

Post New Labour

By the time of the 2001 general election it was clear that the Labour Party had moved on from its 'New Labour' period. This is not to say that the party abandoned its attempts to introduce social justice within the context of free-market capitalism. Rather, the party shifted its emphasis. The objectives of the party became clearer when Gordon Brown took over as leader in 2007. The new agenda included the following:

- Although poverty reduction remained an objective, the objective of greater social mobility came to the fore. 'Social mobility' refers to the ability of succeeding generations to move out of deprived circumstances and raise their aspirations and those of their children. Education, training and employment opportunities became the key drivers of this policy.
- Brown re-emphasised the need to target welfare benefits more accurately, concentrating on those in most need. This had two aims. First, of course, to reduce the burden on taxpayers by reducing the welfare burden. In a sense it was an attempt to create better 'value for money'. Second, it would be a more just settlement as it concentrated on those who are most in need – especially poor pensioners and families with children.
- Brown was anxious to involve the private sector as much as possible in the operations of the welfare state and public services in general.
- In general Labour became a more pragmatic movement, less attached to dogmatic 'New Labour' principles.

Of course, the financial crisis and economic recession from 2007 onwards naturally placed new burdens on government, and pragmatism and crisis management inevitably replaced political theory and principles.

Socialism today

It is clear that in the economically developed world the traditional form of socialism is largely

a thing of the past. There are some factions and individuals, such as Tony Benn (1925–) and George Galloway (1949–) in the UK, who still believe that socialism can be applied to modern society, but they represent small minorities. In other parts of the world, however, recognisable forms of socialism survive.

Cuba is perhaps the prime example of this. Under Fidel Castro, the country has retained a socialist system since 1959. The state controls most of the means of production and distribution and there is a high degree of economic equality. Great emphasis is placed upon the education and health systems, which are famous for their high quality. In a 1968 speech, Castro set out his vision of socialism:

It is clear that capitalism has to be pulled out by the roots. We cannot encourage or even permit selfish attitudes among men if we don't want man to be guided by the instinct of selfishness, of individuality; by the wolf, the beast instinct; man as the enemy of man, the exploiter of man, the setter of snares for other men. The concept of socialism and communism, the concept of a higher society, implies a man devoid of those feelings; a man who has overcome such instincts at any cost; placing, above everything, his sense of solidarity and brotherhood among men.

China, however, has abandoned its socialist structure and is gradually encouraging private enterprise and accepting the inequality that inevitably follows. In Africa, a number of quasi-socialist regimes still exist, notably in Zimbabwe and Tanzania, but they have been undermined by the policies of the International Monetary Fund and the World Bank as well as their own corrupt political systems. These international organisations have insisted that, in return for loans and aid, these states must dismantle their socialist systems and introduce free-market policies. It remains to be seen whether such developments can bring these countries significant economic growth or whether there will be a return to socialist ideals if free-market systems fail.

Elsewhere, socialism remains in retreat, being replaced either by neo-liberal, conservative administrations as in France and Italy, or by moderate forms of social democracy as in the UK and Germany. Many argue that socialism was a historical phenomenon that belonged to a specific period in the development of capitalism. The current age is often described as the 'post-industrial' or 'post-capitalist era', in which individualism is firmly established, it is accepted that governments must take active steps to regulate free-market capitalism without controlling it, and most of the infamous evils of industrial society have been reduced. The US philosopher Francis Fukuyama (1952-) has argued that there is now no place for ideologies such as socialism. History has perhaps moved on and the socialist era may finally be over.

Key socialist thinkers

Charles Fourier (French, 1772-1837)

Although his early brand of socialism was short-lived and did not attract a wide following, Fourier is nonetheless an important figure in the history of the ideology. Marx and Engels clearly thought him significant since they spent a good deal of time refuting his utopian socialist ideas. Marx's description of communism, the ultimate goal of his type of scientific socialism, owed much to the community-based ideas of Fourier.

Fourier saw socialism as a means by which people could rekindle the community spirit that had been threatened by the growth of capitalism. His schemes may have been eccentric, but he did understand that socialism is about fellow feeling and social responsibility. He believed that industrialisation was perhaps the worst evil of capitalism in that it drained workers of their creative abilities and drove them into competition with each other. He insisted that in free, small-scale communities, where everybody was guaranteed a minimum standard of living, children were well educated and everybody was well housed, the genuine human spirit could be released. Fourier had an intensely optimistic view

of the potentiality of human nature to create genuine, cooperative communities.

Fourier therefore represents a particular kind of utopian socialism – one that is less concerned with great issues such as class conflict, exploitation and the evils of private property, but rather sees socialism as literally 'social' in nature. It is a tradition that has been followed by such disparate figures as the Victorian designer and craftsman William Morris and the twentieth-century novelist George Orwell (1903-50).

Robert Owen (Welsh, 1771-1858)

Owen has sometimes been called the father of British socialism. This is perhaps an exaggeration, but it is true that he had an immense influence on the movement. He is known as a utopian, but can be described as an ethical or even Christian socialist too. He did not share the class conflict analysis of the Marxists and other revolutionaries, nor did he advocate a state-sponsored system of common ownership. Owen's socialism was, like Fourier's, of a humanist kind, based on compassion, altruism and social responsibility.

Owen set up an experimental ethical capitalist enterprise at New Lanark in Scotland and another experimental community in New Harmony, USA. Neither was especially successful and he was much criticised for his unrealistic schemes, which were based on an over-optimistic view of human nature. He believed that capitalists could be persuaded to adopt a more humanitarian approach to their workers, and that the workers themselves could be turned into creative, enlightened individuals through education and welfare.

It is not, however, for his experiments that Owen is celebrated and revered but for his contribution to the cooperative movement. At New Harmony he set up a cooperative organisation where workers could produce goods on a collective basis and share out the proceeds on the basis of need. The community could operate successfully within a capitalist environment by removing the exploitation of

both workers and consumers that the system produces. Owen's principle was a simple one. Capitalism exploits consumers and workers because they are powerless individuals. If both groups can come together as cooperative organisations, they can counterbalance the power of capitalist enterprises. He did not, therefore, advocate the destruction of capitalism, but merely a redressing of the balance of power within capitalism. This turned Owen into the champion of both the growing trade union movement and the developing British cooperative movement, which was set up in Rochdale in 1844.

British cooperative societies have taken the form of consumer organisations selling food, other products and a variety of services, such as insurance, to consumers at low prices. They have achieved this by cutting out most of the distribution chain and by using their collective market power to obtain low wholesale prices. They exist to this day, albeit in a modified form. Members of these societies still elect representatives to Labour Party committees and to the party's annual conference.

Like most of the British Labour movement, Owen represents a complete antidote to the revolutionary, Marxist forms of socialism popular at the time in mainland Europe. He understood that capitalism would probably survive and that therefore the most effective response to its evils was to modify its operation and empower the working class, rather than engage in a futile attempt to destroy it.

Auguste Blanqui (French, 1805–81)

In contrast to Robert Owen, a moderate exponent of socialism, stands the notorious, French revolutionary figure of Auguste Blanqui, a man famous for having spent half his life in various prisons. Like Marx, Blanqui saw society in terms of class conflict. The solution to the exploitation of the working class was to rise up, destroy the capitalist system and the state that supported it and replace it with a workers' state.

Blanqui represented an uncompromising kind of socialism, implacable in its opposition to

capitalism. He was even more revolutionary in his outlook than Marx and his followers. He advocated conspiratorial methods among his own followers and set up clubs and societies among intellectuals, students and workers, which were dedicated to revolution and the undermining of the state. Although he stood for election to the French Assembly, he did not approve of parliamentary methods and took advantage of any insurrection that might break out. He was a leading figure in the 1848 revolution in France and in the uprising of 1871 known as the Paris Commune.

In some ways, Blanqui was a similar socialist to Marx, but he had no scientific theory of history and did not attempt a thorough explanation of the true nature of capitalism. He was an emotional socialist who cared only for the emancipation of the downtrodden working class.

Karl Marx (German, 1818–83)

Later on in this chapter we cover Marxism, but Marx's place in the socialist pantheon should be established here too. Marx was the pre-eminent scientific socialist of his day. He was, indeed, the first of the scientific socialists, yet his theories were derived from a variety of sources. His understanding of the nature of capitalism came largely from liberal economists such as David Ricardo, his theories of history were derived from the philosophy of social progress espoused by Friedrich Hegel (1770–1831), and his revolutionary fervour came from figures such as Blanqui. The result, however, bore little resemblance to any of these origins.

After a career as a political agitator and journalist, Marx settled in England. He spent more than 20 years there, effectively in exile, as he was a wanted man in many parts of Europe. His description of capitalism was the result of his own observations of England at the height of the Industrial Revolution. He received help from his lifelong friend and benefactor, Friedrich Engels, who ran his own business and so had an intimate knowledge of capitalism in action.

Marx's socialism was both scientific and idealistic. Although he developed a huge and impressive theory of historical development, his ideas were ultimately based upon a view of the nature of humankind that many have criticised. For Marx, work represents the essence of the human spirit; it is an individual's life force and gives life meaning. His whole theory of human development rested on this assumption. Marx believed alienation was the key feature of capitalism, which would ultimately bring the system down. By robbing workers of their own labour, capitalism was sowing the seeds of its own destruction. This is a critical idea, since it gives rise to the concept that a socialist revolution is, effectively, inevitable. Thus, socialism was not merely an aspiration but the logical outcome of fully developed capitalism.

The idea that socialism is inevitable was shared by the Fabians, but, unlike them, Marx believed that it would not be the outcome of a gradual process, but would result from a hammer blow struck by the revolutionary working class. This was the inevitable revolution.

Marx's critics focus on his assertions about the nature of humankind. He did not allow for the modification of capitalism, which would allow individuals to achieve self-development – even though they might continue to sell their labour in order to live.

Eduard Bernstein (German, 1850–1932)

Bernstein began his active political career as a Marxist sympathiser, but towards the latter part of the nineteenth century he began to lose faith in the ideology and developed a new form of socialism. This would ultimately form the main opposition to classical Marxism during a period when the capitalist structure wobbled and almost collapsed in the early part of the twentieth century. The Marxists turned their fury upon Bernstein, seeing him as a traitor to the cause of socialism. His ideas were branded **revisionism**, the worst kind of insult within the revolutionary socialist world. Bernstein's theories, however, came to dominate European socialism, while Marxism turned into a

Key Term

Revisionism

This term is most commonly used by Marxists to describe, in pejorative terms, the ideas of those followers who have distorted Marxist theory to such an extent that they can no longer be described as socialists at all. Eduard Bernstein was perhaps the most notorious of the Marxist revisionists. The term has also been used by other movements to describe anyone who moves too far away from orthodox beliefs. Anthony Crosland (1918–77) (see below) was often described as a revisionist in the context of orthodox Labour Party policies in the 1970s.

distinct movement far removed from socialist principles. As such, many argued, Marxism became merely a distortion of socialism.

Bernstein was one of the most important early exponents of what became known as 'social democracy'. He rejected Marx's assertions that class conflict would intensify, that this would culminate in revolution and that revolution would usher in a worker's state. He argued instead that socialist principles would be best advanced through democratic, parliamentary means. Furthermore, he rejected the notion that inequality and exploitation would inevitably worsen under capitalism. Within a democratic framework, he asserted, the interest of the working class would receive a fair hearing and capitalism would respond favourably. The appropriate role of socialists should therefore be to form democratic parties, to seek election to power and then to implement reforms in the interests of the working class. Such reforms would include welfare systems, trade union rights and equality of opportunity for all.

Bernstein's brand of socialism successfully opposed Marxism, and social democratic parties sprang up all over Europe (the British Labour Party can be counted as one of these). As communism became a distinct ideology, separate from socialism, the Bernstein position became the heart of non-Marxist socialism.

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Anthony Crosland (English, 1918–77)

Crosland's best-known work, *The Future of Socialism*, which was published in 1956, can be seen as the beginning of a process of change in the Labour Party and, consequently, in British socialism; this came to its logical conclusion with the emergence of New Labour in the 1990s. Just as Bernstein was called a revisionist by the Marxists, Crosland was a Labour revisionist.

In particular, Crosland attacked the view that the most effective way of achieving socialist aims was through the nationalisation of major elements of the economy. He argued that capitalism should be allowed to flourish as long as it created wealth effectively and did not exploit workers in the way that nineteenth-century capitalism had undoubtedly done. Under certain circumstances he accepted that nationalisation might be appropriate, as might worker cooperatives, but alongside these two forms of common ownership capitalism would play a leading role. He rejected the idea of centralised state planning, which was gaining favour within the Labour Party in the 1950s and 1960s.

Crosland rejected a wholly class-based analysis of society, arguing that this was outdated in a world that was, in fact, becoming more pluralist and diverse. Furthermore, the working classes themselves were becoming more affluent, so state intervention to create more equality was no longer so necessary.

In essence, Crosland saw socialism as a collection of values rather than a slavish attachment to a set of institutions. Labour had overemphasised the importance of trade unions, state-run industries and taxation at the expense of its general values. For Crosland, socialism referred to ideas such as social justice, equality of opportunity and greater social equality. As capitalism generated increasing amounts of wealth, it was the role of socialists (or social democrats as we now call exponents of this philosophy) to redirect this wealth downwards through taxation and welfare. Crosland wanted to see an end to poverty, poor health

provision and lack of education by harnessing the wealth of capitalism, not by taking capitalism over.

Crosland provoked a furious debate within Labour circles that was mirrored within the European socialist movement. In 1959, for example, the German social democrats revoked their Marxist roots and declared a set of principles remarkably similar to those of Crosland. While traditional socialists remained committed to common ownership of the means of production, state planning, powerful trade unions and income equality, the more moderate social democrats were becoming less dogmatic, more tolerant and pluralist in their views and much more accepting of free-market capitalism. The Crosland style of socialism won its final victory when Tony Blair announced that New Labour had arrived and that, as a party, it could occupy the central ground in British and, ultimately, European politics.



Key Term

Nationalisation

This refers to a device associated with socialism throughout Europe after the Second World War. It involved taking large private enterprises into public ownership. It was also a way of bringing large monopolies under control. The state ran nationalised industries on behalf of the community as a whole. Most of the industries that were nationalised were public utilities, such as gas, electricity, public transport and telecommunications. Some industries producing basic commodities such as coal, iron and steel were also taken into public ownership. These nationalised industries were able to keep prices down since there was no profit motive, and they were able to provide more employment than the private sector. They ran services that might normally be deemed unprofitable and so would have been abandoned by the private sector. Nationalisation became a central part of European socialism, but fell into disrepute; most nationalised industries were privatised in the 1980s and 1990s.

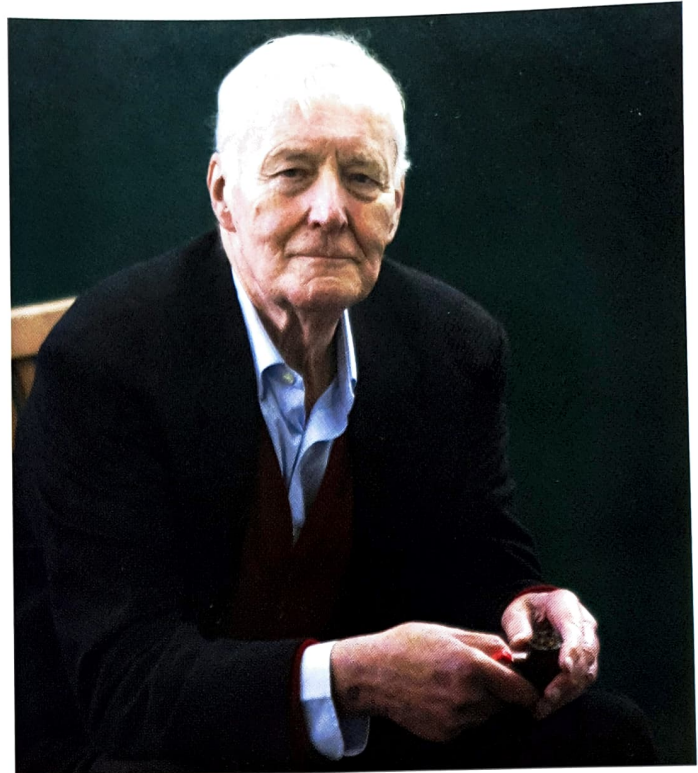
Tony Benn (English, 1925–)

Benn comes from a socialist tradition which can be described as ethical or even Christian. He believes that the principal messages of Christ were equality and brotherhood. Christ condemned the pursuit of wealth and the inequalities that existed even in ancient times. Benn argues that inequality is unethical and must therefore be drastically reduced.

Benn's book, *Arguments for Socialism* (1980), can be seen as a somewhat belated answer to Crosland's 1956 work. In it, he asserted that it was large-scale, monopoly capitalism that was preventing the more even distribution of wealth. Capitalism, he claimed – in direct contradiction of Crosland – would never accept higher taxation as a means of redistributing income. Public ownership of all major industries (what he called the 'commanding heights') was essential, argued Benn, if economic equality was to be achieved.

Benn advocated centralised state planning as a way of running the economy in the interests of the whole community, not just the wealthy few. Production and distribution should be controlled by the state and not left to free markets, he argued. Public ownership and planning, in particular, could eliminate unemployment forever. Permanent full employment and economic equality were, for Benn, both desirable and feasible.

It would be wrong, however, to suggest that Benn was advocating a soviet-style socialist workers' state. He has always been a vehement advocate of parliamentary democracy and an opponent of dangerous concentrations of power. Yes, the state should be the vehicle for socialist aspirations, but it should be a highly democratic state firmly in the hands of ordinary working people, not in the hands of a political elite. If Crosland can be described as a social democrat, Benn can be termed a 'democratic socialist'. When asked whether socialists would relinquish power if defeated in an election and allow the achievements of the movement to be dismantled, Benn has always claimed that socialism would



Tony Benn, a leading British democratic socialist

never lose power. Once people experienced a truly democratic socialist state, they would not go back voluntarily.

Today, Bennite socialism has become marginalised and defeated by the moderate form of social democracy that has taken over Labour. Benn is perhaps the last exponent of traditional socialism in the UK and perhaps even in Europe as a whole.

Issues in socialism

The role of revolution

For much of the nineteenth century, divisions within the socialist movement centred largely on the need for, and role of, revolution. Revolutionary socialists, such as Marx and Blanqui, insisted that there could be no compromise with capitalism and the bourgeois state that supported it. They both believed that capitalism would defend itself against socialist attack, so it was almost inevitable that revolution would be violent and bloody. They rejected any notion that socialism could be achieved through peaceful, democratic means. This view was based