

# THE BRITISH LABOUR PARTY'S TRANSITION FROM SOCIALISM TO CAPITALISM

Colin Leys

...each age, even each decade, has its little cant word coiled up inside real discourse like a tiny grub in the middle of an apple. Each age, even each decade, is overly impressed for a little while by half-way bright youngish men on the make who adeptly manipulate the current terminology at precisely the right moment to make precisely the right impression on those who are a little older, a little less intelligent and considerably less alert.'

Dennis Potter wrote these words in 1993, about the way the BBC was being denatured and commercialised in the name of 'management'. In the case of the Labour Party, the 'little cant word' is 'modernisation' (although a strong dose of 'management' comes with it)? In its name, a new kind of party, more and more removed from what is left of the labour movement and from its active membership in the constituencies, is being constructed. And the means used to accomplish this – an unprecedented concentration of power in the hands of the party leader – has also elevated him in relation to back-bench Labour **MPs**, and perhaps even, to a greater extent than in the past, his Shadow Cabinet colleagues.

The aim has been to allow the leader to determine party policy with at most the nominal approval of the party outside parliament, *i.e.* both its trade union wing and its constituency activists – and to be seen by the media to do so. But the process also means that for the first time in the party's history the leader is also almost completely free from the influence of the party's traditional ethos – the mix of values and practices, evolved over some 150 years of collective political effort, which has hitherto defined the priorities and principles underlying party policy.

By no means everything in this ethos was admirable – as Henry Drucker pointed out in 1979, it contained a great deal that was archaic, anti-intellectual, and so on;<sup>3</sup> but it also comprised the most egalitarian, humanistic, unselfish, internationalist and brave elements of progressive British culture. Previous party leaders were influenced by this ethos in different ways and to different degrees: but none has been as untouched by it as Tony Blair, either before he became leader in July 1994 or since.<sup>4</sup> Not only is he not someone formed by the party's ethos, or much constrained by it

in his day to day work as party leader; in the Leader's Office (*i.e.* the official parliamentary office of the Leader of the Opposition), and in his most intimate circle of political friends, he operates in a milieu based on a different ethos, an ethos of professional politics based on higher education, management skills, and the culture of the communications industry. Some of the chief exponents of this ethos more or less openly despise that of the old labour movement, and while they may, like Blair, sometimes call themselves socialists, they no longer think of socialism as an alternative social and economic system to capitalism.

The Labour Party was, to be sure, not formed as a political party dedicated to replacing capitalism with socialism, but as a parliamentary voice for wage workers. But electoral success led to the evolution of the LRC into a mass political party which by 1944, when the 1930s depression had been followed by the social mobilisation of the second world war, led it to adopt and then implement a programme of reforms which in 1945 its leaders were happy to call socialist: including a commitment to full employment, the nationalisation of 20 percent of the economy, and the establishment of a comprehensive system of state-provided social security, health and other social services.

By 1995 all this had been abandoned as party policy, and the word 'socialism' now figured in party literature and the leader's speeches rather rarely, and always in carefully circumscribed language, usually **emphasising** the degree to which it is *not* socialism as it used to be understood. Socialism, for Blair in particular, refers to an ethical **ideal**: and for him, 'modernising' Labour **policy** means dropping all previous ideas about the **application** of that ideal; *i.e.*, not just 'old Labour' ideas about public ownership or the welfare state, but also, if not even more so, all the 'new left's' thinking and practice about participative democracy in the 1970s.

In this discourse, the one thing that is clearly modern is global capitalism; fundamentally, 'modernisation' means adapting to it. **As** a highly public token of this, soon after his election as leader Blair set himself the task of getting rid of the party's commitment to the principle of common ownership of the means of production, embodied in Clause Four of the party constitution, and replacing it with a portmanteau commitment to a range of values (a dynamic economy, a just society, an open democracy and a healthy environment) – including, crucially for the media, an endorsement of 'the enterprise of the market and the **rigour** of competition' and 'a thriving private **sector**'. After a two-month campaign of regional meetings with Labour Party members Blair secured a **two-thirds** majority for this change at a special party conference in April 1995. In the vote, 90 percent of the constituency parties' votes were cast in favour of the change, compared with only 54 percent of the trade union votes (though given that all that was needed was to drop a ballot paper in

the letter box the constituency 'turnout' – or 'response rate' – was notably low); this reversal in the balance of forces – the constituency vote having previously been an activists' vote, and on the whole more left-leaning than the unions' – is a key measure of the change that has occurred.

Meantime the leadership also dissociated itself from almost any previous policy that the media had chosen to dub 'socialist': repudiating, for the future, increased taxation (even though Britain had become distinctly under-taxed by the standards of other European countries), all state '**intervention**' in the economy, and the restoration of trade union rights (not to mention any idea of requiring companies to be as internally democratic as unions); even disavowing any idea of reducing the tax privileges of private schools.

### *The transition under Kinnock, 1983–1992*

The origins of this transformation lie in the party's divided response to the crisis of British social democracy in the **1970s**, when the country's industrial weaknesses caught up with it. Chronic balance of payments difficulties forced a choice between two strategies: deflating the economy, allowing unemployment to rise, letting average real wages fall and hoping that private investment would restore competitiveness; or extending public control and forcing the pace through public investment. A majority of party activists, and the leadership of some of the biggest unions affiliated to the party, favoured the second option, while the Labour government in office from 1974 to 1979 pursued, in effect, the first. The result was a successful internal party campaign, whose most prominent champion was the former Industry minister Tony Benn, to change the party's constitution so as to make the leader and the Parliamentary Labour Party (PLP) more responsive to the views of the party outside parliament. Leaders were in future to be **chosen** by an electoral college drawn from the unions and constituency parties as well as the PLP; sitting Labour **MPs** had to submit themselves for reselection as candidates by their constituency parties before elections; and election manifestos had to be agreed between the Shadow Cabinet and the party's National Executive Committee (NEC). These changes were bitterly resisted and led to (or were the pretext for) the defection in **1981–82** of 27 **MPs** to form a new party, the Social Democratic Party. When Labour then proceeded to lose the 1983 election disastrously, the predominantly right-wing leadership and PLP blamed, not the defectors, but those who had spearheaded the constitutional changes, and who had also championed a strengthened public sector and other **left**-inclined policies which, they said, the result showed that voters did not want.

In reality, Labour's 1983 campaign was dominated by the right wing of

the leadership, who conducted all the media events while the left kept a low profile. And there are several important alternative explanations for the defeat, from the continuing opinion-poll effect of the 'Falklands factor' in favour of Mrs Thatcher, to Michael Foot's vacillating and uninspiring leadership, the accelerating consumer boom (for those in work) led by Reagan's spending programmes, and so on. But faced by a tabloid press plumbing new depths of malevolence against the left, the right, supported by the unions, decided to renounce it.

The party leader, Michael Foot, resigned immediately after the election, and the new leadership electoral college overwhelmingly endorsed the so-called 'dream ticket' candidatures of Neil Kinnock as leader and Roy Hattersley as ~~deputy.~~<sup>6</sup> Kinnock, although perceived as a 'soft' (i.e. anti-Benn) left-winger, responded to the party's predicament by establishing an altogether novel degree of personal control over it. Several circumstances allowed him to do this. First, the severity of the 1983 defeat created a mood of 'recovery at any price' in most sectors of the party. Second, 'coming from the left, he [Kinnock] did not alienate the constituency parties [which were still largely Bennite in outlook] in the way Wilson and Callaghan had'.<sup>7</sup> Third, Kinnock had been elected as leader by overwhelming majorities in all three sections of the new electoral college and so enjoyed a new kind of legitimacy. Fourth, the Office of the Leader of the Opposition now disposed of far more resources than ever before, thanks to a new funding policy introduced by Edward Short as Leader of the House of Commons in 1974. By 1983 the Labour front bench had at its disposal £440,000, and by 1988, £839,000, for research and assistance; and the trade unions even added a further £100,000 per annum for the free use of the ~~Leader.~~<sup>8</sup>

Kinnock immediately set about removing effective policy-making control from where the party constitution appeared to locate it, i.e. in the National Executive Committee (NEC) and the annual party Conference. As seen by Seyd and Whiteley, academic observers not unsympathetic to Kinnock, the party had become unpopular with the electorate because its policies reflected the views of its radical activists in the constituencies and the trade unions, who were unrepresentative of the electorate. Therefore

**The party leadership's first task. . . was to reduce the activists' powers. It could not afford just to ignore them, because of their possession of significant constitutional powers. Yet it was electorally inexpedient for the leadership to rely on the block votes of certain trade union leaders to maintain its position at the party conference, because of the trade unions' general unpopularity, even among their own members.'**

Kinnock's solution was to create a new system of Joint Policy Committees composed equally of NEC members and MPs. These effectively superseded the NEC's Home Policy and International Committees, with their myriad subcommittees of mainly coopted experts drawn from

the party's membership; and although the joint policy committees were chaired by NEC members, and assisted by secretaries drawn from both the party headquarters and PLP staff, effective control of their agendas and outcomes passed gradually into the hands of the leader and his professional advisers. Lewis **Minkin**, a seasoned and meticulous researcher on the party, commented that

... one must note the growing confidence, increasing resources and, at times, ruthless assertiveness of the PLP leaders, as they took full advantage of the mood change brought about by the defeat of 1983. From the first, the key Jobs and Industry Joint Committee was colonised by coopted supporters of the Shadow Chancellor and Deputy Leader. Key subcommittee chairs were taken by the Front Bench. An economic strategy emerged not only from the committee but in public speeches by Hattersley, in which the new direction was charted and new policy departures sometimes announced before they were taken into the Party's procedures. Through his political and policy advisers, the new Leader was able to exercise a selective but broad-ranging oversight... the Leader's assistants sat in on policy committees, formal and informal, taking initiatives, 'fighting fires', and letting others in the unions know 'what Neil **wants**'.<sup>10</sup>

The old tripartite NEC-PLP-TUC 'Liaison Committee', through which the NEC had formerly operated to secure pre-conference agreement on policy issues, was gradually sidelined. What now became dominant was the office of the Leader.

Kinnock also deployed his power directly against the party's so-called 'hard' left in other ways. He denounced the Trotskyist Militant Tendency and oversaw a series of measures to delegitimise it; he conspicuously dissociated himself from the mineworkers in their epic confrontation with the government over pit closures in 1984–85; he closed the party's mildly left-of-centre New **Socialist** magazine; and he successfully marginalised leading left-wing MPs such as Tony Benn and Eric Heffer in the party's inner councils.

Then in 1987 came the further shock of the party's third successive election defeat. A slick media-oriented campaign had failed to do more than beat back the challenge of the Liberal-SDP Alliance; the Conservatives returned with another large parliamentary majority. Now, instead of merely trying to reduce the visibility and influence of the left wing of the party, Kinnock initiated a more radical change in party policy, and a more radical loosening of the links tying the leadership to the party outside parliament.

The new overall 'Policy Review' set in motion by Kinnock after the 1987 defeat consisted of seven 'policy groups', each jointly chaired by a member of the NEC and a member of the Labour front bench. By now, what was at stake was how far the party should go in accepting the **legacy** of Thatcherism as a new 'settlement', as the Conservatives had once accepted that of 1945–51. In the end, the answer was mixed. 'The market' was accepted, as a potentially neutral means of allocating resources: but

emphasis continued to be laid on the need to redistribute wealth for more equal opportunities in the market. The state's role in industrial policy, environmental regulation, regional policy, training, competition, and control of natural monopolies, continued to be stressed, and public ownership was not renounced, although employee share ownership schemes, cooperatives and the public ownership of individual firms rather than whole industries were endorsed. On industrial relations, a return to the pre-Thatcher system was ruled out, though trade unions were to get more rights under a new, specialised system of industrial relations courts.

The results of the Policy Review registered the balance of forces and opinions in the party's NEC down to 1989. Of perhaps greater significance in the long run were a number of organisational changes that would eventually drastically reduce the significance of the NEC and indeed the whole **extra-parliamentary** party. ~~One~~ was the creation in 1985 of a 'Communications and Campaign Directorate' (CCD), directed by Peter Mandelson, which at its peak in 1986-87 had an annual budget of **£300.000** and **operated** in close collaboration with the leader's office and with virtually total autonomy from the administrative hierarchy in the rest of the party headquarters. Mandelson also set up a 'Shadow Communications Agency' (SCA), coordinated by a professional market research and advertising specialist, Philip Gould, and relying on a changing group of sympathetic volunteers from the same milieu to provide information about the electorate and recommend ways of appealing to it. Mandelson took the power of the media as a given and devoted himself to getting the party **to present** itself in ways that the media would report positively. Gould provided 'interpretations' of the opinions and attitudes of voters.

Much has been written about the influence of Mandelson and the SCA. In retrospect what seems most **significant** is that they were taken very seriously by Kinnock and that they reinforced three salient tendencies. First, to treat the electors primarily as consumers of party programmes, with already-given attitudes and interests, rather than as people who can be persuaded to **find** their needs and aspirations met in the party's project for social change. Second, to treat editors and journalists as the arbiters of what is sensible or acceptable, in a way that party members, or even national executive members, are not. Third, to treat professional interpreters of the electors' attitudes as authoritative.

The first tendency – treating voters as consumers with pre-given wishes – was noted and resisted by many in the party's senior leadership, yet it followed logically enough from defining the party's one and only task as that of winning the **next** election: even if the leader had been a thinker of vision, with a body of new philosophy and practical thinking to draw on, winning electoral support for it would have required much more time (and

propitious circumstances) than was afforded by the interval between two elections. As for accepting the power of editors and journalists to define what is sound and sensible and what is not, this too is defensible if their power to damage the party's short-term electoral prospects is once taken for granted. Acceptance of the authority of opinion researchers was more problematic, especially since the methods used by the Shadow Communications Agency involved a great deal of 'interpretation' and presentational slant, the aim of which seems to have been largely to jolt senior party personnel into recognising that even Labour voters were mostly uninterested in existing Labour politics, or even opposed to them. Using the same methods a team interested in finding the bases for a new long-term socialist strategy would undoubtedly have been able to do so, and to illustrate their findings with quotations just as evocative as 'it's nice to have a social conscience but it's your family that counts' and other Thatcherite-sounding statements quoted with such effect by the SCA in one of its first presentations, 'Society and Self';" for, contrary to the opinion of Hughes and Wintour, two commentators very close to Mandelson, the results of opinion research are never truly 'unequivocal'.<sup>12</sup>

Meanwhile, as the role assigned to 'communications' expanded, the role of party members was symbolically downgraded by the curious exercise called 'Labour Listens', mounted by the party's national headquarters in 1988–89. Meetings were organised throughout the country at which members of the public were invited to tell the party what they thought. The process was barely serious. There was no concern for the representativeness of the meetings, nor were any mechanisms put in place to ensure that what people said was fed into the Policy Review.<sup>13</sup> The one thing that was clear was that the meetings were not for listening to Labour activists. It was clearly an effort, however misconceived or even fraudulent, to link the party to the public over the heads of its active members, and to be seen to be doing so-

The grip of the leader's office on policy-making thus became more and more detailed and exclusive, and through Mandelson's management of press relations the leader's views gradually came to be treated as party policy by the media:

Again and again the Leader would let it be known through his private office what would and would not be Labour Party policy. The press grew accustomed to this and gave far more weight to these unattributable briefings than to the decisions of the annual Labour Party Conference. The Walworth Road [party headquarters] policy directorate became an irrelevance.<sup>14</sup>

In addition to keeping tight control over policy formation in the short run, Kinnock also pursued two linked strategies designed to reduce the long-term influence of both the unions and active party members. First, under the slogan 'one member one vote', all individual party members

would be able to vote in elections for the party leader, the selection of candidates for parliament, and delegates to annual conferences; balloting would be done by post. Kinnock and his advisers assumed (rightly, as the 1995 Clause Four vote was to prove), that this would reduce the influence of activists who attended meetings. On the basis that this gave more power to individual members Kinnock argued that more people would want to be members, envisaging a doubling of the membership from the then level of about 250,000 (at one time Kinnock rashly set a target of one million). Second, as individual membership rose, Kinnock proposed that the weight of the trade union block vote at annual conferences should be reduced.

These proposals addressed real problems. Party activists were indeed unrepresentative of the opinions of Labour supporters and voters (in fact in pre-Thatcher days surveys regularly showed the latter supporting Conservative policy planks more than Labour ones). Party leaders had always relied on the block votes of 'affiliated' trade union members to outvote the constituency-based activists at annual conferences, so that conference policy decisions produced what they saw as potentially winning election platforms. But this was increasingly indefensible, as trade union leaders cast millions of votes for members who were less and less politically involved. Enlarging the party's individual membership was in every way desirable. On the other hand dropping the need for members to attend any meetings in order to vote on policies, combined with the leadership's espousal of policies beamed so exclusively at 'middle England', gave the change a specific political meaning. What it seemed to portend was a North American-style party of professional politicians supported by a membership who were essentially donors and election helpers, not active participants in party policy formation.

These changes were not achieved by Kinnock, but by his successor John Smith (leader from 1992 to his premature death in 1994). 'One member one vote' (or OMOV, as the new system was called) was agreed at the 1993 Conference, and in the same year the unions agreed to a reduction of their joint weight in conference votes to 70 percent, and in candidate and delegate selection at constituency level to 40 percent; and also, in principle, to a future lowering of their collective voting power at annual conferences to 50 percent once individual membership surpassed 300,000. And building on this, Smith's successor Tony Blair sought still further reductions in the influence of the trade unions, ending union sponsorship of MPs and floating the idea of a still greater reduction in the weight of the union vote at conferences; he was also thought likely to put pressure on the unions to move towards balloting their members on policy issues before conference votes, on OMOV lines.<sup>15</sup> And in a further centralising move Blair persuaded the PLP to let the leader select the party's Chief Whip in the House of Commons.<sup>16</sup>

Apart from the OMOV issue, John Smith's leadership saw a halt to the **centralising** process and a notable reopening of policy debate, at least within the PLP. Mandelson had already left the Communications and Campaigns Directorate in 1989 to become MP for Hartlepool; the Directorate was now wound up, while Patricia Hewitt, Kinnock's former Press Secretary and a key architect of his centralisation measures, after overseeing the Policy Review, moved to a new Labour-oriented think-tank, the Institute for Public Policy Research, and thence to a high-powered job in the private sector. A more traditional style of leadership was reestablished.

### *'New Labour': the modernisation project of Tony Blair*

With Blair's election as leader in 1994, however, the **Kinnock** regime was revived, with the young staffers from the Leader's Office once more omnipresent, policy documents handed to members of the NEC at the door to be signed for and returned at the end of the meeting, and shadow cabinet members required to clear all their speeches with the Leader's Office in advance. Key players in Kinnock's team also reappeared. Mandelson **returned** to centre stage, after a celebrated 'secret' role as Blair's campaign manager in the leadership contest, as one of the new leader's closest advisers. He was appointed a junior whip, and in July 1995 was given charge of running a by-election campaign (in Littleborough and Saddleworth) which gained instant notoriety for appealing to right-wing authoritarianism and anti-tax attitudes, and for its use of negative personal attacks on the ultimately successful Liberal Democrat candidate; in October he was appointed to the front bench in the Deputy Leader's office. Hewitt remained in the private sector but returned to the inner circle as a member of an unofficial group of policy-makers run by Mandelson for Blair."

The OMOV strategy now began to show quite dramatic results. By **mid-1995**, according to Labour's General Secretary Tom Sawyer, 113,000 new members had joined since Blair became leader and the party's total membership had risen to 350,000. On the other hand, there was a corresponding loss of enthusiasm among activists, and in the same period 38,000 members had left. This was a serious exodus, but a price the leadership was evidently prepared to pay; an interesting example, in fact, of a government dismissing an unpopular electorate and choosing one it likes **better**.<sup>18</sup> The question was how far others in the PLP or the trade unions, whose support for the leadership remained, in spite of everything, electorally important – if only in not giving rise to displays of party disunity – would acquiesce. Signs accumulated that their toleration was wearing thin, but complaints were muted out of a desire to give the new

leader the benefit of every doubt, particularly given the party's unprecedented opinion poll ratings throughout his first year. A demand from Bill Morris, the leader of the Transport and General Workers Union, that there should be a pause in the 'modernisation' process after the special Clause Four conference, was disregarded, but party agents and workers reported that constituency party General Council meetings, once the focus of rank and file participation, were increasingly inoperative. Finally three events broke the issue open: Blair's decision to accept an invitation to address a conference of Rupert Murdoch's News International group in Australia, Peter Mandelson's conduct of the Littleborough and Saddleworth by-election, and Blair's announcement that he wanted an early end to trade union sponsorship of **MPs**.

Murdoch's newspapers had vilified Labour throughout the Thatcher years with unremitting lack of scruple (it was of Murdoch that Dennis Potter said, in his blistering final television interview with Melvyn Bragg, 'There is no one person more responsible for the pollution of what was already a fairly polluted press');<sup>19</sup> and Blair's willingness to fly to Australia as his guest was of a piece with Mandelson's ruthless pursuit of votes at the Littleborough and Saddleworth by-election. Both exercises had the mark of Mandelson's famous 'unsentimentality', and both stuck in the gullets of many party activists. The issue of trade union sponsorship of **MPs** was a slower-burning fuse, but in the context of the impending reduction of union voting strength at party conferences, and hints that Blair would call for further reductions in future, the fact that Blair chose also to call for the end of union sponsorship was seen as further evidence of the London-based, middle-class orientation of the leader and his Office. Open resentment was eventually triggered by an article in the *New Statesman* in July 1995 by a mildly left-wing backbench MP, Richard Burden, in which he criticised the 'amorality' of the by-election campaign as a manifestation of 'New Labour's' top-down, centralised power structure, and of a party 'desperate to be elected as representative of mainstream opinion, and yet with its own inner sanctum holding a virtual monopoly on defining what such mainstream opinion consists of'.<sup>20</sup> This was followed by a short outburst of articles and statements also voicing what had previously been said publicly only by the party's left **wing**.<sup>21</sup>

What really united all the critics was pinpointed by Roy Hattersley, who had been deputy leader under **Kinnock** and a militant member of the party's right wing. 'As always', he said,

the complaints have been directed at a series of surrogate targets – the arrogance of the young men and women in the leader's office, the increasing detachment from the trade unions, and the most wizened of old chestnuts, 'the lack of democracy in policy-making'...

– a formulation calculated to remind Blair that Hattersley himself had

always staunchly resisted calls for democracy when these came from the party's left wing with its base in the old constituency parties. The real problem, Hattersley asserted, was a concern about policy; the present leadership had abandoned ideology **so** completely, and was **so** preoccupied with winning middle class support, that its commitment to the fundamental needs of the 'disadvantaged' was no longer clear. 'Ideology', he declared,

is what keeps parties consistent and credible as well as honest. **In** the long term, the party's public esteem would be protected by a robust statement of fundamental intention. Socialism – which is proclaimed in the New Clause IV – requires the **bedrock** of principle to be the redistribution of power and wealth. . . . When the going gets rough, it is not the new **recruits** from the SDP who will stay at his [Tony Blair's] side. They will jump ship as soon as they **realise** that he is not the reincarnation of David Owen [the former SDP leader, now Lord Owen]. The necessary support will come from members of the real Labour Party who, rightly, think he shares their basic beliefs. He ought to confirm their optimism now and bring to an end the nonsense of last week [**i.e.** the sudden spate of criticism]."

Hattersley's intervention was a good indication of how far the leadership had moved away from the the party's historic ethos. People like Hattersley had fought against the left on the basis of a counter-ideology – 'labourism' – no **less** powerful for being implicit in the labour movement's practices and traditions, rather than explicitly formulated in any body of doctrine. But 'New Labour' was rapidly abandoning that ideology or ethos too. Blair's response was predictable:

[He] pledged to continue with his wide-ranging 'modernisation' of the Labour Party in order to ensure victory in the general election, making it clear that he was undeterred by criticism of his leadership style... election victory could only be gained by shaking off old-fashioned links and building up voters' trust in the new-style party... 'But [people] need to be sure of Labour, they will only be sure of Labour if we show that we have learned the lessons of the past and are a party true to our principles but applying them in the modern world.'"

Retreat was excluded by the logic of his sustained effort to woo 'middle England', and by his agreement with the media that his claim to be able to rid the Labour Party of its last vestiges of anti-capitalism was the acid test of his merits as a leader. Hattersley's 'real Labour' members might be alienated, but catering at all significantly to them would be pilloried by the media and could jeopardise the party's electoral prospects, which were currently strong (a Labour opinion poll lead over the Conservatives of almost 30 percent) precisely to the extent that 'old Labour' had been so publicly **dethroned**.<sup>34</sup> The new recruits (wherever they came from) might indeed prove fickle, but the party's capacity to attract them was an index of its ability to win an election with the votes of the kind of people they represented. Thereafter, perhaps with the aid of state funding for parties (advocated by **Denis** Healey, the former Deputy Leader, among others), party members might become as relatively unimportant as they are in the

Conservative Party or any other bourgeois political party endowed with funds sufficient to fight election campaigns, which are in any case increasingly decided in the media.

### *'New Labour' policy*

What has been described so far is primarily a change – sympathisers call it a revolution – of organisation and practice, though with obvious policy implications. Now something more needs to be said about the policy content of what Blair's team habitually call 'the project', even though this is made difficult by the project's nature: a distinctive kind of utopianism, presented **as** 'realism'. The 'realism' consists essentially of the assertion that global capitalism is a permanent and irremovable fact of life, not an inhuman and ultimately self-destructive system: correspondingly, politics is the art of living with it, not a vocation to overcome it. It is not clear that most 'New Labour' evangelists (a term often used on account of Blair's religious faith and zealous speaking style) are particularly concerned about the truth-value of this founding assumption; another characteristic of their writing and speeches is to proceed by denigrating any unwelcome idea as the product of 'old' Labour thinking, rather than arguing for the validity of what is offered in its place. There is perhaps also a vaguely postmodern assumption at work that no such general characterisation of something like global capitalism is really possible; 'grand narratives' are also out of date. The flavour was well summarised by Henry Porter in a very favourable survey of Blair's first year **as** leader: 'Nothing seems the same as it was; even the old distinctions between left and right no longer matter as much as generational differences appear to.' And what is distinctive about the new generation? Porter quotes 'a close political ally' of Blair:

*... Tony had been thinking along these lines long before he was made leader. In fact he was impatient under John Smith to reform the Labour Party. He understood that a whole new generation of people in their thirties and forties had arrived and that they had attitudes and a whole culture which are light years away from the old Labour Party. Intellectually they accept the restrictions in responsible policy-making that now exist.<sup>25</sup>*

It is worth noting, in passing, that speaking in terms of 'whole generations', or even 'people' in general, without drawing distinctions between employed or unemployed, rich and poor — in a word, between class conditions — is a marked characteristic of 'New Labour' discourse: Seyd and Whiteley's survey of Labour members actually found the strongest **left-wing** views among people in their thirties and forties.<sup>26</sup> The thirty and forty-somethings Blair's ally had in mind no doubt exist, but they are evidently a particular social category within their age group – people like Blair himself, perhaps. Be that as it may, Blair, says Porter, 'has realised that things are not as clear as they appeared to be in the eighties and that

many of the new homeowners and new parents – in his words, "the moderate middle-income majority" – are also consumers of Murdoch's various media products. They are. . . concerned with social and economic issues. . . but perhaps the emphasis is more on the good management of a society than on fairness or compassion. And this is exactly the direction Tony Blair has taken Labour, arguing that a compassionate society is firstly a competently run and prosperous society. . . ' – and so on. Or as Blair put it, in the soundbite language of 'modernisation':

**What we are about is a partnership between the public and the private sectors, rather than a battle between the two. We are about reforming the welfare state, making it a platform of opportunity. Tough on crime and tough on the causes of crime. Rolling back the quango state. It is extremely important to make sure before you start getting lost in the thicket of policy that the public has really got the big picture.'**

Perhaps what has already been said is enough to convey some of the substance as well as the flavour of 'New Labour's' Project: i.e. it offers an optimistic prospect of a more rational, somewhat fairer, more efficiently run society, in which however nothing will be done that seriously offends the sensibilities or interests of the middle classes. or invites **penalties** from the markets. This is consistent with Labour's perceived electoral task (i.e., to break out of its old working class base), as well as being realistic about where economic power is seen to lie.

In terms of specific policies this has meant a drastic narrowing of the gap between the Thatcher legacy and what Labour proposes. For instance, 'reforming the welfare state, making it a platform of opportunity' means cutting it, while worrying about the 'poverty trap'; 'tough on crime and tough on the causes of crime' translates roughly into not opposing the 1994 Criminal Justice Act (which drastically reduced individual rights vis a vis the police), speaking critically about single parents, and promising jail sentences for people who persistently harass their neighbours, while also implying that better government under Labour will create more jobs and provide more housing and better child care and other services that evidently have a bearing on the level of crime.

On education, Blair has retreated from the party's previous commitment to return to control by elected local authorities schools that have 'opted-out' (to be run by boards of governors responsible to the central government) under Thatcher's **legislation**.<sup>28</sup> On the economy, he has called for macro-economic policies of the strictest fiscal and monetary orthodoxy, not complemented by any firm commitment to reform the operations of the City or secure a significant increase in industrial investment. On health, he **has** endorsed **only limited** changes in the 'internal market' imposed by the Conservatives on the National Health Service, laying emphasis on the need to minimise further organisational disruption. On the constitution, he has endorsed the party's commitment to abolishing the hereditary element in

the House of Lords and creating Scottish and Welsh Assemblies and – though with an unconcealed lack of enthusiasm – the commitment to hold a referendum on proportional representation; and he has retreated from the commitment to establish regional assemblies in England, proposing instead to submit the idea to regional referenda.

Except on the constitution, Porter comments, 'each statement constitutes a synthesis between the Thatcherite reforms of the early eighties and communitarian politics.'<sup>28</sup> And the same could really be said of the new Clause Four, which effectively ruled out any reversal of Conservative privatisations. Speaking generally, 'New Labour' policy is to accept most of Thatcher's legislative and administrative legacy in almost all spheres. The list of points on which change is promised is not long.

Lest this leave an impression of purely pragmatic adjustment to perceived electoral necessities, let us conclude this section with a quotation from one of Blair's speeches which paints the kind of broader picture that he favours (what Porter, perhaps unkindly, calls 'political **cinemascope**'). Celebrating the fiftieth anniversary of the **1945** Labour government, which he identified as having drawn its strength from a broad national consensus, Blair declared: 'I passionately want to lead a party which once again embodies and leads the national mood for change and renewal'. He concluded:

Socialists have to be both moralists and empiricists. Values are fundamental. But socialism has to be made real in the world as it is and not as we would like it to be. Our commitment to a different vision of society stands intact. But the ways of achieving it must change. Those should and will cross the old boundaries between left and right, progressive and conservative. They did in 1945. What marks us out are the objectives and the sense of unity and purpose by which we are driven. Our task now is nothing less than national renewal. Rebuilding our country as a strong and active civil society. We should gain confidence from the government of 1945; confidence in our values, in our insights and in our ability to deliver change. The generation of 1945 has set us an example which it is an honour to follow.<sup>29</sup>

This kind of rhetoric has a forerunner, but it is the rhetoric of **Ramsay MacDonald**, not Clement Attlee. Of course **MacDonald's** style belonged to the days of platform oratory, and audiences that were still used to sermons; **Blair's** is attuned to the **production** of quotable quotes in fifteen-second soundbites. But what they have in common is the theme of class conciliation, wrapped in misty appeals to social bonds that transcend class divisions. Where **MacDonald** spoke of 'all practical men and women' Blair talks about 'a strong and active civil society'. Both constantly invoke 'the nation'. Both have their eyes fixed on the middle-class voter?<sup>30</sup>

In **1945** Attlee did not need this kind of rhetoric, for a simple reason: thanks to the slump and the war, the ideas and policies for **which** the party had campaigned for over a decade had already become hegemonic within a large part of the middle class, so that a spade could be called a spade.

Nationalisation, whether of the mines or the Bank of England, could be called nationalisation, and nothing could have been more specific than universal social security, a free health service, and full employment. But unlike Attlee, and like **MacDonald**, 'New Labour' is far from having propounded policies capable of bringing about 'national renewal', let alone made them hegemonic. This is why Blair's rhetoric has the **MacDonaldite** flavour it has.

### Intellectuals *and* 'New Labour'

Much of what Blair has accomplished was begun by **Kinnock**. Their projects are separated, however, by more than John Smith's brief interregnum. There is a different rhetoric, symbolised by the 'New Labour' label adopted (in imitation of Bill Clinton's self-description as a 'New Democrat') by the Blair leadership, and it has different intellectual *roots*.<sup>32</sup> Some of these lie in Blair's own formation as a Christian socialist at Oxford, but there are other contributions that need to be taken into account, even if this can be done only in a tentative and sketchy way here.

One contribution of intellectuals to the project of the 'modernisers' is that mainstream commentators have been remarkably uncritical; whether because his interlocutors are impressed by his rhetoric, or because they tacitly yearn for a change of government, or even hope to influence it, is impossible to say. The closest Henry Porter, in the interview already cited, came to a criticism was to note Blair's unconvincing reply to the question, how he envisaged Britain after two years of a Labour government; 'it was the least fluent answer, and petered out in a series of *headings*.'<sup>33</sup> Criticism from the left of the Labour party has been dismissed (and not reported) as old-fashioned and irrelevant, though with occasional condescending acknowledgements of its 'sincerity' (or even, in the case of Tony Benn, its 'authority'); and criticism from the right, however perceptive, is seen as purely *partisan*.<sup>34</sup> One of the very few mainstream commentators to raise appropriate doubts has been the former SDP theorist David Marquand. The buzzwords of **neoliberalism** – 'flexibility', 'dynamism', 'enterprise' and 'competitiveness' – are now seen to be

merely code words for harder work for longer hours, with less protection against more powerful bosses. But when we try to tell our rulers that . . . we face a blank wall of **patronising management-speak**. . . New Labour speaks a different dialect from the Government's, but not a different language. . . On the central question now facing the political economies of western Europe, new Labour and the new right are one."

Television interviewers, however, have rarely confronted the Labour leader with this palpable truth. The absence of serious intellectual criticism in the mainstream media has surely **played** a part in the modernisers' advance.

Of course, the other side of this phenomenon has been 'New Labour's'

own heavy investment in media management. Peter Mandelson, in his role as director of the Communications and Campaigns Directorate in the late 1980s, became Labour's answer to Mrs Thatcher's Press Secretary Bernard Ingham, tirelessly 'managing' news and tempting, cajoling or bullying journalists and editors to give favourable treatment to the Labour leadership. According to Bryan Gould and others, Mandelson also emulated Ingham's notorious 'black briefings', putting out unattributable negative comments on individual colleagues;<sup>36</sup> and he has been widely credited with doing the same, in an unofficial capacity, on behalf of Tony Blair.<sup>37</sup>

However Mandelson's role should not be seen in a purely practical light, nor should Blair's alleged comment that 'my project will be complete when the Labour Party learns to love Peter Mandelson' be seen as merely provocative.<sup>38</sup> Mandelson attracts hostility for a reason that goes deeper than his alleged deviousness: he accepts the electoral logic of social-democracy in the age of global capitalism with a consistency and wholeheartedness of which most Labour MPs, let alone rank and file members, are incapable.<sup>39</sup> He takes it as given that globalisation imposes very severe limits on all social and economic policies, so that the only ones worth promoting are those that capital – 'the market' – will accept; and he includes in this the power of the increasingly globally-owned media, and is determined to do whatever it takes – including getting Blair to make his highly symbolic visit to the annual meeting in Australia of Murdoch's world-wide media executives – to win whatever political leeway this situation affords (such as a less venomously hostile treatment by the one-third of British national newspaper circulation controlled by Murdoch than was given to Kinnock). In his view, to oppose this is sentimental self-indulgence which the party cannot afford; his notorious alleged remarks about the party conference or the unions being dispensable are deliberate provocations to those who resist this logic.<sup>40</sup> What most profoundly upsets many of his critics, one suspects, is that they do not really see a way of staying in the electoral game without adopting in practice what Mandelson makes into a point of principle, including accepting the media as they are. They know that any serious proposal to bring the media under control, to de-commodify them and recreate a genuinely open medium for political debate, would attract the massed opposition of all the media, in the name – so far has the ideological pass already been sold – of the principle of 'free speech'. Mandelson's chief fault is, then, to act openly on a logic that in practice they accept, but have trouble acknowledging. It is hard to deny that in doing so he does the party the significant intellectual service of challenging hypocrisy.

But if Mandelson is the Labour Party's intellectual 'bad cop', there are others who aspire to be good ones, to equip the party with ideas and policies which on their merits will win the party a succession of elections

and allow it to refashion British society. These intellectuals have operated largely, if not exclusively, through various new 'think tanks' which have proliferated in the later years of Labour's prolonged exile from office. This no doubt partly reflects the exhaustion of the Labourist tradition, embodied in the Fabian Society and discredited by the crisis of social democracy in the 1970s, although other factors are undoubtedly also involved, including the example of the role played by right-wing think tanks in the evolution of 'Thatcherism'." Think-tanks also act as screening-mechanisms, putting into the public arena only work that conforms to their respective ideological orientations, for party leaders to take or leave; this may also have simplified the Blair team's task in avoiding the kind of intellectuals they felt unsympathetic towards." At all events, by the end of the 1980s at least three significant left-of-centre policy study centres were in business: the Institute of Public Policy Research (IPPR), Charter 88, and Demos.

Of these only the IPPR, founded in 1988, was specifically designed to help the Labour Party. Although it was formally a non-party institution, its first director (Baroness Blackstone) and deputy director (Patricia Hewitt, fresh from supervising Labour's Policy Review) were both prominent Labour figures, and its task was to provide Labour, following its purge of old policies, with a body of solidly-researched policy documents of a calibre which the party's own 'policy directorate' did not have the resources to produce. Its publications, and most notably the **much-publicised** report of the Borrie Commission on Social Justice, established on the initiative of John Smith as Labour leader, have a characteristic blend of 'realistic' (in the 'modernisers' sense) assumptions about the permanence of global capitalism, and well-documented analyses of economic and social problems and suggestions for their amelioration within the limits of the possible;<sup>13</sup> where the Fabians' motto was, 'When I strike, I strike hard', the IPPR's might be, 'We can't strike, but we'll try pushing'. Blair's thinking undoubtedly draws on the work of the IPPR (and David Miliband, his political adviser, was secretary to the Borrie Commission), although it is not the main source of his inspiration.

Even less central to Blair's thinking, perhaps, is Charter 88, a non-party organisation also established in 1988, which focusses on issues of democratic rights and liberties. Although its substantial work on issues like devolution and Quangos has undoubtedly contributed both to Labour thinking and to building public support for constitutional reform, its advocacy of proportional representation and a written constitution, both dear to the Liberal-Democrats and both unpopular with Blair and his team, makes it a tainted source.<sup>14</sup>

But the case is very different with Demos, the youngest of the three think-tanks in question, launched in early 1993. Geoff Mulgan, its **founder-director**, was formerly adviser to Gordon Brown, Blair's Shadow

Chancellor of the Exchequer, and felt that 'public policy and political thinking' had 'become too short-term, partisan and out of touch':

In the past creative thinking often came from within the traditional institutions of parliament and parties, and from within the main political ideologies. But these are no longer able to keep up with the pace of change in society, the economy, technology and culture. Society has become more porous and complex, as old traditions and hierarchies have broken down. Demos is a response to this new situation. It draws on ideas from outside the political mainstream... the main focus is on long-term issues rather than the immediate programmatic needs of parties and government. In addition, Demos has two broader aims: one is to help modernise our political culture, to make it more relevant, more international and more at ease with the future. The other is to point the way to new forms of democracy and governance fit for the 21st century.<sup>45</sup>

There is no space here to do justice to the range and vitality of Demos's publications in the first two and a half years of its life. Mulgan's intellectual verve and energy are stamped on the whole enterprise, not only in the choice of topics and authors for research projects and publications, but also in the form of a series of impressive lead articles co-authored by him in Demos Quarterly, the organisation's theme-oriented journal: these include 'The End of Unemployment', 'Back to Greece: the Scope for Direct Democracy', and 'Well-being and Time'. These articles have distinctive merits and shortcomings; all that is possible here is to indicate certain characteristics of Mulgan's work, reflected broadly in the output of Demos generally, that are also evident in the speeches of Tony Blair.

First, there is a distinctive kind of utopianism, springing from the almost complete lack of any serious attention to political economy. Mulgan acknowledges that Demos has neglected political economy; this is deliberate, inasmuch as he thinks political economy is a 'weak' field.<sup>46</sup> Paradoxically, the resulting utopianism is presented as 'realism'. The question posed is predominantly one of what shall we do about various trends that are inexorably working themselves out through the dynamics of modern capitalism and the technological changes it brings – this is the 'realism' part. What is utopian is that no particular constraints accompany the options considered, and no agents of change are specified; we are often in a world of social science fiction. Mulgan seems able to envisage things which seem prima facie absurd, such as a world of totally 'flexible' employment, in which no one has a job, but only short-term contracts – casual labour in modern dress;'' perhaps this is what 'making our political culture more relevant' (to what, exactly?) means. Sometimes, though not always, he subsequently raises doubts about these implausible futures, but by no means always feels compelled to make a final judgement between the thesis and its antithesis. For instance, on work 'flexibility', he also recognises that 'a fluid, disordered world will leave the majority miserable', so that 'alongside speed and flexibility we also need to remember the importance of balance: of mechanisms for finding useful

activity for those [the majority?] left out by change; of public spaces for quiet and reflection, like parks and churches where time stands still; of home life as well as work life.'" But who the 'we' are, who should remember this, and what obstacles the dynamics of capitalism may place in the way of our doing anything about it, are not specified.

Second, there is a constant stress on complexity, differentiation, pluralism and choice. Partly this is code for abandoning analysis in terms of classes. Partly it seems to be a postmodern embrace of difference and particularity (which goes with a rejection of 'grand narratives', of which critical political economy is one). But whatever its sources, Mulgan's approach to the allegedly new degree of 'diversity' in contemporary capitalist societies leads him to make eclecticism into a virtue. No great effort is made to bring into any kind of systematic unity the topics, concepts, analyses and perceptions that he draws from so many diverse fields, or even to ask how far they are all compatible. There is a kaleidoscopic effect, analogous to the 'cinemascope' character of Blair's speeches.

A third characteristic feature of Mulgan's work is a fascination with the new, especially if it comes from the USA.<sup>50</sup> This was well represented by Demos's sponsorship of a visit to the UK by the American 'communitarian' theorist Amitai Etzioni in March 1995, and the publication of his views on the 'parenting deficit' as a Demos pamphlet – views which accord well with the 'community oriented' Christianity that Blair adopted at Oxford; and immediately after Etzioni's visit Blair delivered a lecture in which he stressed the duties people owe to society and called for the prosecution of the parents of chronically truant schoolchildren, and action against noisy and abusive neighbours.<sup>51</sup> But it is not just new thinkers, so much as novelty itself, that is the key leitmotif of Mulgan's work. For him, what is wrong with past socialist thought is above all that it is 'out of touch' with the 'pace of change'; being 'in touch' is the supreme virtue. It is a virtue mainly found in the younger generation (a preoccupation with generational differences is one of Mulgan's favourite themes), but it is also something which even a middle-aged 'New Labour' standard-bearer can easily hold onto under pressure. When criticism of Blair's style of 'modernisation' finally surfaced in mid-1995, for instance, the **once-**radical 'old Labour' leader of Sheffield City Council, David Blunkett, now Shadow education spokesman, defended his vacationing leader in the following terms: 'The rapidity of change is such that if we don't stay ahead of the game, and are there speaking about the new world in a new situation, we will allow the election to slip away from us **again**.'<sup>52</sup>

I am not making any claim about the extent of Demos's influence on 'New Labour', in spite of Mulgan's close links to both Brown and Blair<sup>53</sup>. But if one were looking for the intellectual inspiration for what is most

distinctive in the modernisation rhetoric of 'New Labour', this would have to be the place to start: 'realism' about (sc. acceptance of) global capitalism; a utopian approach to the discussion of responses to it, justified by the alleged incapacity of political economy to analyse it; the celebration of diversity and choice; the fetishism of change and novelty; the systematic rejection of analysis in terms of social class.

It is, as Tony Blair remarked, 'liberating' to cut free from the bonds of what he called a 'too narrow view of democratic socialism';<sup>34</sup> and 'New Labour's' young speechwriters, liberated from both the labour movement's past ethos and any particular intellectual discipline, may be able to deploy the buzzwords of 'modernisation' to good short-term electoral effect. But whether any serious project for social change, let alone one that can sincerely be called socialist, can be constructed on such foundations, is another question.

## Conclusion

This is not to say that Tony Blair and his team are not serious about social change. They were undoubtedly right to think that change in the party was called for by much more than the need – however desperate that was – to win the next election. Even if the Conservative Party and the popular press had not persuaded a majority of voters that 'nationalisation' was inefficient, and the state 'too large', it would still have been essential for Labour to 'modernise' its policies and its structures in face of the multiple changes that have occurred over the last twenty years. The question is only what kind of modernisation is called for.

The most obvious criticism to be made of 'New Labour's' version is that it accepts the market uncritically, and substitutes elite centralism for democracy within the party. Labour's historic mission has been to counterpose social need to the selfishness of the market and its socially destructive effects. Now the market's true character and destructive long-term effects are once again becoming plain for all to see – in the shape of chronic unemployment and growing job insecurity, growing inequality, social tensions and welfare dependency, a grossly neglected infrastructure and declining international competitiveness. It is by no means obvious that if the Labour Party firmly declared its opposition to a market-driven society (as opposed to one that accepts but seriously regulates markets) this would in the long run hurt it electorally, as the Thatcher years are exposed, week by week, as years of cruel illusion and deception. But a serious critique of the market is what 'New Labour', in its paralytic fear of seeming anti-capitalist, above all abjures. 'New Labour' runs the risk, in fact, of achieving office – though not real power – on the basis of 'realistically' accepting the market just as its ultimate unacceptability, as the

motor and arbiter of social life, is once again becoming clear.

Labour also has a rich pool of popular democratic experience and ideas, developed in the 1970s in reaction *against* the state-socialism of the post-war years, which could be drawn upon to help build a popular consensus for a new socialist project. But this too is treated by 'New Labour' as at best an irrelevance, and at worst a contamination. Centralisation of power in the party remains the order of the *day*.<sup>55</sup> Internal party debate has been reduced to a historic minimum. Policy is now 'revealed' at the party's annual conference, not decided there. 'New Labour' has, in effect, finally broken with any idea of the party as a vehicle for the aspirations and ideas of a social movement, the expression of any kind of collective will. From now on it will frankly be run by professional politicians with at most an occasional plebiscitary relationship with its members.

#### NOTES

1. Dennis Potter, *Seeing the Blossom* (London: Faber and Faber, 1994) p. 47.
2. In an extraordinarily revealing interview the party's General Secretary, Tom Sawyer, said that 'he favoured management consultants to help inject new thinking into the party's targeting of new members, including judgements on whether members are best recruited in *marginals* or heartlands, to raise funds or to be active. Different marketing techniques will be used for different goals. . . The General Secretary has also taken members of the national executive to *Cranfield* Institute of *Management* to discuss the role of the committee.' (*Guardian* August 8 1995).
3. Henry M. Drucker, *Doctrine and Ethos in the Labour Party* (London: Allen and Unwin, 1979).
4. Part of the reason for this is that Blair joined the Labour Party in London in 1975 as it was entering into a period of bitter internal conflict, and when the labour movement was ceasing to be as representative of the whole working class as it had once felt and, in some respects, been. At the same time, in his early years in the party he seems to have been peculiarly cut off from what was still positive and morally compelling in the old party ethos; see John Rentoul, *Tony Blair* (London: Little, Brown, 1995), especially chapters 3-4.
5. The new Clause Four of the party constitution pledges the party to work for 'a just society' which 'nurtures families', but does not pledge it to make women equal with men or blacks with whites.
6. Foot had been chosen as leader by the parliamentary party in 1979 when *Callaghan* resigned as a means of forestalling the possible election of the left-wing Tony Benn under the new leadership election system which had been adopted at the 1979 party conference, but which was not due to come into operation until 1980.
7. Martin J. Smith, 'A Return to Revisionism? The Labour Party's Policy Review' in M.J. Smith and Joanna Spear (eds.), *The Changing Labour Party* (London: Routledge, 1992), p. 19.
8. 'There were now, for the first time in party history, resources for a sizeable advisory staff available to the PLP leadership.' Lewis Minkin, *The Contentious Alliance: Trade Unions and the Labour Party* (Edinburgh: Edinburgh University Press, 1991), p. 400.
9. Patrick Seyd and Paul Whiteley, 'Labour's Renewal Strategy', in Smith and Spear op. cit., p. 31.
10. Minkin, op. cit., p. 409.
11. Quoted in Richard Heffernan and Mike Marqusee, *Deafeat from the Jaws of Victory*;

## THE SOCIALIST REGISTER 1996

*Inside Kinnock's Labour Party* (London: Verso, 1992), p. 211. According to Colin Hughes and Patrick Wintour in *Labour Rebuilt: The New Model Party* (London: Fourth Estate, 1990) pp. 60–61, the crucial document of this kind was 'Labour and Britain in the 1990s', presented to the NEC and Shadow Cabinet in November 1987.

12. Hughes and Wintour, *ibid.*, p. 153.
13. One of the points on which all commentators seem to agree is the uselessness of 'labour Listens', however high-minded its original intentions. See, e.g., Hughes and Wintour, *op. cit.*, pp. 98–103, and Heffernan and Marqusee, *op. cit.*, pp. 215–16.
14. Heffernan and Marqusee, *op. cit.*, p. 115. These authors are hostile witnesses, but the consequences of the phenomenon they correctly report in this passage were forcibly apparent following Tony Blair's election as leader in 1994. The press wanted to know from Blair's speeches what party policy would now be; the old discourse of how a new leader's personal views would sit with those of the majority in the national executive, let alone the annual conference, was completely absent. When Roland Wales, head of the party's Policy Directorate, finally resigned in October 1995, barely disguising the fact that it was because his job had become pointless, it was treated by the press as barely newsworthy.
15. This idea was widely canvassed in the aftermath of the party's special conference in April 1995, at which some big unions cast votes against the change to a new Clause Four without having balloted their members, while the votes of those which had were cast in favour of the change. The non-balloting unions cited the expense involved – estimated at over £1.5 million – as a decisive objection, although several leaders were said to agree that some further democratisation of their policy-making procedures was now needed.
16. The PLP agreed in July 1995 to allow the Chief Whip to be chosen by the leader from among the members of the Labour shadow cabinet (itself chosen by the PLP), rather than being directly elected to the post by the PLP, as the existing rules prescribed: the existing Chief Whip simultaneously agreed to stand down in October 1995 in return for a senior role in opposition and in a future Labour government, allowing Blair to appoint someone of his choice (Donald Dewar). It was also widely expected that Blair would eventually propose a name change for the party. Significantly, Blair announced at the April 1995 special conference on Clause Four that 'the name was not going to change' (i.e. from Labour to 'New Labour', as the party was now called on all its publications) – thus denying the rumour while simultaneously implying that it lay within his power to get it changed if he chose to.
17. Besides Mandelson and Hewitt the group included Roger Liddle (a former adviser to Bill Rodgers, one of the SDP's founding figures); Geoff Mulgan, the founder and director of Demos, a non-party think-tank, Derek Scott, a City-based economist and former adviser to Denis Healey as Chancellor of the Exchequer in the 1970s; and Sir Nicholas Monck, a former permanent secretary at the Department of Employment. As the press noted, none of Blair's shadow cabinet colleagues, nor the Deputy Leader, were included in the group, which was said to meet at Westminster on alternate Fridays (Michael White in the *Guardian* July 15 1995). A spokesman for Blair's office maintained that these were merely some individuals who had offered assistance on an ad hoc basis to 'write sections of speeches and background papers' (*Guardian* July 17 1995). Patricia Hewitt said their function was to help write speeches and 'bounce ideas' (interview, August 2 1995). Given the freedom that the leader had by then acquired to make policy it would be naive to imagine that any group that had close and regular policy discussions with him was not influential.
18. This process did not originate with Blair's election as leader. Already under Kinnock, according to Heffernan and Marqusee, 'For rank and file Party members... attending meetings came to seem pointless since the decisions had clearly already been taken at the top' (Heffernan and Marqusee, *op. cit.*, p. 213).
19. Dennis Potter, *op. cit.*, p. 14.

20. *New Statesman and Society*, August 11 1995. Burden was subsequently said to have **realised** too late that the article would create a lot of trouble and tried unsuccessfully to withdraw it, a claim which he later denied; if **so**, it is an interesting example of **spin-doctor** disinformation.
21. For example in *Socialist Campaign News* and *Labour Briefing*. The new public critics included John Edmonds, leader of the large General Municipal and Boilermakers union, and Roy Hanersley, the former Deputy Leader under Neil Kinnock, neither of whom was left-wing. According to Patrick **Wintour** (*Guardian*, August 11 1995), 'Blairites argue that given the helter-skelter pace of his reform programme it is surprising that there have only been **rumbblings**, rather than an earthquake. But much of the backstage criticism of Mr Blair is not directed at his reforms, but [sic] fears of what he may do, and the lack of consultation. Two recent deputations, one from the NEC and another from union sponsored **MPs**, went to complain about the threat to union sponsorship'.
22. Roy Hattersley, 'Why Labour is stumbling', *Independent* August 12 1995.
23. *Guardian* September 5 1995. In the same interview Blair was also quoted as saying that 'the party had no plans to reduce the trade unions' block vote to below 50 per cent', which the paper called 'a conciliatory gesture to the unions'. The trade unions might be forgiven for being **irritated** rather than conciliated by this statement, since it was not for the leader to say what plans 'the party' had on this matter (compare note 16 above, with respect to changing the party's name).
24. The 'adjusted' figure, **i.e.** adjusted by allocating the undecideds in the light of past voting patterns, was more like 17 per cent – still a very large lead.
25. Henry Porter, 'Zealous Moderate', *Guardian*, July 18 1995 (italics added).
26. Seyd and Whiteley, *op. cit.*, p. 37.
27. *Ibid.* One of the hallmarks of Blair's speaking style which may also well be a generational difference is his apparent comfort with this kind of language that the Shadow Communications Agency worked so hard to teach the Shadow Cabinet in the 1980s. Hughes and **Wintour** record how in 1988 Robin Cook and Harriet **Harman** were taught to say 'cash before care', instead of whatever they originally thought of saying in criticism of a leaked White Paper on health, and how this was worth **£2m.** of political advertising (*op. cit.* p. 59). A 'quango' is a 'quasi non-governmental organisation', appointive and largely unaccountable bodies whose number and membership (consisting largely of Conservative supporters) increased dramatically under the Thatcher years, to the point where they had many more members than the total of the country's elected councillors, and were responsible for spending roughly as much money.
28. Education policy has been an instructive example of the changed locus of policy-making. In late 1994 David Blunkett, the shadow education minister, made a speech suggesting the possibility of removing the tax privileges enjoyed by private schools. This was immediately repudiated by the leader's office in an obvious effort at 'fire-fighting' – **i.e.** heading off a predictable attack from the Conservatives to the effect that Labour was still a party of class envy. Subsequently, after Blair's decision to send his own son to a distinctly elitist grant-maintained school (the London Oratory School) – a decision much resented by many inside the party, which was then committed to end grant-maintained status – Blunkett announced a new policy on these schools, proposing to put them on the same financial footing as local authority-controlled schools, but to leave them free from local authority control, **relabelled** as 'foundation schools'. Two aspects of this decision were noteworthy, in addition to its acceptance of the new social hierarchy that the Conservatives had thus created within the state education sector. One was that the press treated the new policy document 'Diversity and Excellence', produced by Blunkett in close collaboration with Blair's office, as 'Labour's new policy'. The other was Blunkett's comment on it: 'I think I have squared the circle' (*Guardian* June 23 1995).
29. Henry Porter, 'Rampaging with Charm', *Guardian* July 17 1995.
30. Tony Blair, 'The Flavour of Success', based on a speech made on July 5 1995 to the

Fabian Society, *Guardian* July 6 1995.

31. For a discussion of **MacDonald's** socialism and the context that governed it see David Marquand, *Ramsay MacDonald* (London: Jonathan Cape, 1977), especially pp. 88–92, 245–56 and 279. It is sobering to note that while much of Marquand's analysis applies very closely to Blair, there is a fundamental difference: throughout the twenties **MacDonald** opposed the market and accorded priority to the interests of the working class and the unemployed.
32. For the visit of Tony Blair and Gordon Brown to Clinton's 'transition team' after the Presidential election of 1992 see John Rentoul, *Tony Blair* (London: Little Brown, 1995), Ch. 13. Much of the visit was arranged by the Political Secretary at the Washington embassy, Jonathan Powell; in 1995 he left the foreign service to become Blair's 'head of private office'. One of Powell's brothers, Chris, ran an advertising agency which had the Labour Party's account. Another brother, Charles, had been Thatcher's Private Secretary.
33. 'The main changes will be a strong attack on long-term unemployment, the problems of getting people back to work; a proper modern industrial policy, preparing this country for the global market; education and schools; help for small businesses; economic regeneration; science and technology... ' (*Rampaging With Charm*, op. cit.).
34. The former Conservative Minister for Defence, Alan Clark, criticising the intellectual positions of both parties in early 1995, wrote provocatively: 'Here is this great Labour movement, rooted in a noble ethic. . . Now they are quite deliberately choosing to discard the whole of that tradition. . . 'New Labour' is no more than a bunch of people who want to win an election.. . Simply an alternative cluster of suits who, marginally more "likeable", will administer virtually identical policies.. . You can anaesthetise great parties, for short periods, by the prospect of power as a reward for "good behaviour". But lobotomies are different.' (*Guardian*, March 17 1995).
35. David Marquand, 'Political babble', *Guardian* June 5 1995.
36. Bryan Gould, 'The party with no bottle', an extract from his autobiography *Goodbye To AN That* (London: Macmillan, forthcoming 1995) in the *Guardian* August 19 1995.
37. According to Porter, he provided Blair with 'both manipulative expertise and certain covert services with which the leader should not be too visibly associated' ('Zealous Moderate', op. cit.). One could speculate that these services included covert help to Jack Dromney, the challenger in 1995 for the leadership of the Transport and General Workers' Union favoured by Blair, and similar interventions in candidate selection; including, perhaps, Blair's announcement in August 1995, on his own authority, that women-only shortlists, which the party had agreed to apply to candidate selection in half Labour's vacant seats and which were unpopular with many of the male members of the constituency parties concerned, would be dropped after the next election.
38. Quoted in Seumas Milne, 'The Leader's Little Helper', *Guardian* February 11, 1995.
39. One is reminded of the opprobrium heaped on Edward Bernstein for spelling out the principles of the German Social Democrats' reformist practice in his *Evolutionary Socialism*. His friend Ignaz Auer wrote protestingly: 'My dear Ede, you don't talk about it, you just do it!' (quoted in Peter Gay, *The Dilemma of Democratic Socialism* (New York: Columbia University Press, 1952, p. 267).
40. According to Heffernan and Marqusee, Mandelson once said it would be nice to abolish the party conference, but it was not worth the trouble (op. cit., p. 209), and that in private he 'made it clear that as far as he was concerned the unions were a nuisance and the sooner they were expelled from Labour headquarters the better' (p. 218).
41. Radhika Desai summarises the most commonly adduced factors as follows: 'the institutionalisation of intellectual life in the Academy, its consequent isolation from wider social currents and its attendant disciplinary specialisation; the domination of intellectual life by the media; the substitution of market-driven decisions for any independent judgement intellectuals have had in culture and politics; and the replacement of a generally educated public, interested in social and political ideas, by a plurality of more

- specialised and disparate audiences' (Radhika Desai, *Intellectuals and Socialism: 'Social Democrats' and the Labour Party* (London: Lawrence and Wishart, 1994), p. 27). Whatever the mix of causes, it is striking that by 1994 it was hard to find a significant intellectual making a sustained left-wing public argument for a particular line of policy outside the framework of the think-tanks. Exceptions within the PLP would include Tony Benn and Alan Simpson in the Socialist Campaign Group of MPs, and Frank Field, an independent thinker on a wide range of social issues; outside parliament the chief exception was Will Hutton, the *Guardian's* assistant editor and columnist, arguing for a more radical set of 'social market' reforms than anything the Labour leadership was likely to countenance. Occasional commentators from the universities, such as David Marquand and Andrew Gamble at Sheffield, or John Gray at Oxford and William Wallace at the LSE, did not so much argue for a particular line of policy as comment **critically** on the shortcomings of **current** Labour and Conservative policies and ideas.
42. Numerous highly competent left intellectuals, very aware of the need for a radical rethinking of the socialist project and uninterested in Labour's shibboleths, were more than ready to work for the new leadership, but were not welcomed, let alone sought after. A study of those who were welcomed would make interesting reading. One of the striking features of Blair's immediate entourage was how many people it included who were formerly non-political or had SDP or Liberal-Democrat ties.
  43. The **Borrie** Report, *Social Justice: Strategies for National Renewal* (London: Vintage, 1994), is actually a comprehensive programme of economic and social **reform** for national competitiveness.
  44. The key text on Quangos is Stuart Weir and Wendy Hall (eds.), *Ego Trip: Extra-governmental organizations in the United Kingdom and their accountability* (London: The Democratic Audit of the United Kingdom and Charter 88, 1994). See also Anthony Barnett's persuasively argued *The Defining Moment* (Charter 88, 1995), setting out the constitutional issues at stake for the Labour Party in the next general election. The striking level of support for a bill of rights, proportional representation and other constitutional **reforms**, which have been advocated by the Liberal Democrats but not the Labour Party, must owe something to the publicity and **mobilising** efforts of Charter 88.
  45. From the statement, 'Why Demos?', in Demos's brochure.
  46. In *Demos* 2, 1994, pp. 4–14; *Demos* 3 1994, pp. 2–9; and *Demos* 5 1995, pp. 2–11.
  47. Interview, August 11, 1995. Mulgan has also written that '**Marx** may have had an unequalled grasp of the dynamics of capitalism but he is not much use for a world of derivatives trading' (*Guardian* January 14 1995). Demos intends to undertake work in political economy in the future.
  48. Or a world of 'twin economies' in which those who can't earn incomes in the main economy operate in a separate quasi-barter economy with state support, such as free access for market stalls on derelict land and ultra-cheap building accommodation (Geoff Mulgan, 'Creating a twin economy', *Demos Quarterly* 2/1994, p. 29). Mulgan's capacity to think positively about this sort of future has something in common with Mandelson's famous 'unsentimental' approach to politics. It marks them both off decisively from the ethos of the labour movement, including its past intellectual wing.
  49. Geoff Mulgan and Helen Wilkinson, 'Well-being and Time', *Demos Quarterly* 51/1995, p. 11.
  50. In an interview I put it to Geoff Mulgan that his preoccupation with introducing American thinkers to the British public had a parallel with the *New Left Review's* efforts to introduce European Marxism to Britain in the late 1960s and early 1970s. He dissented to the extent that he had no specific line of thought to promote, and turned to the USA only as a major source of high-calibre and varied thought relevant to the fast-changing real world.
  51. Criticism of the communitarian discourse of Blair's *Spectator* lecture was an exception to the mainstream's general tolerance of his political rhetoric; in the *Guardian* John Gray,

## THE SOCIALIST REGISTER 1996

Will Hunon, Bea Campbell, Martin Walker and Suzanne Moore all devoted space to thoughtful critiques.

52. *Guardian* August 21 1995. **Blunkett** was responding specifically to the charge by Alan **Simpson** MP, the secretary of the Socialist Campaign group, that under Blair the party was becoming indistinguishable from the old SDP. Perhaps, if Mulgan read Blunkett's statement, he experienced the kind of feelings teachers have when they read in their students' essays unconscious and sometimes embarrassingly revealing parodies of their own ideas.
53. Mulgan was a member of the previously-mentioned so-called 'secret committee of trusted moderates' set up to meet fortnightly with Blair at Westminster.
54. Tony Blair, 'The flavour of success', op. cit.
55. A further instance was the rejection by the National Executive Committee of Liz Davies as a prospective parliamentary candidate for **Leeds** East just before the annual Conference in October 1995. Ms Davies, a barrister, had been adopted by a substantial majority of the local party **from** a women-only shortlist. Her real crime, it was clear, was her advocacy of left-wing views.