

FABIAN

S O C I E T Y

FABIAN PAMPHLET 565

Socialism



by Tony Blair

Socialism

1 Ethics, Marxism and true socialism	1
2 Reasserting social-ism	4
3 Vision	7

Tony Blair M.P. is Leader of the Labour Party

This pamphlet is based on a speech delivered on 18th June 1994 to the Fabian Society/Guardian conference, 'Whatever Next?'.

N.B. *This document is a reconstruction of the original Fabian pamphlet which was scanned and then put through optical character recognition software. Errors could have crept in at the OCR stage. If you spot any then please let me know.*

David Pavett

This pamphlet, like all publications of the Fabian Society, represents not the collective views of the Society but only the views of the author. The responsibility of the Society is limited to approving its publications as worthy of consideration within the Labour movement.

Design: Tony Garrett
July 1994

ISBN 0 7163 0565 8
ISSN 0307 7523

Printed by The College Hill Press Limited (TU), London and Worthing
Published by the Fabian Society, 11 Dartmouth St, London SW1H 9BN

Ethics, Marxism and true socialism

For almost two decades, the Left has felt itself on the defensive. Having fashioned the post-war consensus of 1945, its intellectual confidence became sapped by its own inner doubts, the problems of government in the 1960s and 1970s and the onslaught of the Right through Thatcherism. It had a choice in 1979: to accept defeat; to wait unchanged in the hope of the world turning back to it; or to change and rediscover its purpose. Essentially it split in all directions, in the process splitting the Labour Party, the main party of the Left. The great achievement first of Neil Kinnock and then of John Smith was to take the Labour Party back on course towards renewal.

There have been three phases of political development this century. In the first, capitalism and the market were regarded as having failed. The majority lived in poverty and ignorance. So the great institutions of collective power were created and developed to give the majority access to opportunities previously denied - proper housing and sanitation, universal education; insurance against unemployment; a national health service free at the point of need; public ownership of essential industries and services; and a trade union movement with the legal freedom to advance the interests of its membership at work. Government and state became repositories of great power and public expenditure.

In the second phase the majority became more prosperous, and began paying taxes and there was a reaction, not against the institutions themselves but against the manner in which their power was exercised, which came under attack in the name of the individual.

Reaction

Now we are entering on a third phase. The limitations of Thatcherism are clear. The claims of an economic miracle have evaporated. Society is divided. The people are insecure. The public is once again ready to listen to notions associated with the Left - social justice, cohesion, equality of opportunity and community. They do not want to go back; they want to move on.

The Left can lead this new popular mood but only if it understands its nature and presents a clear vision of the country's future that is both radical and modern. In turn, this cannot be achieved unless it continues to regain the intellectual high ground, stating with clarity its true identity and historic mission. In doing so, it must show how this is not a break with its past or its traditions but, on the contrary, a rediscovery of their true meaning.

Different strands

There are two strands of socialist thought that have dominated the Left this century. One is based on the belief that socialism is a set of values or beliefs -sometimes called ethical socialism and closely allied to European Social Democracy. It does not deny the existence of class divisions but its definition of them is not time bound. The other is a quasi-scientific view of socialism that is based on a notion of economic determinism and a particular view of class. This is usually associated with Marxism and other parts of the Left grouped around a narrow view of class interests. The Labour Party has never been Marxist but it has been influenced by the second strand of thought. In particular, many student radicals and union activists of the 1960s and 1970s were reared in the belief that the ethical strand of socialism was weak and inadequate and that the economic determinist version based around class interests was harder edged and more radical.

This second strand became entangled with various other elements of Left thought - syndicalism in the trade unions and the new movements around issues such as the environment and nuclear weapons (though in the latter their influence was always limited). It also believed strongly in 'activism' - the idea that the politically conscious few have to drag the politically unconscious many in the direction of the true faith.

Ethics

The main consequence which flowed from the influence of the second strand, was that when defeat came in 1979, one part of the Left then believed that the reason for defeat was that 'true' socialism had never been tried; and therefore instead of altering the path of the Left, it decided instead to plunge down the same path much more vigorously.

But the first strand of thought was still there. Since 1983, it has come back into its own. Indeed, since the collapse of Communism, it has been the only

serious view of the Left's future that can remain. What is necessary now is to give it clarity and content.

The socialism of Marx, of centralised state control of industry and production, is dead. It misunderstood the nature and development of a modern market economy; it failed to recognise that the state and public sector can become a vested interest capable of oppression as much as the vested interests of wealth and capital; and it was based on a false view of class that became too rigid to explain or illuminate the nature of class division today.

Reasserting social-ism

By contrast, socialism as defined by certain key values and beliefs is not merely alive, it has a historic opportunity now to give leadership. The basis of such socialism lies in its view that individuals are socially interdependent human beings - that individuals cannot be divorced from the society to which they belong. It is, if you will, social-ism.

It contains an ethical and subjective judgement that individuals owe a duty to one another and to a broader society - the Left view of citizenship. And it believes, objectively, that it is only through recognising that interdependence and by society as whole acting upon it - the collective power of all used for the individual good of each - that the individual's interest can be advanced. It does not set apart individual interests and the interests of society as the Tories do. It takes an enlightened view of self-interest and regards it, broadly, as inextricably linked to the interests of society.

It is from this combination of analysis of the world as it is and prescriptions of the means of changing it that the values of democratic socialism - social justice, the equal worth of each citizen, equality of opportunity, community -came.

Time limited

Once socialism is defined in this way as a set of principles and beliefs, based around the notion of a strong and active society as necessary to advance the individual, rather than a set of narrow time bound class or sectional interests or particular economic prescriptions, then it can liberate itself, learning from I its history rather than being chained to it. It then no longer confuses means such as wholesale nationalisation with ends: a fairer society and more productive economy. It can move beyond the battle between public and private sector and see the two as working in partnership. It can open itself up to greater pluralism of ideas and thought.

The problem with an ideology based on a particular economic prescription or time-limited view of class is that it may be valid for one time, but quickly becomes historically redundant. Society or the economy changes and the dis-

ciples of the ideology are left trying to fit the world to the ideology, not the ~ ideology to the world.

For example, there are at least three obvious changes in the post-war world. First, the economy is global and the trading future of our economy is completely interlocked with those of our main trading partners. Economic isolation is neither desirable or feasible.

Secondly, there has been an explosion in service industries coupled with the development of a consumer culture, where people regard themselves as economic consumers as well as producers.

Third, the world of work has been revolutionised. Almost half the workforce are women. Many choose to work part time. The pattern of working hours has changed. People will change jobs several times in their lives.

Above all, as a modern economy develops, the premium on knowledge and education becomes ever greater. It is now virtually a platitude to say that the success of a modern economy is built on the skill and talent of its workforce but it is true nonetheless. It is the amount of value they can add to what they produce that is the key to overcoming competition from low wage or low skill competitors.

Reclaiming the ground

Yet we have failed to answer the scale of this challenge. Large numbers of people are still unskilled and under-educated. There are still frightening proportions of young adults who are both illiterate and innumerate. We have a higher education system that the majority fail to reach. We are in danger of dividing into two groups in the working population: those with careers and those with jobs. The former have some definable notion of progression; the latter are increasingly demoralised and demotivated, undervalued and often very poorly treated by a management style that is neither right nor, in the end, efficient.

The old extreme Left has no real answer to those problems, believing that addressing them is a form of collusion with an irredeemably exploitative market system. The Right either ignores them- or, in the case of bad management practice, endorses it.

This is the chance for the Labour Party and the Left to capture the ground and language of opportunity for itself by policies that are entirely consistent with its traditional principles - namely intervening to equip and advance the individual's ability to prosper within this new economy - but applying them in | a different way for the modern world. How it does so should be where the new thinking and ideas are developed, released from false ideological constraints.

The result is not a policy vacuum or a retreat into philosophy rather than political action. It is, rather, the development of a new policy agenda and in many ways a broader one at that.

The broad agenda

In economic terms, we need a new industrial policy that addresses the structural weaknesses of British industry; a new social partnership at work; absolute priority to education and skills as the means both of enhancing opportunity and creating an efficient economy; direct measures to reduce unemployment; rebuilding our infrastructure; and international co-operation at macroeconomic level to coordinate measures for stable and sustainable growth. In all these respects, society, through government but in many other ways, is acting to promote the public good. In other words, we are not trying to run a Tory economy with a bit of social compassion but acting to ensure the economic public interest is upheld.

In social terms, we act to modernise our welfare state and eliminate poverty, to reduce levels of crime and to improve our environment and quality of life.

And we renew the way we govern ourselves, our outdated and decrepit constitution that now contains the worst features of the centralising tendency of government with unaccountable quangos and cartels taking over local services. A new settlement between citizen and society requires radical reform of our constitution and such reform should be pursued by a Labour Government with urgency. It is not an issue of insignificance, relevant only to the chattering classes; it goes to the heart of the nature of power and the way it is abused in Britain today.

Most of all, by reestablishing its core identity, the Labour Party and the Left can regain the intellectual self confidence to take on and win the battle of ideas.

3 Vision

For too long, the Left has thought it has had a choice: to be radical but unacceptable or to be cautious and electable.

Whilst being 'radical' is defined as the old-style collectivism of several decades ago this may be true. But that is not really being radical at all; it is just neo-conservatism of the Left. Once being 'radical' is redefined as having a central vision based around principle but liberated from particular policy prescriptions that became confused with principle, then in fact being radical is the route to electability.

Once the destination - a strong, united society which gives each citizen the chance to develop their potential to the full - is properly mapped out and the ideological compass reconstructed on true lines, the journey can be undertaken with vigour and confidence. We can then go out as a Party to build a new coalition of support, based on a broad national appeal that transcends traditional electoral divisions.

The future will be decided not on the basis of pacts or deals or horsetrading between politicians or parties but through the power and energy of our ideas and our vision for the country. If that vision for Britain is strong, if it can create ~a popular movement in this country for change and national renewal and show how this can be achieved, then we will win; if we cannot, then no deal or pact can save us and neither does it deserve to.

The Thatcherite project of the 1980s is over. The present government has no project, except political survival. As a result the country drifts without serious purpose or coherence of direction. The prospects for a regenerated left of centre have never been better, nor its duty to grasp them greater. It is time now to rediscover our central mission of social advance and individual achievement. This is a time in which we will make our own history; not power at the expense of principle, but power through principle and for the purpose of the common good.

Recent Fabian Publications

Towards a social economy – trading for a social purpose. *Peter Welch and Malcolm Coles.* Pamphlet No 564 £3.50 May 1994 Outlines the European concept of the ‘économie sociale’ and argues that it is a useful tool for the Left in escaping from the public/private debate.

Fair Is Efficient – a socialist agenda for fairness. *Gordon Brown MP.* Pamphlet No 563 £3.50 April 1994 Analyses inequality in Britain and concludes that socialism and equality are the pre-requisites of economic efficiency.

What Price a Safe Society? Proceedings of the 1994 New Year Conference. Pamphlet No 562 £5.00 April 1994. Collected essays on crime and punishment.

Beyond the Town Hall: reinventing local government. *Margaret Hodge and Wendy Thomson.* Pamphlet No 561. £3.50 February 1994. Argues that local government should once act as a conduit for change and a focus for local pride.

More Southern Discomfort: a year on – taxing and spending. *Giles Radice and Stephen Pollard.* Pamphlet No 560. £3.50. September 1993. Looks at attitudes to the Labour Party in the South of England and proposes ways of attracting floating voters back to the party.

More Southern Discomfort. *Giles Radice and Stephen Pollard* Pamphlet No 560 £3.50. September 1993. Second instalment of *Southern Discomfort* series.

All for one: the future of the unions. *Philip Bassett and Alan Cave.* Pamphlet No. 559. £3.50 August 1993. Argues that unions must emphasise the individual rather than the collective if they are to survive.

Private Pensions for All: squaring the circle. *Frank Field and Matthew Owen.* Discussion Paper No 16. £10. July 1993. Proposes universal, compulsory private pensions.

Euro-Monetarism: Why Britain was ensnared and how it should escape. *Edward Balls.* Discussion Paper No 14. £7.50. December 1992. Analyses the past 20 years’ economic failure and argues for a Europe-wide growth strategy.

Available from the Fabian Society, 11 Dartmouth Street, London, SW1H 9BN. Please make cheques payable to the Fabian Society.

Socialism

What does 'ethical socialism', the new buzz-phrase of the Left, mean? Why has Labour been out of power for so long? How can it win again?

This analysis by Tony Blair outlines the history of socialist ideas in twentieth century Britain and concludes that Labour condemned itself to an eventual period of defeat when it followed the time-limited Marxist analysis. It is, he argues, only now that ethical socialism has re-emerged as the unifying feature of socialism that Labour has once again established itself as the natural party for government.

The Fabian Society brings together those who wish to relate democratic socialism to practical plans for building a better society in a changing world. It is affiliated to the Labour Party, and anyone who is eligible for membership of the Labour Party can join; others may become associate members. For details of Fabian membership, publications and activities, write to: Simon Crine, General Secretary, Fabian Society, 11 Dartmouth St, London SW1H 9BN.

£3.50