



Where Next for Progressives? Reflections on New Labour

Summary of the main points from Seminar 1 in ippr's *Where Next for Progressives* series

In the first [Where Next for Progressives?](#) seminar, participants reflected on what New Labour was, whether it was successful, and what should come next. This note covers the highlights of that discussion, without pretending there was unanimity on every point.

What was New Labour?

New Labour was intended to be a cross-class coalition, in style like the US Democrats and in impact like Scandinavian social democratic projects; to encourage both redistribution and aspiration; to achieve progressive goals; and to level up, not down. It was a deliberate economic and electoral compromise between social justice and capitalism and between the left and the public at large.

Was it successful?

The success or otherwise of the New Labour project can be judged according to whether it converted its opponents; whether it left the country better off than before; whether it left the world fairer, more democratic and more sustainable; and whether it can return to power without complete reinvention. But when we ask whether New Labour achieved all it might have done, we must be careful to remember conditions as they were then, in 1997 and the period that followed, not as they are now.

There is much in New Labour's record to be proud of. The project shifted the centre ground of British politics. Everybody wants to be a progressive now. Society is more open. Many children have been lifted out of poverty. The minimum wage commands universal support.

But New Labour found the limits of its economic model – a Faustian pact with high finance to fund increased spending on public services – which now appears a busted flush. And after arguing that social justice and economic prosperity were two sides of the same coin, we have to ask why after ten years of unfettered growth there has been no real reduction in inequality in the UK.

New Labour was best at its boldest. But it was bolder at challenging and reforming the Labour Party than it was at reforming the political orthodoxies of the time. It

should have gone further, for instance on constitutional reform, by introducing elected mayors for every major city or by removing life peers altogether from the House of Lords. It won the argument on investment in public services but did not dare make the argument to raise taxes to pay for it. By the time its (far from radical) 2010 manifesto was produced, boldness appeared to have deserted the Party altogether, replaced by a timidity that suggested a Party running out of ideas. Triangulation became self-defeating. In other areas, New Labour made positive changes but kept too quiet about them – often the beneficiaries themselves didn't realise what the government was doing to help them. That must be seen now as a failure of political delivery.

New Labour framed the relationship between state and citizen as a contract, detailing rights and responsibilities, but responsibility to wider society was placed more on the poor than the rich. A consumerist approach to public services sometimes looked like an ideology of marketisation. Only very late in the day did New Labour begin to question this contractual and market-oriented view of reciprocity and so to revisit more traditional Labour models of mutualism and coproduction. Despite massive market failures – the housing bubble bursting and the collapse of financial capitalism – New Labour has not changed the terms of economic debate.

Finally, looking back, Iraq did inestimable damage to the Party's standing in the public mind, and exacerbated a hollowing out of the Party's greatest resource - its membership.

What next?

There are those who believe the Party needs deep and thoroughgoing renewal, as fundamental as that which took place in the 1990s, in order to address dramatic changes in the wider world (eg the financial crash, climate change and the collapse of the European social model), and there are others who think that New Labour still provides a framework, with a bit of tweaking, fit for tomorrow.

New Labour's approach to supporting public services needs defending: they are the services upon which most ordinary people depend. But centralised target-setting and a new management culture could only take New Labour so far. Progressive universalism also matters, recognizing that universality confers durability, thereby entrenching progress. On the contrary, there is concern that the Coalition is beginning to question the whole edifice of universal welfare.

On the economy, simply acknowledging the possibility of market failures won't cut it. Government must mould, not serve capital. The neoliberal orthodoxy to which New Labour felt it had to subscribe arguably now needs to be challenged.

As for New Labour's approach to politics, too often it drew dividing lines between the Party's leadership and its base, rather than between the Party and its opposition. In order to carve out a distinctive offer to the British public, progressives now need to chart an ideological course more profound than 'what works' pragmatism. Progressive politics needs an ideology that people can attach to at an emotional level. The left needs once more to figure out what it stands for, and tell a clear story

about it. This will be easier to do if the gap between the leadership and the party at large is narrowed. Perceptions of a technocratic and managerial elite in government have left the public feeling that New Labour is no longer in touch with ordinary people's concerns. Progressives now need better to blend popular doorstep issues – such as unfairnesses in the benefits system, housing allocation and immigration – with proper intellectual concerns.

Psychologically, progressives need to recognise that the trends indicate that hung parliaments and coalitions may well be here to stay, with or without reform of the electoral system. Once they have recognised that, they need to adapt their politics accordingly. That will mean Labour not altogether losing touch with the Liberal Democrats, or with Middle England. It will also mean being up front about where there is agreement with the Coalition's programme, and not indulging in opposition for opposition's sake.

Progressives need an honest reckoning in terms of: what we got right but is now done; what we got right but still need to finish; and what we got wrong. We need to figure out how to talk about all of this with the public, recognising how much of politics is about communication. And we need to reflect not in an insular, blinkered way, but with reference to progressive movements elsewhere in the world, better fusing the domestic and the international in our future thinking.

Most importantly, we need to ask: what are the big challenges of today and tomorrow, not of yesterday, and what values should we bring to addressing them? The world is moving on: deficit reduction will gnaw away at New Labour's legacy; income from the City will not recover to 2007 levels in the medium term, so new sources of funds are needed if spending is not to shrink drastically as a share of GDP; the Eurozone is in real trouble; the finiteness of natural resources is apparent and the threat from climate change is real. Against this evolving backdrop, what is our critique of globalisation, without being protectionist? What is our account of consumerism, without being anti-market? What is our approach to socioeconomics, without being materialistic? What is our attitude towards change, without neglecting history and tradition?

In the four seminars that remain in this series, these and other crucial questions will be explored.