify differences between political parties. However, these qualifications also caution against overstating the significance of ideas.

Also, when studying ideas, some degree of simplification is inevitable. Differences of opinion exist within as well as between parties. For example, attitudes vary among Labour MPs on the desirability of extending choice within the National Health Service. Variations are also likely to occur within the same party now that devolution has been granted to Scotland and Wales. Politicians in different parts of Britain may pursue increasingly varying paths. However, when summarising the views of the main parties towards public service reform, some simplification of the range of opinion within parties is unavoidable. The discussion also simplifies differences among the public services. Health, education, social care, transport, pensions and the police all have specific challenges and features. It is unlikely that exactly the same policies will be appropriate in all the areas of the public services. For example, user choice probably has less meaning with the police than education. However, a simplification of these differences is unavoidable when discussing public services in general.

This chapter is organised as follows. First, I set out the main drivers of the reform of public services today. These include rising public expectations, rising costs and the impact of New Right, especially public choice, criticisms of the welfare state. Second, I examine how these challenges are feeding into strategies for reform among the main political parties. The combined effect of these challenges is leading politicians to place more weight on organising public services around the needs and wants of users. Third, I look at some of the consequences of this stance, examining how this is fuelling calls for the personalisation of services as well as a need to encourage a diverse range of providers. Fourth, I highlight some of the differences that emerge within this broad territory, looking at the different stances adopted towards the freedoms of public servants and how far choice should be extended. Fifth, some of the key problems that a focus on users is likely to provoke are considered, including conflicts between users and producers as well as the possible impact upon

equality. A conclusion briefly summarises the ground covered in this chapter.

Challenges facing public services

Rising public expectations

There is common agreement among politicians about some of the key challenges facing public services today. It is not possible in the space provided to examine all the relevant issues, such as the impact on public services of immigration. I focus instead on the main themes that occur within party material. The first key challenge concerns rising public expectations of public services.[9] For example, in a speech on the NHS given on 7 January 2008, Gordon Brown argued that 'rising aspirations and expectations challenge the traditional way of delivering NHS care'.[10] Similarly, Conservative Party leader David Cameron refers to the 'rising expectations in the NHS and schools'.[11] Liberal Democrat leader Nick Clegg contends that the spread of knowledge throughout society has raised 'people's expectations of their public services'.[12]

The basic idea is that members of the public expect more of the public services they experience. The rise of consumer society is often cited as a key motor behind the rising tide of public expectations.[13] Widening global markets and technological change have increased the range of goods and services available to individuals in the private sector. Although the precise origins of the rise of consumerism is open to debate, for example, it is arguable how far 'Thatcherism' during the 1980s instigated change rather than furthering developments that were already occurring, there is a broad acceptance among politicians of the significance of consumer society today.

There is a belief that the public will increasingly compare the services that they receive in the private sector and expect similar standards from the public services. This means that people will demand that public services are tailored increasingly to their own wants and needs. A document produced by the Prime Minister's Strategy Unit charting the progress made in delivering public services records that 'people who are accustomed to high standards in commercial markets want the same from those services that they have even greater reason to value – healthcare, education and other public services'.[14] A concern among politicians is that if public services fail to satisfy these expectations, then this might undermine public support for the taxes that are used to pay for these services. Failure to deliver effective reform could then undermine the sustainability of tax-funded public services.

Rising costs

A second challenge concerns the rising costs of providing public services. Demographic change and technological development, especially in health, are often identified as key reasons for this.[15] A Liberal Democrat health policy paper prepared for their 2008 Spring Conference notes that the NHS has to be 'capable of adapting to new challenges presented by medical science and increasing life expectancy, as well as the rising aspirations of patients'.[16] An ageing of the population is expected to give rise to a wider set of welfare needs and demands. For example, the recent review conducted by the Prime Minister's Strategy Unit states that the proportion of the population over 60 years old will rise from 21 per cent in 2006 to 29 per cent in 2050. The review estimates that, over roughly the same period, the cost of providing pensions, healthcare and long-term care will increase from around 14.6 per cent of GDP to 19.3 per cent of GDP.[17]

Technological change is also raising costs. Although technological development usually reduces the costs of providing a good or service, this does not often hold in areas such as health. Technological change allows doctors to pursue more sophisticated, but often more costly, procedures. For example, Magnetic Resonance Imaging (MRI) scanners help with the diagnosis of illness but this equipment is expensive.

Public choice critique

A third factor shaping political debate is the impact of 'public choice' arguments. Although this features less explicitly within party documents than either rising expectations or rising costs, it appears important for shaping party attitudes towards the different interests of users and producers. Public choice theory rose to prominence during the 1970s as part of a broader 'New Right' critique of the welfare state.[18] Traditionally, those working in public services were thought to be motivated by an ethic of service. Public servants were assumed to be 'knights' who acted in a benign, impartial and responsible manner towards the users of public services.[19] Public choice theorists such as James Buchanan and Gordon Tullock used a different model of human motivation.[20] They applied the methods of orthodox economics to the study of social policy and suggested that public servants – like everyone else – were motivated by rational self-interest rather than a service ethic. This casts doubt on a 'trust' model of public services. Julian Le Grand notes that a trust model suggests that the best way to deliver public services is to trust the professionals who provide those services. They possess the expertise and benign motives to deliver good public services. Questioning the

motives of public services questions this approach. Placing professionals in charge means simply that public services are driven by the interests of producers.[21]

Although a literature has arisen that challenges the assumptions of public choice theory, this theory nevertheless appears to influence wider debates.[22] One sign of this is the attention now paid within policy discussions to separating out the interests of users and producers and recognising that these interests may conflict. Also, the emphasis on attending to incentives springs from an assumption about the importance of self-interest within public services. Policy discussion often implies that public services were dominated historically by the interests of producers, whereas there is a need now for a different approach that places the interests of users at its heart. David Cameron states that, 'Now, you often hear that public services suffer "producer capture" – that they work according to the convenience of the producers, not the users they actually exist for. And in a sense … that's true.'[23] A policy review conducted by the Prime Minister's Strategy Unit calls for a 'new concept of modern public services: one built around the user of the service'.[24]

Users at the heart of reform

The above challenges are fuelling political interest in organising public services around the needs and wants of users. Gordon Brown refers to a 'new recognition that real and lasting change must come from empowering the users of services themselves, with professionals and government playing a supporting role'.[25] Of course, public services were always designed to serve users, whether they were school pupils, patients or the travelling public. In this sense, users have always been central to public services. However, there is a growing view that users were treated as passive individuals who should accept whatever service was provided to them by professionals. Julian Le Grand contends that users were viewed as passive 'pawns' to be moved at will by professionals.[26] Today, more weight is placed on encouraging users to play a more active role, with services revolving around the needs and wants of users rather than the other way around. For example, general practices should be open at times that suit the public rather than the public having to fit their schedules around the needs of general practitioners.

A focus on users is thought to address the above challenges. According to this standpoint, the way to adapt to rising expectations is to tailor public services to the preferences of users. Rising costs mean that individuals should take greater responsibility to look after themselves as government cannot afford to pay for everything. The public choice critique suggests

that the best way to protect the interests of users is to place users at the heart of public service reform. This emphasis on users appears in the current attention to personalised public services – that is, public services tailored to the personal needs and preferences of users. One aspect of personalisation concerns efforts to promote user choice. All the main parties embrace some version of user choice. Gordon Brown writes that the next stage of Labour's reform is to 'not only further enhance choice but also empower both the users of services and all the professionals who deliver them to drive standards for all'.[27] David Cameron says that Conservative efforts at reform involve, 'most of all, individuals and families who are empowered with choice'.[28] Liberal Democrat Leader Nick Clegg states that, 'Freedom. Innovation. Diversity. Yes, choice too. These are liberal words. Let us take them back.'[29]

An example: health

Choice can be shaped in a variety of ways. For example, people can make choices between providers or choose from a menu of options from a given provider.[30] I now sketch some of the current party ideas within health to illustrate what personalisation and choice may mean in concrete terms. Health is significant because it is one of the most important items of government spending and features prominently in present political debates. For example, David Cameron and Andrew Lansley, the Shadow Secretary of State for Health, write that, 'improving the NHS is Conservative Party's number one priority'.[31] A range of proposals is being developed across the parties to coincide with the sixtieth anniversary of the foundation of the NHS in 2008.

On 4 July 2007, Secretary of State for Health Alan Johnson announced in the House of Commons the establishment of a review of the NHS by Professor Lord Ara Darzi. This surgeon is a member of Gordon Brown's 'government of all the talents' – a range of experts, not all previously within Labour Party circles, who were brought to advise the Government shortly after Brown became Prime Minister. Darzi delivered his final report in summer 2008. Of course, Labour might choose to ignore many, perhaps most, of Darzi's recommendations. However, present signs are that the Government will take this report seriously.[32] Extending patient choice is one of the themes of the Darzi review. He aims to extend choice to primary care; that is, the family doctor or GP. One of his ideas, which courts controversy, concerns the development of GP-led health centres. These centres are intended to be open at more convenient times for the public, from 8.00 a.m. to 8.00 p.m. throughout the week.

People would be free to use such centres, regardless of which GP service they are registered with locally. Critics allege that these 'polyclinics' will involve the closure of local GP centres as GPs are forced to work in larger, more remote, health centres.[33] Choice is also a key element of a draft constitution he proposes for the NHS. Darzi is also interested in extending direct payment schemes, which currently provide some people with disabilities with personal budgets with which they can purchase social care services. He suggests that personal budgets could be used in health for those with long-term health conditions. He announced that a national pilot programme on such budgets would be launched in early 2009.[34]

Personal budgets are also a feature of other party proposals. David Cameron proposes combining a person's entitlement to community healthcare and social care into a personal budget, thereby breaking down a division between health and social care services. Patients can then commission care from whomever they choose.[35] A Liberal Democrat health policy paper suggests piloting personal budgets for those with long-term conditions, mental health issues and those with learning difficulties. The document also highlights the importance of informed choice. Patient advocates, drawn for example from the voluntary sector, could provide information and support for those with direct payments. A Conservative Party White Paper on health, which draws from recommendations from a recent policy review conducted by its Public Services Improvement Group chaired by Stephen Dorrell MP and Baroness Pauline Perry also addresses the issue of information by proposing the release of high-quality information from the NHS's Information Centre to support patient choice.[36]

Diversity of supply

The emphasis on personalisation, especially user choice, has implications for how public services are delivered. There should be sufficient capacity on the supply side to allow for the choices of users, and building this capacity is thought to imply that a wide range of organisations should be used to deliver health services. Part of this involves giving more freedoms to NHS organisations. For example, there have been calls to extend the foundation hospital initiative. These are hospitals that enjoy various freedoms from central control and are required to act in the public interest. They are an example of a 'public interest company' or 'public benefit organisation'. Currently, foundation hospitals are drawn from the ranks

of the best-performing hospitals in the NHS. The Conservative Party plans to encourage all NHS Trusts to become self-governing Foundation Trusts.[37] Liberal Democrats have also shown interest in encouraging public benefit organisations to supply health services.[38] Efforts are also made to encourage providers from the private and voluntary sectors to deliver health services. For example, the Darzi review highlights the role that private bodies and voluntary organisations can play in supplying primary care and out-of-hospital services.[39]

'Payment by results' is attracting support as a way of opening up the supply side. Here money follows the choices made by patients. The NHS sets a tariff for a specific service. Patients are free to choose any organisation willing to provide a service for the NHS tariff, regardless of whether the provider is from the state, voluntary or private sectors. For instance, a Liberal Democrat policy paper suggests that those entitled to receive NHS support for glasses are free to go to whatever optician they choose provided that the glasses are within a given price bracket.[40]

Differences between the parties

Care should be taken not to exaggerate the above developments. Direct payment schemes are currently not a major part of public policy. Moreover, the discussion of health policy is inevitably partial and selective as there are steps among the political parties to encourage patient 'voice' as well as choice as part of personalisation. For example, Liberal Democrats want to enhance democratic processes in health by introducing directly elected Local Health Boards that would be responsible for commissioning services in local areas.[41] However, the above does map out some important themes within current debates about reforming public services. Although I have suggested there is a shared focus on tailoring services on the individual user, it is possible to detect important differences among the parties. I now mention several of the differences within this broad terrain.

The first difference concerns the role of the state. There is a shared belief among the political parties that creating personalised public services involves rejecting a model of delivery that relies on the centralised state. Often this is expressed in a repudiation of the view that the 'man in Whitehall' knows best.[42] Currently, there is debate about providing the NHS with its own constitution to protect its independence from the state.[43] However, one criticism that Conservative and Liberal Democrat politicians level at Labour is that Labour is wedded to central

control, whatever the rhetoric to the contrary. For example, Nick Clegg argues that

> Gordon Brown may have rejected the old nationalization which puts the commanding heights of industry into government hands. But he still believes that command and control from the centre is the answer to the problems of public services and social justice.[44]

Similarly, Shadow Conservative Chancellor George Osborne argues that Labour's attempts to deliver choice are flawed because they are controlled by the guiding hand of the central state.[45] Conservative and Liberal Democrat politicians allege that evidence of this intervention can be seen in things such as government targets over processes and outcomes in public services. Opposition politicians call for the scrapping of national targets, arguing that this stifles local innovation and demoralises public servants.[46]

Labour has made extensive use of national targets in its approach to reforming public services. Gordon Brown argues that the first stage of Labour's reform effort required national targets and extra governmental spending to save public services that had fallen into disrepair after years of underinvestment under previous Conservative Governments. These measures helped halt the decline in public services and ensure a basic standard among schools and hospitals. Brown continues that the second stage of reform involved introducing greater choice and competition into public services, and the third, and latest step, means continuing this process of empowering users and professionals.[47] It is open to debate how far Brown is willing to relinquish central control, belonging to the so-called stage one of reform, and embrace the third stage of devolving power and responsibility to the local level. However, it is likely that Labour would still have a more extensive role for state intervention than either the Conservatives and Liberal Democrats.

A second difference is over user choice. Although the main political parties show interest in user choice, this policy is more controversial for the Liberal Democrats and Labour than the Conservatives. A related point is that Conservatives are more comfortable than the other parties with the private sector delivering NHS services. Conservatives have backtracked on some of their earlier ideas about choice. The Conservative 2005 general election manifesto contained proposals for a 'patient passport' that would allow those who opt out of NHS care to take private treatment to be entitled to claim some of the money that the government would have spent on them.[48] In a speech to the health policy think-tank

the King's Fund on 4 January 2006, David Cameron dropped this idea, saying that politicians should not encourage people to opt out of the NHS.[49] However, Tories are probably still more in favour of extending choice than the other parties.

One Conservative criticism of Labour is that the Government does not have enough support among its backbenchers to pursue the necessary reforms of public services. One tactic here has been to try to drive a wedge between previous Prime Minister Tony Blair and the rest of the Labour Party. George Osborne argues that, although Blair recognised the importance of choice, he was constrained by lack of support from his successor Gordon Brown and the rest of the Labour Party. Osborne contends that only the Conservatives can finish the task that Blair started.[50] Although Prime Minister Gordon Brown has called for an extension of choice, this remains divisive among his Party and broader centre-left circles.[51] For example, former Labour Deputy Leader Roy Hattersley argues that choice simply means that those with 'sharp elbows' will be able to push themselves to the front of the queue for the finite resources provided by public services.[52] Disquiet has arguably been greater among Liberal Democrats where there has been a lukewarm reaction to the calls from some politicians and activists who contributed to *The Orange Book* that examined the case for extending choice to public services.[53] Although internal dissent does not mean Labour and the Liberal Democrats reject choice, Conservatives will probably go further than either party in extending choice.

A third difference concerns the autonomy of professionals. As the quotations at the head of the chapter reveal, there is recognition that empowering professionals should run alongside a strategy of empowering users. Public services depend crucially upon the efforts of its workers. Conservative politicians have tended to talk more about entrusting public services to professionals than either Labour or the Liberal Democrats.[54] This does not mean that Conservatives support a return to a 'trust' model of public services that simply places professionals in charge. They back user choice as a way of guaranteeing that professionals are accountable to their users. If professionals fail to deliver an adequate service to users then choice encourages users to 'exit' from this relationship and go elsewhere. A failing professional then faces the loss of their client base, and this puts pressure on them to improve their service. However, Conservatives stress the autonomy of public servants as a contrast with what they say is Labour's approach of regulating workers through targets set by central government. Professionals are likely to experience greater freedoms under the Conservatives than the other parties.

Dilemmas

Emphasising a user-led model of public services raises potential problems or dilemmas as well as opportunities. I now present some of these issues. First, implementing personalisation is likely to be costly. I have noted that there needs to be sufficient capacity on the supply side – of schools or hospitals, for example – to deliver user choice. This may require the Government 'buying in' spare capacity from the private or voluntary sectors and this is unlikely to be cheap. Costly interventions may also be needed to boost demand as well as supply. For example, a system of 'patient advocates' that provides a tailored and personal set of support and information for users to allow them to make informed choice is likely to be expensive.

Second, user choice may be politically difficult to deliver. Choice may require those providers deemed to be failing to reduce their activities or even close down. However, it may be very difficult politically to shut down a school or hospital. Julian Le Grand notes that in the 2001 general election, Labour lost a seat in the Midlands when a doctor Richard Taylor stood as an independent campaigning against the closure of Kidderminster hospital's accident and emergency department.[55] Although Le Grand makes suggestions about how to avoid public opposition, such as allowing an independent regulator to intervene in the case of failing providers, this might still raise political difficulties.

Third, new conflicts will probably open up between users and producers. Emphasising the role of users will alter the interests and incentives of professionals. Tensions are likely to arise between users and public servants and these may not always be easy to resolve. Teachers may be wary of parents coming to parents' evenings armed with information downloaded from the internet about the best way to teach their child. One recent example of conflicts concerns the drive by the Government to get GPs to extend their surgery hours at weekends and after the normal working day to provide a more flexible service for the public. This has provoked unhappiness among organisations representing GPs. For example, Dr Laurence Buckman, Chairman of the British Medical Association's General Practitioner Committee, expresses his disquiet in a letter to the profession on 20 December 2007 that rejects Government proposals.[56] Although the Government eventually overcame such opposition by going over the heads of the BMA and appealing directly to GPs themselves, this episode suggests that there may be resistance to reforms from within the professional community.

A fourth issue concerns the effect of personalisation, especially choice, on equality and citizenship. Some commentators argue that public

services should embody a commitment to equality and citizenship but express concern that choice undermines these values.[57] For instance, where there is limited capacity on the supply side, it may be that providers rather than users will exercise choice. Oversubscribed schools may adopt covert selection that 'cream-skims' pupils who are best able to perform well in examinations and this may entrench inequality.[58] There is also a worry that choice involves an individualistic ethos that conflicts with a collective ethos that is a necessary part of citizenship.[59] Others present more positive views of choice. Julian Le Grand argues that inequality is a feature of a state-centred system and reviews evidence that suggests that choice improves equality by causing poorer providers to improve their standards.[60] Tom Beauchamp and James Childress contend that a robust sense of individual autonomy should involve the capacity to exercise choice.[61] Similar discussions arise with regard to voice. Although some observers support creating forums that allow users to exercise voice, others argue that voice might worsen inequality as the most articulate individuals are likely to dominate debates and bend public services to serve their needs and wants.[62] Debates on choice and voice are not settled and will continue as the reform unfolds.

Conclusion

This chapter has examined the approaches of the main political parties to the reform of public services. Several main themes have emerged in this discussion. First, there is a shared focus on creating a 'user-led' version of public services. There is a broad acceptance that for much of the period after the end of the Second World War public services too often treated users as passive 'pawns'. Now attention is paid to reforming public services around the needs and wants of users. This informs interest in personalisation and initiatives such as choice.

Second, differences exist between the political parties within this broad terrain. Key differences exist over the proper role for the state, the extent of choice and the level of freedom to be granted to professionals.

Third, the shift to a user-led service, more advanced as yet at the level of rhetoric rather than reality, will probably create as many problems as it will solve. This will alter how users and professionals interact with each other, and the overall effect of personalisation on features such as equality and citizenship is not as yet certain. The role of choice is also likely to be expensive, whatever other efficiency gains are introduced into the system. The stances of the parties will probably change as reform evolves, and some of the differences between the parties will widen. However, the focus on bolstering user involvement is likely to remain steadfast.

23
Response to Rajiv Prabhakar

Noel Thompson

With an election less than two years away at the time of writing it is interesting to speculate on the ideological and policy terrain over which it is likely to be fought, and issues surrounding the public services have traditionally provided some of the nodal points around which conflict has revolved. Prabhakar's chapter is therefore timely, focusing as it does on where the major parties stand as regards past-and-future reform of the public services and what, if anything, differentiates their respective positions.

Of course such differentiation is a much more difficult task than it would have been before the advent of New Labour. In the 1960s and 1970s, Labour's conception of public service provision was predicated to a great extent on its delivery by professionals whose activity was informed by a public service ethos distinguished by integrity, expertise, independence and a measure of altruism. Labour also defended service provision that was characterised by collectivised industrial relations and standard employment practices. In so far as the exercise of bureaucratic power needed to be constrained, or rendered accountable, this was to be achieved, for many on the left, by the democratisation of service provision, with users being given voice and representation.

In the same period, under the influence of New Right thinking, the Conservative position was characterised by an attempt to replace public services run, as they saw it, in the interests of bureaucrats intent on maximising their own utility, by marketised provision. This would involve the contracting out of services by measures such as compulsory competitive tendering (CCT) with front-line staff therefore being answerable to a financially accountable contractor who in turn would answer to those public bodies that had commissioned service provision. In short, public service providers would be subject to the disciplines of the market: a

view which also privileged the needs of the service user as consumer. As consumers they would not only have voice, through democratisation, but also the right and opportunity to exit.

Much has changed since then, with New Labour embarking on its own sustained attempts at public service reform. Of course in this endeavour, in what it has done and what it still seeks to do, New Labour has not embraced the Thatcherite legacy uncritically. But, as one commentator has phrased it, the 'new reforms' have nonetheless been couched (in terms of) 'the 1980s ideological revival of laissez-faire economic thinking, which reflects a lack of confidence in the ability of the state to solve economic problems and, instead, proclaims the virtues of private ownership and market incentives as more cost-effective media of service delivery'.[1] This is reflected in New Labour's embrace of the privatisation of public service delivery, the embedding of market-based principles in public management practice, the replacement of public service command structures by contractual relations and an effective rejection of the ideal of the public servant as someone inspired by non-self-interested, professional motives to work for the public good. Moreover, private sector activity is frequently taken as the epitome of efficiency and the benchmark against which public sector performance should be assessed. In short the new ethos of public service provision is one with which the New Right, the Virginia School and the IEA can feel at ease.

So, for example, New Labour has embraced public-private partnerships (PPPs), the injection of private capital into the public services through PFIs, New Public Management with its commitment to an application of private sector values and styles of management, the recasting of the public as customers not citizens, a deep distrust of the motivations of public servants and the replacement of a service ethos by the external imperatives of targeting and monitoring: all with the expectation not only of reducing cost but of subjecting the public sector to market or quasi-market forces.

Of course it can be argued that New Labour has been less dogmatic about the virtues of market solutions to aspects of public service provision. It was a Labour Government that replaced Compulsory Competitive Tendering (CCT) with Best Value, the latter necessitating neither privatisation nor competitive tendering but simply that public-sector organisations should not deliver services where more efficient deliverers were manifestly available. It is also the case that New Labour instituted benchmarks of efficiency, such as Charter Marks, which transcended market reference points.

Further, New Labour has used the rhetoric of partnership, cooperation and trust, in an echo of the discourse of a public service ethos that prevailed in an earlier pre-public-choice-theory era. It was, after all, 'mutually-supportive networks' which were to supersede the Conservatives' internal market in the National Health Service. As some commentators have phrased it, there has, under New Labour, been a 'shift from hierarchies to market and then to networks'.[2] But networks and partnerships have not usually superseded a reliance on market imperatives; rather they have been devised to work with them to deliver allocative efficiency and improved productivity.

So the question arises as to whether what is in place, and what is proposed, is all that different from what a caring-sharing New Model Conservative Party is proposing. Can we detect political daylight between what increasingly look like competing Third Ways? According to Prabhakar three differences are pertinent and important. First, with New Labour, choice in relation to public services is still seen as 'controlled by the guiding hand of the central state'; specifically here there is the setting of targets for processes and outcomes. But, as Prabhakar and other commentators have made clear, New Labour has articulated its reforms in terms of a two-stage process – the first involving target setting but the second and third concerned with user and professional empowerment. And as the latter is integral to Conservative thinking, this suggests a trajectory of convergence.

Second, there is the fact that the goal of user choice creates more ideological tensions within the Labour and Liberal Democrat parties than that of the Conservatives. But again, as Prabhakar accepts, the Conservatives have revised some of the more extreme New Right proposals for choice that could damage public provision; while whatever reservations there are within New Labour as regards the concept, this has neither slowed the reforms that are branded in this way nor reduced the incidence of consumerist discourse in policy documents and speeches. Of course the Conservatives have an interest in exaggerating the degree of dissent but the oft-cited distinction between spin and substance is pertinent here.

Third, as to the different positions of New Labour and the Conservatives on the autonomy of professionals, Prabhakar's argument is that the latter now deploy the rhetoric of entrusting professionals while backing user choice and the possibility of exit as a means of ensuring accountability and standards. The contrast is with 'Labour's approach of regulating workers through targets set by central government'. But since the start of Labour's second term there has been a growing disillusion with the

capacity of target setting to deliver and the emphasis has been rather on user choice with providers offering quality services or suffering the consequences. Both Conservatives and New Labour are therefore thinking in terms of a quasi-market model.

Of course there is scope for the differentiation of political product as regards the stance on public services, even accepting the context established by New Labour's public service reforms and the ideological imperatives that inform them. The threat posed to the ideal of public service by the work intensification, lowered levels of job security, poor pay and lack of training integral to some PPPs could be more openly recognised and countered. But at present the language of partnership is too often used to obfuscate marketisation, essentially contractual relationships and what can follow from these.

While the concept of a 'public ethos' has been, and continues to be, contested, what seems to have merged in recent years is 'a synthesis between the traditional ethos and private sector models of customer care',[3] one to which politicians across the political spectrum subscribe. Here New Labour might differentiate itself by admitting a possible tension between probity and fairness and value for money and put in place what is needed to resolve such conflicts in favour of the former. Further, In addition the incentives to efficiency furnished by pseudo- or quasi-public service markets, which are at present 'structured to leave as little room as possible for ethical motivation', could be reconfigured in a manner that might redress the balance.[4]

If New Labour is serious about recreating something of the traditional public service ethos and differentiating itself from the Conservatives and Liberal Democrats, then these are the kinds of issues it might address. However, at present, in relation to public service reform and the principles underlying public service provision, it would seem that the political will is not there to put clear pinkish water between themselves and their political opponents. As in so many areas of traditional political engagement, what was once a battleground has become a terrain for ideological convergence.

24
The Continuing Relevance of Social Justice

Raymond (Lord) Plant

In most respects the battle for the continuing salience of social justice as a political ideal has been won at the political level in the United Kingdom in that all the major parties are committed to policies which are underpinned by an appeal to social justice. This contrasts very sharply with the situation of twenty years ago, at the time of writing. At that time the ideas of thinkers like Hayek and Friedman were in the ascendancy and these thinkers were very opposed to the idea of social justice. Indeed Hayek called it a 'mirage' and argued, as did Friedman, that the futile pursuit of this mirage would have devastating social and economic consequences. Now in the UK the Conservative Party which was the vehicle for these ideas is committed to social justice. Indeed, one of its previous leaders, Iain Duncan Smith, who is widely perceived to be on the right of the Party, has established the Centre for Social Justice to help promote policies which are held to be in the interests of social justice and it has been a salient force in re-establishing the importance of the ideal of social justice in Conservative Party politics.

There are several factors that have led to the re-emergence of the idea of social justice as an important ideal. These would include intellectual changes, institutional developments and a concern with the perceived consequences of a lack of concern with social or distributive justice. In fact all of these factors are interrelated but they can be considered independently.

The intellectual debate

The intellectual context has changed very markedly since the 1980s. The economic liberal ideas which at one time seemed to reign supreme and were hostile to social justice have been vigorously challenged since the

mid-1980s, and what was at that time called the 'New Right', the 'Radical Right' or even the 'New Right Enlightenment'[1] has lost a great deal of its lustre and has been put on the intellectual defensive. At stake in the intellectual dispute were several distinct issues: the relationship between liberty and social justice; a procedural as opposed to a substantive conception of justice; the possibility of agreement about principles of social justice in a situation of moral pluralism and diversity; the alleged bureaucratisation of society that New Right thinkers held would follow from the politics of social justice; and the ways in which the politics of social justice would create a zero-sum competition for state resources between interest groups. Each of these is a big issue in itself and in this context I can only give a sketch of the contours of the debate, but there is a substantial literature which has been generated by this debate.

New Right thinkers argued that there was a deep incompatibility between social justice and liberty. Liberty was to be understood in negative terms as the absence of coercion and, as Hayek argued in *The Constitution of Liberty*, not in terms of powers, capacities or abilities or positive freedom. If freedom is understood negatively as the absence of coercion then the institutional embodiment of that freedom is a set of laws requiring mutual non-coercion and these laws could indeed embody rights to be free from various forms of coercion. On this basis freedom could be regarded as equal in the sense that we can all be made equally free from coercion by a set of universal laws, applying to everyone equally. In this sense the liberal ideal of equal freedom could be given institutional embodiment. In contrast, if liberty was understood as freedom *to*, not just freedom *from*, as involving power and capacities then it was bound to mean that in order to be free in this sense individuals would have to have resources secured to them which would mean that they could exercise their capacities and powers. If the state is to be seen as a guarantor of individual freedom then the state would have to ensure that individuals had the appropriate set of resources to enable them to act as free agents. This would naturally involve issues of social justice: what is a fair set of resources available to an individual? Questions of social justice would become central to individual liberty which was just not the case in relation to liberty understood in a negative sense. This case was central to Hayek's *The Constitution of Liberty* and very similar arguments can be found in Friedman, Buchanan and other neoliberal thinkers.[2]

This sort of argument has, however, been attacked in ways that have had some political salience. Three points stand out here. The first is one derived from John Rawls's work *A Theory of Justice* about the worth of

liberty.[3] Even if we take a negative view of liberty which means that we can ascribe equal liberty to all since all are equally protected against coercion the fact remains that the liberty so secured will not be of equal worth to people. The rich person will be able to do far more within that arena of his/her life in which he/she is free from coercion. So for Rawls we should be concerned about the worth of liberty and a liberal society should be concerned not just with the equal absence of coercion but with the fair value of liberty between citizens in such a society. Raising the question of the fair value of liberty links in an intrinsic way the values of liberty and social justice. This question cannot just be excluded by economic liberal *fiat*.

The second point has been an argument that the neoliberal makes a mistake in the understanding of the relationship between freedom and ability. For the economic liberal these are categorically different and preserving the difference is central to keeping at bay the claims of social justice. Once they are seen as logically related then questions of social justice become salient. Part of the critique of the neoliberal approach here has been to argue that we need a conception of ability as a necessary condition for the ascription of freedom to individuals. The argument is that unless there is a generalised ability to do X it makes no sense to say that A is free or unfree to do X. So, for example, there is no general ability to jump from Oxford to Cambridge and it makes no sense to ask whether a person is free to do what cannot be done in terms of the physical constraints on human abilities. Equally the constraints on ability may be institutional or social. So no one was able to sign a cheque in 1066 so it makes no sense to ask whether someone was free to do that. So, if a generalised ability to do X is a necessary condition of being free or unfree to do it and determining in a particular case that someone is free to do it, then it cannot be the case that freedom and ability are categorically different if the former is a necessary condition of the latter. So, it is argued that the neoliberal attempt to block the assimilation of freedom and ability and therefore to block the claims of social justice which would clearly be involved if ability were to be linked to freedom cannot in fact be sustained.

A further way of making the point about the centrality of the idea of ability to freedom is due to Charles Taylor in his essay 'What's Wrong with Negative Liberty?'[4] The argument here is this. If liberty is the absence of coercion then how do we determine whether one society is freer than another. What we cannot do is to invoke a conception of what people are able to do – for example, criticise the government, leave the country, own property and the like since abilities have nothing

intrinsically to do with freedom. The only basis for determining whether one society is freer than another is quantitative: how many rules are there in society A preventing action compared with society B? The answer has to be quantitative otherwise abilities would have to be invoked to answer this question. The problem then arises that it is perfectly possible that society B, for example North Korea, has fewer rules preventing action than society A, say the UK. North Korea is radically underdeveloped and there is little or no place, for example, for rules preventing and controlling financial and economic exchanges between people since there aren't any whereas in the UK there is a vast array of such rules. We are not tempted to say on this basis that North Korea is a freer society than the UK. What we do is to focus not on the number of rules but on what people are able to do in these two societies and we would say that the UK is a freer society than North Korea because people in the UK are able to exercise a number of highly valued human abilities and capacities such as being able to participate in politics, to leave the country, to be able to express beliefs freely and so forth. Freedom is linked to the idea of the goods that are essential to human flourishing. Hence, again, we cannot detach the idea of freedom from that of capacity.

These arguments put in a modern idiom some insights developed over a century ago by T. H. Green whose work was a major influence on R. H. Tawney.[5] Green's work and indeed the work of those who have attempted to put modernised versions of his arguments forward have been significant in developing New Labour ideas on freedom and its relationship to social justice. In the 1980s when under Neil Kinnock's leadership the Labour Party began to re-examine its values and the policies linked to those values Roy Hattersley the Deputy Leader and Bryan Gould a member of the Shadow Cabinet wrote about liberty in this positive sense and Hattersley frequently refers to Green both in his book and in other subsequent writings.[6] Their views were echoed by John Smith when he became Leader and, interestingly enough, when Tony Blair became Prime Minister in 1997 he wrote to Isaiah Berlin to ask him about his (Berlin's) own defence of negative liberty as opposed to a more positive conception. Unfortunately Berlin was by that time fatally ill and no reply could be forthcoming.[7]

It is also important to look at another absolutely basic moral argument. It was central to the case of the neoliberal right that society bears no collective moral responsibility for market outcomes and in particular has no duty to interfere with or modify market outcomes in the alleged interests of social justice. There were two arguments underpinning these claims. The first has to do with unintended consequences. The important

starting point here is that for the neoliberal thinker injustice can only occur as the result of intentional action. We do not regard the weather in its random effects on people as causing injustice. Misfortune and bad luck yes; injustice no. We do not regard the genetic lottery, which causes some to have disabilities, as creating injustices. These are certainly sometimes tragic misfortunes but they are not injustices. In both sorts of cases the required intention which is central to causing injustice is missing. It is not the role of the state to rectify misfortune. In the words of Keith Joseph, the state cannot and indeed ought not to take people off the wheel of fortune.[8] It is its role to rectify injustice which has been caused intentionally. So armed with these distinctions the neoliberal thinker would argue that justice and injustice have nothing to do with the outcomes of economic markets since they are unintended. In a market countless people buy and sell a vast range of things. These individual acts are undoubtedly intentional but the overall or aggregate outcome of all this buying and selling leads to a 'distribution' of income and wealth. Some become rich, others become poor. This is, however, an unintended consequence of market exchange. The outcomes of markets are not intended and in so far as words like 'distribution' imply an intentional distribution they are deeply misleading. If market outcomes are unintended then they cannot be unjust. If they are not unjust then we have no collective moral responsibility for them expressed in terms such as social justice and rectifying social injustice.

The second argument in play here is that justice and injustice have to be seen in a procedural way not in a substantive way. In a market, individual acts of unjust behaviour may occur particularly if I am coerced out of my ownership of resources by theft or fraud or something like that. These are intentional acts of injustice and infringe the basic condition of freedom, namely, mutual non-coercion. So the basic principle of justice in a market is to act and exchange in a non-coercive way. Justice and injustice are not related to outcomes but to procedures – to the conditions of non-coercive exchange. In a market, if outcomes arise as the result of a whole range of non-coercive exchanges then those outcomes are fair and legitimate because they have arisen as the result of fair procedures. Their fairness or justice is not determined by comparing them to some set of assumptions about what would be a 'just' distribution of income but whether they arose out of a fair and non-coercive procedure. Equally, if outcomes arise which have been the result of coercive exchanges they are unjust but their injustice is not because they fail to meet some standard of distributive justice – what Nozick calls a patterned principle, but rather their injustice lies in the procedures that have been violated in arriving

at those outcomes.[9] On this view justice and injustice are procedural and not end-state or patterned principles. So putting the two arguments together there is for the neoliberal no basis for the claim that market outcomes are unjust unless they have arisen through ways that have violated negative liberty.

These arguments have been challenged by social democratic thinkers on several grounds. The first is to do with the role of intention. There is a general philosophical point here that has been argued strongly by Stuart Hampshire[10] that part of the process of modernity has been to extend more and more the range of circumstances which we think are either the result of human intention and for which we can then legitimately bear responsibility or which in some sense include intention and responsibility without necessarily being solely a matter of human agency. This general point has some salience to the arguments thus far deployed. Rawls, for example, argues that the issue of justice and injustice is not to be regarded as finally settled by determining how a situation came out let us say in a way that does not involve human agency. But does that mean that we bear no responsibility in that situation. In his view justice and injustice arise in relation to our intentions towards a situation which may not have arisen intentionally. Justice and injustice arise in relation to our attitudes to a situation as well as how it came about. Take two examples. Genetic disabilities are not in general the result of human intentional action but if there are drugs that can rectify or modify that condition or if there are resources which can make that condition more bearable or less difficult to cope with then surely questions of justice and injustice arise at that level and what we think is an appropriate response will engage our ideas of social justice. The second example which has been used by Amartya Sen is the following situation: a child has been blown face down into a pool of water; I am passing by and could easily save the child; the child is in the position that it is in as the result of non-human agency (the wind); I fail to help the child; the child drowns. For the neoliberal thinker my failure to act has to be seen as a failure of altruism or benevolence. I have not committed an injustice against the child since its situation arose through other than human agency.[11] So on this view putting Rawls's and Hampshire's points together questions of justice and injustice are not definitively settled by determining how a situation arose but also involve our own intentional responses to such situations.

There is an even deeper issue here. In a sense the neoliberal is prepared to accept the starting points which people have in society as a sort of given. No doubt they are the result of the genetic lottery and

a combination of nature and nurture. Because of this some will start life in favourable circumstances, others in unfavourable ones. Because the genetic lottery and my birth to one set of parents in their circumstances rather than to others in lesser circumstances is not a matter of justice or injustice it is a kind of moral given. In a free market those whose starting place is poor may be able to advance through utilising trickle-down effects, others may not. So long as they are not suffering the effects of coercion their position although poor is morally legitimate and imposes no obligation on society to improve it. For the social democrat initial starting points do raise questions about justice because while indeed they are a kind of given they are nevertheless morally arbitrary. Because of this 'givenness' some will succeed and some will fail, but the initial starting point is an arbitrary one. Hence, on this view, given that justice and injustice reside in our attitudes towards 'givens' rather than being determined by how they came about it follows that equality of opportunity is central to social democratic ideas of social justice. It is of course true that neoliberals also have a belief in equality of opportunity. It is, however, a much more restricted view than that of the social democrat. For the neoliberal it is right to remove intentionally imposed restrictions on the freedom of individuals to apply for jobs and positions, but since freedom has nothing to do with ability it follows that equality of opportunity has nothing to do with empowerment of trying to improve the skills of people and communities as a matter of collective concern. For the social democrat, however, the earlier arguments about freedom and justice take us in the direction of policies that provide for an active approach to equality of opportunity – of using the power of the state to compensate people through improving their skills and their education and health for the morally arbitrary start that they have had in life. This start is not something for which they are responsible and if it is possible to rectify the givenness of this start then policies should be in place to do that. These Rawls-inspired points provide the philosophical basis, for example, the importance that Anthony Crosland gave to equality of opportunity and to the development of New Labour ideas.[12] As Stuart Hampshire[13] argued in his review of Rawls's *A Theory of Justice* in *The New York Review of Books*, his theory of justice was a philosophical attempt to make clear and persuasive the conception of justice underlying modern social democratic thought.

We need now to turn to other arguments about markets and intention. Even if we believe that market outcomes are unintended this does not settle the question of the irrelevance of justice because if some are made poor by markets this still leaves open the question of how we want to

respond to those outcomes. We cannot just assume, as the examples I gave earlier illustrate, that because something has occurred in a non-intentional way that questions of justice are irrelevant.

In any case there are questions that have been asked about the characterisation of markets themselves. It may well be true that market outcomes are unintended but is that sufficient to block the claims of social justice? While market outcomes may be unintended they can in fact be foreseen and this is important in relation to responsibility. We are normally held responsible for those outcomes of individual behaviour which can be reasonably foreseen, for example, in the crime of manslaughter. The same could perfectly well apply equally to markets. If market outcomes are reasonably foreseeable even if not intended then there could be a basis for collective responsibility for those foreseeable outcomes. If, for example, those who enter the market with least are likely to leave it with least and if there is something that could be done about this, then it would be a failure of responsibility and justice to fail to do this. Foreseeability can reinstate the relevance of collective responsibility and justice in relation to markets. However, neoliberal thinkers argue that market outcomes are not only unintended but are also unforeseeable. This has to be doubted. If market outcomes were unforeseeable what possible ground would there be for extending markets to areas of life in which they do not operate? So, for example, it might be argued that there is a case for extending the private market in rented accommodation because that is likely to increase supply. Such a policy is justified by this claimed foreseeable outcome. Given neoliberal assumptions about utility maximising behaviour by economic agents it makes it even easier to make claims about the likely outcomes of extending the role of markets. So it is very difficult for neoliberal thinkers to argue that market outcomes are in principle unforeseeable.

One counter-argument to this point is that in order for this argument to hold water then the outcomes must be foreseeable for each individual taken separately and that this is unforeseeable in relation to markets. This follows from the methodological individualism employed by such thinkers. However, there is no need to delve into the metaphysics of methodological individualism because, as I have shown, neoliberals themselves argue for public policy changes such as privatisation in terms of the macro effects of markets, not on a close study of the effects on each individual affected by such a change. If outcomes are foreseeable at the macro level that can give a basis for thinking about the responsibility we have and the need for justice in macro outcomes. This argument may seem very abstract but it is very far from being the case. On the

neoliberal view, for example, because issues of justice and responsibility do not apply to outcomes, the position of the worst off is to be left to the market itself via trickle-down mechanisms. On the view that we have a moral responsibility for the justice of outcomes, then policies which would, say, increase the skills of individuals and the social capital of communities could be justified as ways of trying to ensure more just outcomes in the sense of increasing the abilities and resources that individuals will bring to the market. One way of putting this point is that for the neoliberal there is no issue of justice raised as to whether or not people at the bottom of society have the equipment to take advantage of trickle-down effects when they occur. People need skills to take advantage of such effects in the social democratic view but the policies about skilling and empowering the worst off raise questions about the appropriate distribution of resources and thus questions of social justice. I shall come back to this point later.

Institutions and social justice

I want now to turn to a more institutional aspect of earlier disputes about the salience of the ideal of social justice. This dispute is focused on the claim that a government aiming at social justice will inevitably spawn a vast bureaucracy to deliver goods and services as required by social justice. Such a bureaucracy will in fact grow not just because what is encompassed in the ideal of social justice grows but also because those who work in such bureaucracies will have incentives in terms of personal utility maximisation to increase the size, range and budgets of their bureaux – a phenomenon studied by public choice theorists who have contributed a great deal to the neoliberal critique of the social democratic state. These bureaucratic bodies will have baleful effects according to critics: they will embody strong vested interests; they will be resistant to change; because they are not subject to market disciplines they will not be oriented to the needs of the consumer of the service; they will have a great deal of bureaucratic power. In short, they will become producer interest groups.[14] Policies which are supposed to be mainly in the interests of the least advantaged will generate bureaucratic responses which may well differentially benefit the predominantly middle-class employees of such bureaucracies. This, it is claimed, undermines their function in terms of social justice. The social democratic response traditionally has been to invoke the public service ethic or ethos: that those providing services will be constrained in terms of exploiting their position because of their adherence to this ethic and ethos. The public choice

critics, however, reject the idea of such an ethic on the grounds that everyone, including public servants, acts in a utility maximising way and public servants will do this without being subject to the sorts of disciplines that apply in markets or in private life.

It has to be said that over the past ten years a good deal of the public choice critique of bureaucracy has had a resonance with New Labour and is perhaps the part of the neoliberal or new right critique of the welfare state that has had the most salience in policy terms. The focus of the problem according to neoliberal critics is that the state is both the funder and provider of services. It would be perfectly possible, as Hayek himself argued, for funding to be separated from delivery. This idea has certainly been taken up by the Government, particularly in education and other social services. The role of government, it is argued, is to provide the funding for services and for either national or local government to negotiate contracts on a competitive basis with a range of potential service deliverers. These could be charities and voluntary organisations, churches and other faith communities, not-for-profit companies and commercial organisations. It is argued that the need for a competitive edge in the contracting process will keep such bodies oriented to the needs of the consumers; the possibility of bankruptcy if contracts are not renewed will encourage efficiency, flexibility and innovation; the competition between different organisations for contracts will lead to a reduction in the power of vested interests. On this model the ideal of social justice can be preserved as an aim of policy without creating a set of means of delivery which undermine such policies. It is too early to make an empirical evaluation of how these policies are in fact working out but there are some issues of principle which need to be addressed, particularly in the context of social justice. The first is that services provided by the state are covered by the Human Rights Act since they are Public Authorities. So, for example, a resident in a local authority care home will be covered by the provisions of the Act. This has been found not to be the case by the Law Lords in respect of voluntary sector bodies which have contracted with the state to provide services. So bodies which take public money, which provide on a non-governmental basis services which have a statutory basis and which provide services which in the state sector are regarded as being delivered by Public Authorities are not in fact covered by the HRA. There is an issue of social justice here in the sense that some people receiving a service via tax-payers' money are covered by the HRA and others are not. This issue has come up quite frequently and the Government has promised to look at it but has not as yet made proposals. One can see why they are hesitating because it

would mean a big expansion of public law into the market or at least the quasi-market sector. But, as things are, there is a clear issue of social justice to be resolved and the issue will become more pressing as these policies are pursued.

There are also questions about how sustainable the competitive independence of the various groups contracting with the state will end up being. The reason for this is that such groups are using public money so it is very likely that over time public sector accountability mechanisms will come into play: targets, benchmarking, good practice codes and possibly the whole range of what have come to be called new public sector management techniques. It seems quite unlikely that any government can in fact delegate public money in this way without such controls. A good deal of this may be done via the contract itself which may have to become very prescriptive in terms of performance indicators and the like. Whatever turns out to be the outcome of these developments in these terms, this has been a way in which New Labour has responded to the public choice critique of the social democratic state.

A further issue in the debate about social justice has been the point about distributive coalitions: that if a government pursues policies of state expenditure in the interests of social justice it will be likely that groups will arise acting either in their own interests or in the interests of others to try to extract from government what each group sees from its own point of view to be its own 'just' share of resources.[15] The answer from social democrats on this point has been that, while this may be true, it is just a feature of democratic politics and that, short of living in the most minimal libertarian state, all governments are going to be committed to public expenditure at one level or another, and that it is inevitable that coalitions of interest groups will arise which will seek to extract from public expenditure (even if it is confined to the funding of core public goods) what they see as their fair share of coverage provided by such expenditure. If we just take Hayek as an example he argues that a neoliberal state has a duty to provide for a welfare state to meet a minimum level of need, while recognising what this minimum is will grow as society becomes richer and the state will take on more. Why it is that coalitions will arise in relation to social justice to seek to secure their 'just' share and not in relation to expenditure of vaguely formulated ideas of welfare minima which will in fact grow is left completely unexplained. So, on this basis, there is no fundamental difference between expenditure on social justice policies and public expenditure more generally.

Contemporary politics and social justice

The final issue is in some ways the most important both conceptually and politically. The neoliberal critic of social justice has argued that even if social justice could in some general sense be regarded as a relevant moral ideal it would be politically inert since beyond a very high level of generality such as giving each his/her due there is no agreement on the principles of social justice – whether we should be meeting needs, desert, equality entitlement or whatever else might be a candidate for a distributive principle. There is no doubt that New Labour has taken this point seriously. It has not sought some kind of basic philosophical foundation for a set of principles of distribution, but then it is a political organisation not a philosophers club. In the 1980s I drew attention to the importance of this issue and argued in favour of what I called trying to achieve a distributive consensus.[16] This would have two interrelated advantages. First of all, if there was broad agreement on the principles of distribution then this would provide a core set of principles which would allow government to deal with distributive coalitions in a non-random and non-arbitrary way. What a fair or a just share of social resources would be would be underwritten by the distributive consensus if it could be achieved. Second, the neoliberal critic argues that government, pursuing social justice, has to act in arbitrary ways, a claim which would be undermined by the attempt to establish a distributive consensus.

Gordon Brown[17] took up this point and argued that there could be a consensus around three general principles: the centrality of work and making both work available and pay as the best passport to a life off welfare; educational opportunity, particularly including lifelong learning, as a way of realising potential more generally; finally, a recognition of the centrality of the claims of need and that this is particularly germane to the NHS on which funding has increased vastly since 1997. Work, equality of opportunity going far beyond neoliberal ideas about removing only intentionally imposed restrictions on recruitment to positions, and the recognition of need have formed a central set of values which have formed the distributive consensus at the heart of the New Labour project, and they have had some success not just in policy terms but also in terms of meeting the criticisms of the neoliberal right.

Of course it can be argued that, in the emphasis on equality of opportunity and more or less silence on the idea of equality of outcome, New Labour has moved its conception of social justice away from late twentieth-century social democracy. At that time it was really quite a simple matter to plot the essential difference between social democrats

and their neoliberal critics. If we take Tony Crosland's *Social Democracy in Europe*[18] as the most straightforward example of the social democratic position, he argued that the central task of social democracy was to use the fiscal dividends of economic growth to improve the relative position of the worst off via investment in public services, from which they would differentially benefit, while maintaining the absolute position or, to put it another way, the real income of the better off. This is both a normative commitment and a political strategy. It is a normative commitment to diminishing inequality because that is what improving the relative position of the worst off while maintaining the absolute position of the better off actually means. It is a political strategy in that middle-class people will only vote for social democratic parties if those parties at the least protect their real incomes. It is highly unlikely that people would vote to make themselves worse off, and protecting real incomes is one way of dealing with this. The neoliberal position is the exact reverse of this. On the neoliberal view what matters to the poor person is not his/her position *vis à vis* some other group in society but whether that person is better off in real terms this year than he/she was last year. So at the bottom of the scale the emphasis is on improving real incomes but via the market and trickle-down effects rather than by state intervention. At the top of the scale, the neoliberal argues that the need for incentives in a dynamic economy is such that there should be no ideas of a cap on the relative position of the better off. That is to say inequality should be allowed to increase at the top end of the scale because that is essential to economic dynamism. So the social democrat argues: improve the relative position of the worst off while maintaining the real or absolute position of the better off and in this way inequality will be diminished in a painless way. The neoliberal argues that the strategy is to improve the real or absolute position of the worst off while allowing the relative position of the better off to improve and in this way inequality can be increased in a painless way. So given that this is at the practical core of arguments about social justice, where does New Labour stand?

The answer is in fact rather complex. It has what it sees as a radical approach to equality of opportunity and lifelong learning and to improving the human and the social capital of the worst off. The assumption is that this will in fact improve their absolute or real position. However, as it stands it is not a policy which will or even could directly improve their relative position if incomes at the top of the scale are increasing faster and they are not taxed at higher levels. So, on the face of it, this looks rather like a neoliberal approach. However, that is not perhaps quite the case. First of all there is the central point that the range of

equality of opportunity policies pursued by New Labour have gone far beyond what the restricted neoliberal view would in fact sanction. The size and cost of these programmes have to be paid for by public expenditure and ultimately by tax. If they are to be sustained in periods of economic downturn which we are entering at the time of writing this chapter then this may eventually have an impact on the position of the better off so that investment in equality of opportunity may very indirectly and over time have an effect on equality of outcome. I must emphasise that this is not the aim of the policy and would be a wholly contingent result of it. There has been substantial redistribution under Gordon Brown's Chancellorship but it has not had a decisive effect on the level of inequality.

There is also a link between Brown and Crosland's position in relation to what I called Crosland's political strategy: that people will only vote for redistributive measures when they do not make them worse off. Let us take Working Families Tax Credit as an example of this. This produces the greatest benefit to the worst off families in work (note again the centrality of work as part of the distributive consensus) but credits are also paid to families way up the income scale so that they have a stake in the policy even though it produces the greatest benefit to the least advantaged. This has been called by Ed Miliband *progressive universalism* – a good name for a solution to a long-standing social democratic dilemma of how to get people to vote for redistributive measures.

What I hope that I have done is to show in some detail how New Labour has responded to the many deep challenges posed by neoliberals to the political pursuit of social justice. These challenges have been difficult to meet but as the Conservative Party has embraced social justice in recent years, albeit in a way which sees the voluntary sector replacing central state provision of welfare services in so far as that is possible, it seems that the neoliberal critique has been decisively defeated for the foreseeable future.

25
Response to Raymond Plant

David Willetts

Raymond Plant offers a masterful review of the intricate conceptual links between freedom and capacity. He successfully shows that the conventional distinction between negative and positive freedom cannot bear the political weight which some of us on the right tried to place on it. With typical modesty he omits to refer to his own writings which have themselves contributed to the changes in the intellectual climate he describes. As a result of these changes I now find myself a proud trustee of the Centre for Social Justice.

However, I increasingly began to wonder who these neoliberals are that he so skilfully attacks. Apparently they believe that 'society … has no duty to interfere with or modify market outcomes' and 'the position of the worst off is to be left to the market itself via trickle down mechanisms'. This is not even the Hayek of *Constitution of Liberty* which contains, for example, a clear and cogent case for a social security system, nor the Margaret Thatcher who began her career as a minister with responsibility for such things and saw the crisis of the welfare state as coming from its failure to live up to Beveridgean contributory principles.

Raymond Plant matches his narrow definition of neoliberalism with a correspondingly broad and sympathetic definition of social democracy. He refers to Gordon Brown's principles of 'making work both available and pay … life long learning … and funding for the NHS'. These are attractive ideas. But the first use of credits to boost the income of people in low-paid jobs was Keith Joseph's Family Income Supplement, subsequently transformed into Margaret Thatcher's Family Credit. Gordon Brown's Working Families Tax Credit came from those roots. Adult learning places have disappeared at a shocking rate over the past few years

because of a deliberate policy decision only to finance courses leading to certain approved vocational qualifications.

This list is not intended to bring political hostilities to the pages of this book. Instead it is meant to show that the concept of neoliberal versus social democrat, as Raymond Plant defines them, may not really capture the boundary lines of our political debate, not now, and not even when Margaret Thatcher faced Michael Foot.

I recognise there has been a shift in the intellectual climate over the past decade or more but it is rather more complex and cross-cutting than would appear from Raymond Plant's account. And it is striking that the policies which have followed have not led to the significant economic or social changes which its advocates might reasonably have hoped for by now. Britain is as unequal a society as it was ten years ago – indeed on some measures more so. Although absolute poverty has fallen, there has been at best modest progress on many of the Government's poverty measures. This suggests that the whole approach of investing in abilities and capacities, while admirable and worthwhile, cannot be expected to resolve all the problems of inequality and poverty which rightly concern us.

One final thought. The debate is now moving on. One reason why I have been persuaded about the issue is what we know about sources of human well-being. How you relate to other people matters – that is why Oscar winners live on average four years longer than nominees who fail to win. And human well-being comes from rootedness as well. So we need to strengthen the institutions which give life their shape and meaning. But it is very different to imagine a state with the kind of role which Raymond Plant envisages and at the same time our institutions, notably the family, enjoying the freedoms which are essential for human flourishing. The tensions between empowerment, mobility, rootedness and well-being remain to be resolved.

Notes

Preface

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2. D. Owen, *Limits to EU Integration: The Fifth Keith Joseph Memorial Lecture* (London: Centre for Policy Studies, 2001), p. 2.
3. D. Owen, *The Social Market: The Fourth Hoover Lecture* (Glasgow: Strathclyde University, 1981).
4. R. Skidelsky, 'Unfinished Business', in A. Kilmarnock (ed.), *The Social Market and the State* (London: Social Market Foundation, 1999), p. 281.

Introduction

1. See R. Plant, 'Blair and Ideology', in A. Seldon (ed.), *The Blair Effect, 1997–2001* (London: Little, Brown, 2001).
2. M. Freeden, *Ideologies and Political Theory: A Conceptual Approach* (Oxford: Clarendon Press, 1996).
3. The most significant critic, of course, being F. A. Hayek. His *The Road to Serfdom* (London: Routledge and Kegan Paul, 1944) expressed grave concerns.
4. There have, of course, been many critics of the idea, starting with Ben Pimlott, 'The Myth of Consensus', in L. M. Smith (ed.), *The Making of Britain: Echoes of Greatness* (London: Macmillan, 1988). See D. Kavanagh, 'The Postwar Consensus', *Twentieth Century British History*, 3.2 (1992); and A. Seldon, 'Consensus: A Debate too Long', *Parliamentary Affairs*, 47.4 (1994), in defence of the idea.
5. For a more detailed discussion of the ideological composition of the postwar consensus see K. Hickson, 'The Postwar Consensus Revisited', *Political Quarterly* (2004).
6. The most sophisticated treatment of the New Right from this perspective came from Andrew Gamble in his book *The Free Economy and the Strong State: The Politics of Thatcherism* (Basingstoke: Macmillan, now Palgrave Macmillan, 1988).
7. For the 'accommodationist' thesis, see: C. Hay, *The Political Economy of New Labour: Labouring under False Pretences?* (Manchester: Manchester University Press, 1999); and R. Heffernan, *New Labour and Thatcherism: Political Change in Britain* (Basingstoke: Macmillan, now Palgrave Macmillan, 2000). For the modernisation thesis, see M. Smith, 'Conclusion: The Complexity of New Labour', in S. Ludlam and M. Smith (eds), *New Labour in Government* (London: Palgrave, now Basingstoke: Palgrave Macmillan, 2001). The ongoing tension between the these two interpretations of New Labour's ideological composition can be seen in the contributions of the two editors in the book M. Beech and S. Lee (eds), *Ten Years of New Labour* (Basingstoke: Palgrave Macmillan, 2008).

8. P. Marshall and D. Laws (eds), *The Orange Book: Reclaiming Liberalism* (London: Profile, 2004); and D. Brack, R. Grayson and D. Howarth (eds), *Reinventing the State: Social Liberalism for the Twenty-first Century* (London: Politico's, 2007).

1 Alan Finlayson

1. A. Pollock, *NHS Plc: The Privatisation of Health Care* (London: Verson, 2004).
2. See Tony Blair, Labour Party Conference: The Leader's Speech (Bournemouth, 1999); Speech to British Venture Capitalist Association (London, 1999).
3. Tony Blair, *Speech by the Prime Minister: Savings and Assets for All* (26 April 2001; available at <http://www.number10.gov.uk/Page1589>).
4. See A. Finlayson, *Making Sense of New Labour* (London: Lawrence and Wishart, 2003).
5. Tony Blair, Labour Party Conference: The Leader's Speech (Brighton, 2005).
6. Tony Blair, Labour Party Conference: The Leader's Speech (Blackpool, 1994).
7. Tony Blair, Labour Party Conference: The Leader's Speech (Brighton, 1995).
8. Tony Blair, Labour Party Conference: The Leader's Speech (Brighton, 1997).
9. T. Blair, *The Third Way* (London: Fabian Society, 1998), p. 6.
10. See Finlayson, *Making Sense of New Labour*, Chapter 5; also B. Jessop, *The Future of the Capitalist State* (Cambridge: Polity, 2002).
11. See C. Hay, 'Credibility, Competitiveness and the Business Cycle in "Third Way" Political Economy: A Critical Evaluation of Economic Policy in Britain since 1997', *New Political Economy*, 9.1 (2004), pp. 39–56.
12. Tony Blair, Labour Party Conference: The Leader's Speech (Bournemouth, 1999).
13. See Finlayson, *Making Sense of New Labour*, Chapter 2.
14. T. Blair, *Reforming the Welfare State*, speech in Beveridge Hall, 11 October 2004.
15. A. Giddens, *The Third Way* (Cambridge: Polity, 1998).
16. A. Finlayson, 'Characterising New Labour: The Case of the Child Trust Fund', *Public Administration*, 86.1 (2008), pp. 95–110.
17. See D. Marquand, *The Decline of the Public* (Cambridge: Polity, 2004).
18. A. Finlayson, 'Making Sense of David Cameron', *Public Policy Research*, 14.1 (March–May 2007), pp. 3–10.
19. See J. Rutherford, 'Fraternity without Equality', *Soundings*, 39 (2008).

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1. M. J. Smith, 'Conclusion: The Complexity of New Labour', in S. Ludlam and M. Smith (eds), *New Labour in Government* (Basingstoke: Palgrave, now Palgrave Macmillan, 2001), p. 267.
2. E. Shaw, *The Labour Party since 1945* (Oxford: Blackwell, 1996), p. 218.
3. D. Marquand, *Decline of the Public* (Cambridge: Polity, 2004). For another view on the continuity from Thatcher to Blair and Brown, see S. Jenkins, *Thatcher and Sons* (London: Allen Lane, 2006).
4. P. Ormerod, *Why Most Things Fail* (London: Faber and Faber, 2005).
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6. D. Wring, *The Politics of Marketing the Labour Party* (Basingstoke: Palgrave, now Palgrave Macmillan, 2005); and M. Russell, *Building New Labour* (London: Palgrave, now Basingstoke: Palgrave Macmillan, 2005).
7. Labour Party, *New Labour because Britain Deserves Better* (Labour Party Manifesto, 1997; available at <http://www.psr.keele.ac.uk/area/uk/man/lab97.htm>).
8. I have drawn on V. Bogdanor's excellent 'Social Democracy', in A. Seldon (ed.), *Blair's Britain 1997–2007* (Cambridge: Cambridge University Press, 2007), particularly p. 178.
9. B. Clift, 'New Labour's Third Way and European Social Democracy', in Ludlam and Smith (eds), *New Labour in Government*.
10. J. Curtice, 'Elections and Public Opinion', in A. Seldon (ed.), *Blair's Britain 1997–2007*, p. 51.
11. S. Katwala, 'The Vision Thing', *Freethinking* (London: Fabian Society, November 2007), p. 12.

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2. C. Crouch, 'New Labour and the Problem of Democracy', in G. Hassan (ed.), *After Blair: Politics after the New Labour Decade* (London: Lawrence and Wishart, 2006); R. Heffernan, *New Labour and Thatcherism: Political Change in Britain* (Basingstoke: Palgrave, now Palgrave Macmillan, 2001); E. Shaw, *Losing Labour's Soul? New Labour and the Blair Government 1997–2007* (London: Routledge, 2007); S. Lee, 'The British Model of Political Economy', in M. Beech and S. Lee (eds), *Ten Years of New Labour* (Basingstoke: Palgrave Macmillan, 2008).
3. C. Hay, *The Political Economy of New Labour* (Manchester: Manchester University Press, 1999); M. Smith, 'The Complexity of New Labour', in S. Ludlam and M. Smith (eds), *New Labour in Government* (Basingstoke: Palgrave, now Palgrave Macmillan, 2000).
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8. A. Seldon, *Blair* (London: Free Press, 2004).
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10. K. Hickson and M. Beech, *Labour's Thinkers: The Intellectual Roots of Labour from Tawney to Gordon Brown* (London: Tauris, 2007).

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16. T. Wright and A. Gamble, 'Introduction: The New Social Democracy', *Political Quarterly*, 70 (1999), pp. 1–9, 5.
17. R. Hazell, 'Conclusion: The Unfinished Business of Devolution', in A. Trench (ed.), *Has Devolution Made a Difference? The State of the Nations 2004* (London: Imprint, 2004), pp. 255–75.
18. M. Cockerell, *Blair: The Inside Story* (BBC2, 15 May 2007).
19. J. Powell, *Great Hatred, Little Room: Making Peace in Northern Ireland* (London: Bodley Head, 2008).
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7 Assessing the Impact of the Third Way

1. I am very grateful to Simon Griffiths and Kevin Hickson for their comments on an earlier draft of this chapter. Any errors are of course my own.
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3. Jones, *Remaking the Labour Party*, p. 129.
4. A. Gamble, *The Free Economy and the Strong State* (London: Macmillan, 1988).
5. D. Coates, *Prolonged Labour: The Slow Birth of New Labour Britain* (Basingstoke: Palgrave Macmillan, 2005), p. 19.
6. A. Giddens, *The Third Way and Its Critics* (Cambridge: Polity, 2000), p. 13.
7. S. Driver and L. Martell, *New Labour* (2nd edn; Cambridge: Polity, 2006), p. 49.
8. T. Blair, *Let Us Face the Future – the 1945 Anniversary Lecture* (London: Fabian Society, 1995), p. 12.
9. S. Buckler, 'Theory, Ideology, Rhetoric: Ideas in Politics and the Case of "Community" in Recent Political Discourse', *British Journal of Politics and International Relations*, 9.1 (2007), p. 44.
10. G. Brown, 'Tough Decisions', *Fabian Review*, 108.3 (1996), p. 1.
11. M. Wickham-Jones, 'The New Left', in R. Plant, M. Beech and K. Hickson (eds), *The Struggle for Labour's Soul: Understanding Labour's Political Thought since 1945* (London: Routledge, 2004), p. 32.
12. T. Blair, *New Britain: My Vision of a Young Country* (London: Fourth Estate, 1996), p. 173.
13. As Plant observes, New Labour has implemented a number of radical policies to promote equality of opportunity, and claims there is little evidence that it has abandoned the idea that 'inequality in distributional terms is a matter of moral and political concern'. Indeed, he continues, New Labour 'has been

the most directly redistributive Labour Government ever'. See R. Plant, 'Ends, Means and Political Identity', in Plant, Beech and Hickson (eds), *The Struggle for Labour's Soul*, p. 118.

14. T. Blair, *The Third Way: New Politics for the New Century* (London: Fabian Society, 1998), p. 4. For a discussion of contemporary communitarian philosophy and New Labour's version of the Third Way, see S. Hale, 'The Communitarian "Philosophy" of New Labour', in S. Hale, W. Leggett and L. Martell, *The Third Way and Beyond: Criticisms, Futures, Alternatives* (Manchester: Manchester University Press, 2004), pp. 87–107. For an examination of the relationship between New Labour and the communitarianism of Etzioni, see D. Morrison, 'New Labour, Citizenship and the Discourse of the Third Way', in Hale, Leggett and Martell, *The Third Way and Beyond*, pp. 167–85.
15. Blair *New Britain: My Vision of a Young Country*, p. 300.
16. Such thinkers include Tony Crosland. See K. Hickson, 'Equality', in Plant, Beech and Hickson (eds), *The Struggle for Labour's Soul*, pp. 120–36.
17. A. Giddens, *The Third Way: The Renewal of Social Democracy* (Cambridge: Polity, 1998), p. 65.
18. Giddens, *Third Way*, p. 52.
19. Giddens, *Third Way*, pp. 65–6.
20. Blair, *Third Way*, p. 4.
21. D. Morrison, 'New Labour, Citizenship and the Discourse of the Third Way', p. 172.
22. E. Goes, 'The Third Way and the Politics of Community', in Hale, Leggett and Martell, *Third Way and Beyond*, p. 119.
23. Blair, *New Britain*, p. 39.
24. Ibid., p. 247.
25. Ibid., p. 247.
26. Ibid., p. 249.
27. Ibid., p. 68.
28. Blair, *Third Way*, p. 12.
29. Blair, *New Britain*, p. 218.
30. Blair, *Third Way*, p. 12.
31. Blair, *New Britain*, p. 240.
32. As Fairclough points out, the concept of 'social exclusion' was adopted in Britain as part of an EU harmonisation and incorporates Britain into a widespread European definition of marginalisation, which contrasts with the 'Anglo-Saxon liberal view of marginalisation as not commanding sufficient resources to survive in the market' (N. Fairclough, *New Labour, New Language?* [London: Routledge, 2000], pp. 51–2). To coordinate the efforts of the agencies involved in addressing the problem of social exclusion, New Labour established the Social Exclusion Unit in December 1997. For an overview and evaluation of New Labour's policy initiatives to tackle the various aspects of social exclusion, see Social Exclusion Unit, *Tackling Social Exclusion: Taking Stock and Looking to the Future* (London: Office of the Deputy Prime Minister, 2004).
33. Respect Task Force, *Respect Action Plan* (London: Home Office, 2006), p. 5. According to the Respect Task Force, 'one in three people living on a low income, in social housing or in inner cities perceive their area as suffering from high levels of anti-social behaviour. In contrast, in more wealthy areas

only one in 20 people use this description' (Respect Task Force, *Respect Action Plan*, p. 5).

34. T. Blair, 'Crime and Society', in *Proceedings of the 1994 Fabian New Year School: What Price a Safe Society?* (London: Fabian Society, 1994), p. 3.
35. Fairclough, *New Labour, New Language?* (London: Routledge, 2000), p. 51.
36. This point is echoed in Blair's claim that 'the social capital literature… provides a large body of data to show that respect and trust are less evident in areas of high deprivation' (see T. Blair, *Blair 'respect' speech in full* [10 January 2006], p. 5).
37. A. Harvey, 'Social Justice', in A. Harvey, *Transforming Britain: Labour's Second Term* (London: Fabian Society, 2001), pp. 6–7.
38. Indeed, as Shaw points out, 'the prime cause of social exclusion (for those of workable age and their dependents) was seen as lack of income deriving from paid work and, hence, the most effective remedy (for those so capable) was engagement in the labour market'. See E. Shaw, *Losing Labour's Soul? New Labour and the Blair Government 1997–2007* (London: Routledge, 2007), p. 44, parentheses in original.
39. D. Purdy, 'New Labour and Welfare Reform', in D. Coates and P. Lawler (eds), *New Labour in Power* (Manchester: Manchester University Press, 2000), p. 183.
40. Blair, *Let Us Face the Future – the 1945 Anniversary Lecture*, p. 14.
41. The National Minimum Wage, the Working Families Tax Credit (WFTC) and the Disabled Person's Tax Credit were launched in 1999, while the Child Tax Credit and the Working Tax Credit were introduced in April 2003. Johnson notes that, although WFTC was heralded as a 'major new policy innovation, this is effectively a more generous version of the Family Credit benefit introduced and expanded by the Conservatives'. However, he identifies the introduction of the 'childcare credit' as a significant development that could substantially improve work incentives for lone parents in particular. See P. Johnson, 'New Labour: A Distinctive Vision of Welfare Policy?', in S. White (ed.), *New Labour: The Progressive Future?* (Basingstoke: Palgrave, now Palgrave Macmillan, 2001), p. 69.
42. HM Treasury and Department for Work and Pensions, *Full Employment in Every Region* (London: HMSO, 2003), p. 2.
43. According to the Department for Work and Pensions, Jobcentre Plus has 'merged the Employment Service and the working age parts of the Benefits Agency and will … provide a work-focused service to all people making a claim to benefit'. See Department for Work and Pensions, *Pathways to Work: Helping People into Employment*, Cm 5690 (London: HMSO, 2002), p. 21. Meanwhile, New Labour published its National Skills Strategy in 2003, which aimed to 'ensure employers have the right skills to support the success of their businesses, and individuals have the skills they need to be both employable and personally fulfilled'. See HM Treasury, DWP and DfES, *Supporting Young People to Achieve: Towards a New Deal for Skills* (London: HMSO, 2004), p. 47. The drive to improve skills is a key element of New Labour's welfare policy, on the ground that, as Brown observes, 'the concentration of long-term unemployment among the badly educated suggests that inadequate skills must be an important part of the reason for persistent unemployment'. See G. Brown, *Fair Is Efficient – a Socialist Agenda for Fairness* (London: Fabian Society, 1994), p. 9.

44. G. Brown and A. Darling, 'Foreword', in HM Treasury and Department for Work and Pensions, *The Changing Welfare State: Employment Opportunity for All* (London: HMSO, 2001), p. iii.
45. HM Treasury and Department for Work and Pensions, *Full Employment in Every Region*, p. 3.
46. C. Oppenheim, 'Enabling Participation? New Labour's Welfare-to-Work Policies', in S. White (ed.), *New Labour: The Progressive Future?* (Basingstoke: Palgrave, now Palgrave Macmillan, 2001), p. 80.
47. A. Finlayson, *Making Sense of New Labour* (London: Lawrence and Wishart, 2003), p. 164.
48. M. Bevir, *New Labour: A Critique* (Abingdon: Routledge, 2005), p. 91.
49. Johnson, 'New Labour: A Distinctive Vision of Welfare Policy?', p. 65.
50. R. Layard, *Welfare-to-Work and the New Deal* (London: Centre for Economic Performance, 2001), p. 3.
51. HM Treasury and Department for Work and Pensions, *Full Employment in Every Region*, p. 3. More specifically, 'effective labour market policy, by boosting both output and employment, helps ensure that the gains of economic growth accrue to the many rather than the few' (p. 1).
52. T. Blair, *PM's Speech to the Christian Socialist Movement at Westminster Central Hall* (29 March 2001), p. 2.
53. S. Driver, 'North Atlantic Drift: Welfare Reform and the "Third Way" Politics of New Labour and the New Democrats', in Hale, Leggett and Martell, *The Third Way and Beyond*, p. 41.
54. Driver 'North Atlantic Drift', p. 41.
55. R. Taylor, 'New Labour, New Capitalism', in A. Seldon (ed.), *Blair's Britain, 1997–2007* (Cambridge: Cambridge University Press, 2007), p. 221. According to Taylor, this aspect of the New Deals 'could be traced in Labour policy thinking back to the 1980s and perhaps even earlier', p. 221.
56. T. Blair, *The Courage of Our Convictions: Why Reform of the Public Services Is the Route to Social Justice* (London: Fabian Society, 2002), p. 2.
57. Fairclough, *New Labour, New Language?*, p. 65.
58. Goes, 'Politics of Community', p. 116.
59. Blair, 'Crime and Society', p. 3.
60. Hickson, 'Equality', p. 128.
61. Goes, 'Politics of Community', p. 119.
62. Driver and Martell, *New Labour*, p. 108.
63. Home Office, *Respect and Responsibility: Taking a Stand against Anti-social Behaviour*, Cm 5778 (London: HMSO, 2003), p. 8. According to the Respect Task Force, 'Anti-social behaviour and offending by men have their origins in early childhood in 90% of cases' (Respect Task Force, *Respect Action Plan*, p. 17).
64. Goes, 'Politics of Community', p. 118.
65. Home Office, *No More Excuses: A New Approach to Tackling Youth Crime in England and Wales*, Cm 3809 (London: HMSO, 1997), p. 9. Thus, 'early intervention to prevent problems can be seen as having two meanings: early in terms of age or early in terms of the onset of a problem – whatever the age of the individual'. Cabinet Office, *Reaching Out: An Action Plan on Social Exclusion* (London: Cabinet Office, 2006), p. 19.

66. Blair, *PM's Speech to the Christian Socialist Movement at Westminster Central Hall*, p. 3.
67. Home Office, *Respect and Responsibility*, p. 21.
68. T. Blair, 'Prime Minister's Foreword', in Respect Task Force, *Respect Action Plan* (London: Home Office, 2006), p. 1.
69. Home Office, *Respect and Responsibility*, p. 23.
70. Respect Task Force, *Respect Action Plan*, p. 19.
71. YOTs are made up of police officers, social workers, probation officers and staff from the education and health authority, and are managed by a YOT manager. Their role is to identify and address the underlying causes of a young person's offending behaviour, with the aim of preventing them reoffending in the future. Home Office, *No More Excuses*, pp. 35–6.
72. Respect Task Force, *Respect Action Plan*, p. 19.
73. Home Office, *Respect and Responsibility*, p. 25 and p. 8.
74. Home Office, *Respect and Responsibility*, p. 27.
75. Home Office, *Respect and Responsibility*, p. 27.
76. Home Office, *Together: Tackling Anti-Social Behaviour* (London: Home Office, 2003), p. 5.
77. Home Office, *Respect and Responsibility*, p. 12.
78. Home Office, *Respect and Responsibility*, p. 18.
79. Home Office, *Together*, p. 9.
80. D. Blunkett, 'Foreword', in Home Office, *Together*, p. 1.
81. Blunkett, 'Foreword', p. 1.
82. Home Office, *Respect and Responsibility*, p. 6.
83. Coates, *Prolonged Labour*, p. 142.
84. NAPO is the trade union for probation officers and family court staff.
85. S. Knight and agencies, '"Problem" families face eviction as Tony Blair demands Respect', *The Times* (10 January 2006).
86. I. Parmar, 'New Labour and "Law and Order"', in D. Coates and P. Lawler (eds), *New Labour in Power* (Manchester: Manchester University Press, 2000), p. 218.
87. Parmar, 'New Labour and "Law and Order"', p. 219.
88. This image of Labour was created by the Thatcherites in their efforts to delegitimise the Party. For a fuller discussion of this point, see S. Hall, *The Hard Road to Renewal: Thatcherism and the Crisis of the Left* (London: Verso, 1988).
89. BBC News Online, 'Brown is UK's new prime minister' (27 June 2007).
90. P. Gould, *The Unfinished Revolution: How the Modernisers Saved the Labour Party* (London: Abacus, 1999), p. 218.
91. A. Giddens, 'It's time to give the Third Way a second chance', *Independent* (28 June 2007).
92. Giddens, 'It's time to give the Third Way a second chance'.
93. See Department for Children, Schools and Families, *Youth Taskforce Action Plan* (Nottingham: DCSF Publications, 2008).
94. P. Wintour, 'Blair's Respect agenda ditched, claim Tories', *Guardian* (24 December 2007).
95. These groups are low-earning couples without children, single working people without children and tax-paying women aged between 60 and 64.

See I. Oakeshott and D. Leppard, 'Gordon Brown cornered as rebellion over 10p tax reform grows', *The Times* (20 April 2008).
96. Hickson, 'Equality', p. 128.

8 What Makes Progressive Ideology? Lessons from the Third Way

1. A. Giddens, *Over to You, Mr. Brown* (Cambridge: Polity, 2007), p. xiii.
2. See, for example, W. Hutton, *The Stakeholding Society: Writings on Politics and Economics* (Cambridge: Polity, 1999); S. Hale, 'The Communitarian "Philosophy" of New Labour', in S. Hale, W. Leggett and L. Martell (eds), *The Third Way and Beyond: Criticisms, Futures, Alternatives* (Manchester: Manchester University Press, 2004), pp. 87–107.
3. A. Giddens, *The Third Way: The Renewal of Social Democracy* (Cambridge: Polity, 1998); T. Blair, *The Third Way: New Politics for the New Century* (London: Fabian Society, 1998).
4. See, for example, G. Brown, *Fair Is Efficient: A Socialist Agenda for Fairness* (London: Fabian Society, 1994), for an early statement of Brown's work-centred, supply-side analysis that foreshadows much of the Third Way.
5. See, for example, A. Callinicos, *Against the Third Way: An Anti-capitalist Critique* (Cambridge: Polity, 2001); P. Cammack, 'Giddens' Way with Words', in Hale, Leggett and Martell (eds), *The Third Way and Beyond*, pp. 151–66; S. Hall, 'New Labour's Double-shuffle', *Soundings* 24 (2003), pp. 10–24.
6. See, for example, J. Redwood, *Third Way – Which Way?* (London: Middlesex University Press, 2002); I. Stelzer, 'Brown's Third Way won't beat the American model', *Sunday Times* (20 March 2005).
7. S. Driver and L. Martell, *New Labour: Politics after Thatcherism* (Cambridge: Polity, 1998).
8. A. Vincent, 'New Ideologies for Old?', *Political Quarterly* 69.1 (1998), pp. 48–58.
9. For an extended discussion of the political sociology of the Third Way, see W. Leggett, *After New Labour: Social Theory and Centre-Left Politics* (Basingstoke: Palgrave, now Palgrave Macmillan, 2005).
10. See, for example, U. Beck et al., *Reflexive Modernization: Politics, Tradition and Aesthetics in the Modern Social Order* (Cambridge: Polity, 1994); A. Giddens, *Beyond Left and Right: The Future of Radical Politics* (Cambridge: Polity, 1994).
11. See, for example, U. Beck and E. Beck-Gernsheim, *Individualization: Institutionalized Individualism and Its Social and Political Consequences* (London: Sage, 2001).
12. Giddens, *Third Way*, p. 64.
13. Ibid., p. 65.
14. Cited in N. Birnbaum, 'Is the Third Way Authentic?', *New Political Economy* 4.3 (1999), p. 437.
15. See, for example, C. Mouffe, *On the Political* (London: Routledge, 2005), Chapter 3.
16. A. Giddens, 'Neoprogressivism: A New Agenda for Social Democracy', in A Giddens (ed.), *The Progressive Manifesto* (Cambridge: Polity, 2003), p. 6.

17. Giddens, *Over to You, Mr. Brown*, p. 28.
18. Ibid., p. xiii.
19. R. Hattersley, 'It's no longer my party', *The Observer* (24 June 2001).
20. Blair, *Third Way*, p. 3.
21. T. Blair, Speech to the World Affairs Council, Los Angeles (1 August 2006).
22. G. Brown, Labour Leadership Acceptance Speech (24 June 2007).
23. Giddens, *Over to You, Mr. Brown*, p. 59.
24. J. Cruddas and J. Rutherford, 'Out-thought by the Tories', *The Guardian* (10 May 2008).
25. Hall, 'New Labour's Double-Shuffle', p. 12.
26. A. Finlayson, 'Making Labour Safe: Globalisation and the Aftermath of the Social Democratic Retreat', in G. Hassan (ed.), *After Blair: Politics after the New Labour Decade* (London: Lawrence & Wishart, 2007).
27. Giddens, 'Neoprogressivism'.
28. See, for example, T. Woodley, 'Expel the Blairites, now', *The Guardian* (25 July 2008).
29. See, for example, J. Hutton, 'Uncapping success: Labour must remain enthusiastic about financial success', *Progress* (1 April 2008); Opinion, 'Never say die: New Labour's case remains as strong as ever', *Progress* (23 June 2008). Both articles available on the *Progress* website at <www.progressonline.org.uk>.
30. S. Goss, 'Re-imagining the Public Realm', in Hassan (ed.), *After Blair*, pp. 107–19.
31. N. Lawson and H. Shah, 'The Next Progressive Political Wave', in Hassan (ed.), *After Blair*, pp. 185–98.
32. Giddens, *Over to You, Mr. Brown*.
33. See, for example, D. Marquand, *Decline of the Public* (Cambridge: Polity, 2004).
34. Lawson and Shah, 'The Next Progressive Political Wave'.

10 New Labour, New Liberalism and Revisionism's Second Wave

1. Raymond Plant was kind enough to allow me time to interview him for this paper. I would also like to thank Rodney Barker, Matt Beech, Kevin Hickson, Louise Thomas and participants at the First Conference in UK Political Ideologies at the University of Liverpool in July 2007, who all commented on earlier versions of this paper. I would also like to acknowledge the support of the ESRC for a studentship (PTA-030-2003-00029) of which this research was originally a part.
2. P. Collins and R. Reeves, 'Liberalise or Die', *Prospect* (June 2008), p. 147 <http://www.prospect-magazine.co.uk/article_details.php?id=10177>.
3. Collins and Reeves, 'Liberalise or Die'.
4. Ipsos MORI, 'Voting Intention in Great Britain (Certain to Vote)' (Wednesday, 9 April 2008), <http://www.ipsos-mori.com/content/turnout/voting-intention-in-great-britain-certain-to-vote.ashx>.
5. Allegra Stratton and Agencies, '"Underdog" Brown begins fightback after Labour election flop', <guardian.co.uk> (Sunday, 4 May 2008), <http://www.guardian.co.uk/politics/2008/may/04/labour.gordonbrown>.
6. Collins and Reeves, 'Liberalise or Die'.

7. Collins and Reeves, 'Liberalise or Die'.
8. The attack was aimed at the early Fabianism of the Webbs and G. B. Shaw, rather than the contemporary Fabian think-tank – many of the recent publications of which, including Raymond Plant's, the organisation's founders would have been deeply suspicious. The contemporary Fabian General Secretary, Sundar Katwaler, played down the differences between the early Fabians and their successors in his response to Collins and Reeves. S. Katwala, 'The Fabian tradition is a source of fresh ideas, not a poisoned well', *Guardian* (Thursday 29 May 2008).
9. Collins and Reeves, 'Liberalise or Die'. Brown may have felt that to be attacked for being too far to the left at least marked a novel departure from much of the criticism of recent years.
10. BBC, 'Miliband urges Labour enthusiasm' (Saturday, 19 January 2008; available from: <http://news.bbc.co.uk/1/hi/uk_politics/7197467.stm>, accessed 28 June 2009).
11. The fight over Crosland's legacy is strongly felt. See, for example, S. Meredith, 'Mr Crosland's Nightmare? New Labour and Equality in Historical Perspective', *British Journal of Politics and International Relations* 8.2 (2006), pp. 238–55; K. Hickson, 'Reply to Stephen Meredith: Mr. Crosland's Nightmare? New Labour and Equality in Historical Perspective', *British Journal of Politics and International Relations* 9.1 (2007), pp. 165–8; S. Meredith, 'New Labour and Equality: A Response to Hickson', *British Journal of Politics & International Relations* 9.1 (2007), pp. 169–70.
12. This chapter focuses on social democratic revisionism in the UK during the post-war period. Outside the limits of time and geography imposed here, the German revisionist thinker Eduard Bernstein is of particular note. Although Bernstein's work had limited influence on the British labour movement when it was first published, it was of influence on the first wave of post-war British revisionists. Crosland, in particular, was influenced by Bernstein's thought. The 21-year-old Crosland wrote to a friend in 1940, 'I am engaged on a great revision of Marxism, & will certainly emerge as the modern Bernstein' (D. Leonard, 'Introduction', in A. Crosland, *The Future of Socialism* (London: Constable in association with Fabian Society, 2006, originally 1956), p. xii.
13. Many of whom contributed to the earlier revisionist text, *New Fabian Essays*. R. Crossman (ed.), *New Fabian Essays* (London: Turnstile Press, 1952).
14. The train metaphor is from Rodney Barker. This is not to say there was not significant dissent in the wider parliamentary party before 1951, particularly from the Keep Left Group – see, for example, J. Schneer, 'Hopes Deferred or Shattered: The British Labour Left and the Third Force Movement, 1945–49', *Journal of Modern History* 56.2 (June 1984), pp. 198–226.
15. Aneurin Bevan, *In Place of Fear* (New York: Simon and Schuster, 1952). Nationalisation was not the only area of debate between right and left of the Party; there were also significant differences over foreign policy, among other areas.
16. Crosland, *Future of Socialism*, XXV, IV.
17. Collins and Reeves, 'Liberalise or Die'.
18. I use the term 'neoliberalism' in this chapter, largely because I am focusing on a debate between two elements of the liberal tradition. Other writers have talked about the rise of a 'New Right' or of the return of 'economic' or 'classical liberalism'. Although each of these terms contains different implications,

there is considerable overlap in the ideologies they describe. Perhaps the best account of the melange of economic liberalism with cultural conservatism in the second half of the twentieth century was written by Andrew Gamble: A. Gamble*, The Free Economy and the Strong State: The Politics of Thatcherism* (Durham, NC: Duke University Press, 1988).

19. M. Thatcher, *The Path to Power* (London: HarperCollins, 1995), p. 50.
20. J. Cassidy, 'The Price Prophet' (2000) (online). Available from: <http://www.hooverdigest.org/003/cassidy.html> (accessed 14 August 2006).
21. S. Estrin and J. Le Grand (eds), *Market Socialism* (Oxford: Clarendon Press, 1989), p. v.
22. Interview with the author (5 June 2007).
23. Plant was described by Ralf Dahrendorf as a 'Hayek of the Left' (in J. Espada, *Social Citizenship Rights: A Critique of F. A. Hayek and Raymond Plant* [London: MacMillan, 1996], p. x). This is, to some degree, misleading. Hayek's work was notable – at least after the publication of *The Road to Serfdom* (London: Routledge, 1944) – for its polemical quality, and its lack of engagement with the arguments of his opponents. In return, the left largely avoided any serious engagement with him. Plant provided an early exception: his work is a serious and thoughtful engagement with the opposing point of view.
24. Crosland, *Future of Socialism,* XXIV, I.
25. There is only space here to discuss a small proportion of his academic output, which includes a significant contribution to the history of political thought through his work on Georg Hegel.
26. Political Studies Association, 'Lifetime Achievement in Political Studies', *Political Studies Association Awards 2003,* <http://www.psa.ac.uk/awards2003/plant.htm>.
27. See, for example, J. P. Mackintosh, 'Socialism or Social Democracy?', *Political Quarterly* 43 (l972), pp. 470–84, and 'Has Social Democracy Failed in Britain?', *Political Quarterly* (July to September 1978), pp. 259–270; E. Luard, *Socialism at the Grass Roots* (London: Fabian Society, 1980).
28. J. Willman, 'Man in the News: The Seeds of a Political Storm – Raymond Plant', *Financial Times* (online) (3 April 1993), available from: <www.lexisnexis.com/uk/business> (accessed 17 July 2006).
29. R. Plant, 'Master of the Market; Commentary', *The Times* (online) (8 May 1989), available from: <www.lexisnexis.com/uk/business>, accessed 17 July 2006.
30. I use the terms 'social democracy' and '(democratic) socialism' interchangeably for the purposes of this chapter.
31. F. Hayek, *The Road to Serfdom* (London: Routledge, 1944), p. 24.
32. F. Hayek, 'Economics and Knowledge', *Individualism and Economic Order* (Chicago and London: The University of Chicago Press, 1948, originally 1936), p. 79.
33. Hayek, 'Economics and Knowledge', p. 79.
34. Hayek, 'Economics and Knowledge', p. 84.
35. Hayek, 'Economics and Knowledge', p. 84.
36. Hayek, 'Economics and Knowledge', p. 86.
37. Hayek, 'Economics and Knowledge', pp. 86–9.
38. Hayek, 'Economics and Knowledge', pp. 83–4.
39. Interview with the author (5 June 2007).

40. R. Plant, 'GEC Short-Circuit; Commentary', *The Times* (online) (16 January 1989; available from: <www.lexisnexis.com/uk/business>, accessed 17 July 2006).
41. See, for example, A. Gamble, *Hayek: The Iron Cage of Liberty* (Cambridge: Polity, 1996); and H. Wainwright, *Arguments for a New Left: Answering the Free-Market Right* (Oxford: Blackwell, 1994).
42. R. Plant, 'Socialism, Markets and End-states', in S. Estrin and J. Le Grand (eds), *Market Socialism* (Oxford: Clarendon Press, 1989).
43. Cited in Plant, 'Socialism, Markets and End-states', p. 52; R. Plant, 'Market Place for Everyone: Labour's Constitutional Changes Reflect a Move away from Dogma towards Greater Social Justice', *Guardian* (online) (20 March 1995). Available from: <www.lexisnexis.com/uk/business>, accessed 17 July 2006, and elsewhere.
44. Forms of this argument are found in R. Plant, H. Lesser and P. Taylor-Gooby, *Political Philosophy and Social Welfare: Essays on the Normative Basis of Welfare Provision* (London: Routledge and Kegan Paul, 1980); Plant, 'Socialism, Markets and End-states'; R. Plant, *Modern Political Thought* (Oxford, UK; Cambridge, Mass., USA: Blackwell, 1991), pp. 90–4, and elsewhere.
45. Plant, 'Socialism, Markets and End-states', p. 65.
46. Plant, *Modern Political Thought*, p. 92.
47. Plant, *Modern Political Thought*, p. 92.
48. Plant, *Modern Political Thought*, p. 93.
49. R. Plant, 'Hayek on Social Justice: A Critique', in J. Birner, R. Van Zijp (eds), *Hayek, Coordination and Evolution: His Legacy in Philosophy Politics Economics and the History of Ideas* (London: Routledge, 1994), pp. 170–1.
50. Negative concepts of liberty are often presumed to support right-wing argument, but freedom can be defined negatively by the left as well. The most explicit attempt to do this has come from G. A. Cohen, who first made a left-wing argument for negative freedom, in G. Cohen, 'Capitalism, Freedom and the Proletariat', in A. Ryan (ed.), *The Idea of Freedom* (Oxford: Oxford University Press, 1979), which provided an early response to the claims of the New Right on this form of liberty. The paper was revised as 'Capitalism, Freedom and the Proletariat', in D. Miller (ed.), *Liberty* (Oxford: Oxford University Press, 1991).
51. I. Berlin, 'Two Concepts of Liberty', in H. Hardy and R. Hausheer (eds), *The Proper Study of Mankind: An Anthology of Essays* (London: Pimlico, 1998).
52. In a well-known response to this claim Gerald MacCallum has pointed out that freedom is always both 'freedom from' and 'freedom to', and so it is both negative and positive. He argued that discussions of freedom, although they do not always make explicit each component, take the form of a 'triadic relation' encompassing both negative and positive liberty: 'x is (is not) free from y to do (not do, become, not become) z', where x ranges over agents, y ranges over 'preventing conditions' and z ranges over actions or conditions of character or circumstance (G. MacCallum, 'Negative and Positive Freedom', reprinted in D. Miller [ed.], *Liberty* [Oxford: Oxford University Press, 1991], p. 102).
53. F. Hayek, *The Constitution of Liberty* (London: Routledge, 1960), Chapter 1.
54. Plant, 'Socialism, Markets and End-states', p. 65; Plant, 'Hayek on Social Justice: A Critique', pp. 171–2.

55. These are arguments taken up in R. Plant, 'Political Theory without Foundations', *History of the Human Sciences* 5.3 (1992).
56. R. Plant, *Equality, Markets and the State* (London: Fabian Society, 1984), p. 7.
57. Plant, Lesser and Taylor-Gooby, *Political Philosophy and Social Welfare*, p. 33.
58. Plant's argument bears similarities to that of those liberals whose central concern has been individual autonomy. The canonical figure in this tradition is J. S. Mill, notably J. S. Mill, 'On Liberty', in G. Williams (ed.), *Utilitarianism, on Liberty, Considerations on Representative Government* (London: Everyman, 1993), with Joseph Raz, among others, providing an important contemporary expression: J. Raz, *The Morality of Freedom* (Oxford: Clarendon Press, 1988).
59. Plant, Lesser and Taylor-Gooby, *Political Philosophy and Social Welfare*, p. 38.
60. A. Gewirth, *Reason and Morality* (Chicago and London: University of Chicago Press, 1978), and *Human Rights: Essays in Justification and Applications* (Chicago and London: University of Chicago Press, 1982).
61. Plant, *Equality, Markets and the State*, pp. 6 and 27.
62. Plant largely accepted the empirical claim that society was becoming more pluralistic in its values. His report arguing for electoral reform, carried out for the Labour Party, was partly based on a sociological assessment of social and value pluralism. Its conclusions, which called for reform of the electoral system, led the journalist John Willman to describe him as 'an unlikely harbinger of political revolution' – see Willman, 'Man in the News'. For Plant's work in this area, see R. Plant, *'The Plant Report' – Democracy, Representation and Elections: Report of the Working Party on Elections* (London: Labour Party, 1993).
63. Cited in Plant, 'Socialism, Markets and End-states', p. 59.
64. Plant, 'Socialism, Markets and End-states', p. 63.
65. N. Bobbio, *Left and Right: The Significance of a Political Distinction* (Cambridge: Polity, 1996), p. 62.
66. A. Sen, 'Equality of What? The Tanner Lecture on Human Values', Stanford University (online), 1979. Available from: <http://www.tannerlectures.utah.edu/lectures/sen80.pdf>, accessed 17 July 2006.
67. Plant, 'Socialism, Markets and End-states', p. 64; R. Plant, 'Hardly Poor by Choice', *The Times* (online) (Monday, 2 April 1990; available from <www.lexisnexis.com/uk/business>, accessed 17 July 2006).
68. Plant, *Equality, Markets and the State*, p. 26.
69. K. Hoover and R. Plant, *Conservative Capitalism in Britain and the United States: A Critical Appraisal* (London: Routledge, 1989), p. 220.
70. Plant, 'Socialism, Markets and End-states', p. 68. The argument is also made in Plant's earlier work, where the authors write that equality before the law plus the Hayekian argument for value pluralism result in there being 'no moral grounds for saying that some people deserve to have more effective basic liberty …' (Hoover and Plant, *Conservative Capitalism in Britain and the United States*, p. 211; also cited in J. Espada, *Social Citizenship Rights: A Critique of F. A. Hayek and Raymond Plant* [London, MacMillan, now Basingstoke: Palgrave Macmillan, 1996], p. 112).
71. Hoover and Plant, *Conservative Capitalism in Britain and the United States*, p. 224; also cited in Espada, *Social Citizenship Rights*, p. 117.
72. J. Rawls, *A Theory of Justice* (Cambridge, Mass.: Belknap Press, 1971), p. 303.
73. Espada, *Social Citizenship Rights*, p. 118.

74. K. Popper, *Unended Quest: An Intellectual Autobiography* (London: Routledge, 2002), p. 36.
75. This claim is phrased in terms of British political debate. Outside that context, Hegel has been the dominant influence upon Plant, who commented in 1997 that 'Major thinkers in this century ... are scarcely comprehensible without understanding their relation to Hegel' and specifically cited the New Liberal T. H. Green, as a thinker who worked in Hegel's 'shadow' (R. Plant, *Hegel* [St. Ives: Phoenix, 2003, originally 1997], p. 3).
76. Notably, in D. Lipsey and D. Leonard (eds), *The Socialist Agenda: Crosland's Legacy* (London: Cape, 1981); D. Leonard (ed.), *Crosland and New Labour* (London: Palgrave, now Basingstoke: Palgrave Macmillan, 1998); and R. Plant, M. Beech and K. Hickson (eds), *The Struggle for Labour's Soul* (London and New York: Routldge, 2004).
77. Interview with the author (5 June 2007).
78. Interview with the author (5 June 2007).
79. Interview with the author (5 June 2007).
80. Plant, 'Hardly Poor by Choice'.
81. D. Miller, 'Why Markets?', in S. Estrin and J. Le Grand, *Market Socialism* (Oxford: Clarendon Press, 1989), p. 32.
82. Le Grand, quoted Backbencher, 'My First Vote', *Guardian Unlimited* (online) (18 June 2003), available from: <http://politics.guardian.co.uk/backbencher/story/0,10599,980148,00.html>, accessed 23 March 2006.
83. Plant, *Equality, Markets and the State*, p. 9.
84. Plant, *Equality, Markets and the State*, pp. 9–10.

12 Gordon Brown, 'Britishness' and the Negation of England

1. G. Brown, Speech to the Labour Party (25 June 2007).
2. British Broadcasting Corporation, transcript of an interview between Gordon Brown and Andrew Marr for the *Sunday AM*, BBC1 television programme (7 January 2007), <www.bbc.co.uk/hi/uk_politics/624819.stm>, accessed 8 March 2008.
3. Her Majesty's Government, *The Government's Draft Legislative Programme*, Cm. 7372 (London: The Stationery Office, 2007), Ministry of Justice, *The Governance of Britain*, Cm. 7170 (London: The Stationery Office, 2007).
4. For a detailed analysis, see S. Lee, *Best for Britain? The Politics and Legacy of Gordon Brown* (Oxford: Oneworld, 2007), pp. 103–31.
5. See Lee, *Best for Britain?*, pp. 69–102.
6. For an outline and critique of this model, see S. Lee, 'The British Model of Political Economy', in M. Beech and S. Lee (eds), *Ten Years of New Labour* (Basingstoke: Palgrave Macmillan, 2008), pp. 17–34.
7. These proposals were developed in a series of speeches – G. Brown, Annual British Council Lecture, London (7 July 2004); G. Brown, 'The Future of Britishness', Speech to the Fabian Society 'Future of Britishness' conference, London (14 January 2006); and G. Brown, 'Securing Our Future', Lecture at the Royal Institute of International Affairs, Chatham House, London (13 February 2006).

8. The lecture was published as G. Brown, 'Outward Bound', *Spectator* (8 November 1997), pp. 15–16.
9. For a definition of 'earned autonomy' and 'constrained discretion', see Lee, *Best for Britain?*, pp. 106–10.
10. Brown, 'Future of Britishness'.
11. Brown, 'Future of Britishness'.
12. T. Dalyell, *Devolution: The End of Britain?* (London: Cape, 1977), p. 247.
13. G. Brown, Speech at the Smith Institute, London (15 April 1999).
14. G. Brown, Speech at the University of Manchester Institute of Science and Technology (20 January 2001).
15. Brown, Speech at Smith Institute (15 April 1999).
16. For a series of examples of misquotations, see Lee, *Best for Britain?*, pp. 145–9.
17. This thesis is developed at length in S. Lee, 'Gordon Brown and the "British Way"', *Political Quarterly* 77.3 (2006), pp. 369–78.
18. G. Brown, Speech at Smith Institute (15 April 1999).
19. G. Orwell, *The Lion and the Unicorn: Socialism and the English Genius* (1941; London: Secker and Warburg, 1962), p. 58.
20. Orwell, *Lion and the Unicorn*, pp. 19–20.
21. BBC, transcript of interview between Gordon Brown and Andrew Marr (7 January 2007).
22. D. Dewar, 'Foreword' to The Scottish Office, *Scotland's Parliament,* Cm. 3658 (Edinburgh: The Scottish Office, 1997).
23. BBC, transcript of interview between Gordon Brown and Andrew Marr (7 January 2007).
24. G. Brown and D. Alexander, *Stronger Together: The 21st Century Case for Scotland and Britain* (London: Fabian Society, 2007), p. 25.
25. J. Major, *Trust the People: Keynote Speeches of the 1992 General Election Campaign* (London: Conservative Political Centre, 1992); G. Brown, 'We must defend the Union', *Daily Telegraph* (25 March 2008).
26. House of Commons, *Planning Bill II*, introduced 27 November (London: House of Commons, 2008), p. 1.
27. For more details of this programme, see Department of Heath, *A Consultation on the NHS Constitution* (London: Department of Health, 2008).
28. See Labour Party, *The Labour Party Manifesto 2005* (London: Labour Party, 2005), especially Chapters 4, 8 and 9.
29. Ministry of Justice, *Governance of Britain*, p. 6.
30. G. Brown, Constitutional Reform statement, 3 July (London: Prime Minister's Office, 2007; <www.number10.gov.uk/output/Page12274.asp>, accessed 29 March 2008).
31. Ministry of Justice, *Governance of Britain*, pp. 10–11.
32. Ministry of Justice, *Governance of Britain*, pp. 38–9.
33. For a detailed analysis of New Labour's agenda for the English regions, see S. Lee, 'Constrained Discretion and Regional Governance: The Case of Yorkshire and the Humber', in J. Bradbury (ed.), *Devolution, Regionalism and Regional Development* (London: Routledge, 2007), pp. 130–46.
34. Ministry of Justice, *Governance of Britain*, p. 8.
35. Department for Communities and Local Government, *Communities in Control: Real People, Real Power*, Cm. 7427 (London: Stationery Office, 2008).

36. Department for Communities and Local Government, *Communities in Control*, pp. i–iv.
37. Department for Communities and Local Government, *Communities in Control*, p. 10.
38. Department for Communities and Local Government, *Communities in Control*, p. 2.
39. Department for Communities and Local Government, *Communities in Control*, pp. 17 and 23.
40. Department for Communities and Local Government, *Communities in Control*, p. 20.
41. S. Weir, 'A Super-Quango Is Born', *Open Democracy News Analysis* (2008; <www.opendemocracy.net/blog/ourkingdom-theme/stuart-weir/2008/07/28/a-super-quango-is-born>, accessed 28 July 2008).
42. Weir, 'A Super-Quango Is Born'.
43. D. Beetham, A. Blick, H. Margetts and S. Weir, *Power and Participation in Modern Britain* (Colchester: Democratic Audit, 2008), p. 12.
44. Beetham, Blick, Margetts and Weir, *Power and Participation in Modern Britain*, pp. 12–13.
45. Local Government Association, *Eco-towns: Back to the Future?* (London: Local Government Association, 2008), p. 2.
46. Local Government Association, *Eco-towns*, p. 2.
47. Local Government Association, *Eco-towns*, p. 6.
48. Local Government Association, *Who's Accountable for Health? LGA Health Commission Final Report* (London: Local Government Association, 2008), p. 2.
49. Local Government Association, *Who's Accountable for Health?*, pp. 3 and 10.
50. Local Government Association, *Who's Accountable for Health?*, pp. 15 and 76.
51. For a detailed analysis of the limitations of the top-down approach to the reform of public services in England, see Lee, *Best for Britain?*, pp. 103–31.
52. B. Bragg, *The Progressive Patriot: A Search for Belonging* (London: Bantam Press, 2006); M. Perryman (ed.), *Imagined Nation: England after Britain* (London: Lawrence & Wishart, 2008); P. Kingsnorth, *Real England: The Battle against the Bland* (London: Portobello Books, 2008).
53. G. Hassan, 'A Short History of the Future: The Story of the Beginning of the Break-up of the UK', in M. Perryman (ed.), *Imagined Nation: England after Britain* (London: Lawrence and Wishart, 2008), p. 153.
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