

EDITORIAL

Work to do

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The left has plans for how to effect lasting change in our political economy to redistribute resources and live within planetary limits. But what's our strategy for winning power and retaining enough political capital to stay there?

In 1990, the Parliamentary Conservative Party was faced with a country in the midst of a cost-of-living crisis, as both inflation and interest rates soared in the wake of the Lawson boom. The prime minister was fatally associated with a policy, the Poll Tax, which was wildly unpopular. By the end of the year, the party had got rid of its leader, despite the fact that she'd led them to three huge general election successes. In early 2022, the Tory government faced a new cost-of-living crisis, and the damaging drip of revelations and accusations of parties in No 10 and racism at the top of the party. In late February, it seems the party may be waiting for the outcome of the May local elections before MPs make up their minds about whether to bring down another election-winning leader.

The left is always commenting on the way the Tories focus on winning at the expense of, say, principle or loyalty or consistency (generally with a more or less explicit sigh about Labour's failure to do the same). But it's worth pausing for a moment to ponder the contradiction being exposed right now at the heart of Conservative (or Johnsonian) strategy: ruthlessly effective in putting together their coalition of big business, suburban home-owners and anti-immigration social conservatives; devastatingly incompetent in delivering on most of the things that matter most to the country – from track and trace and PPE in the pandemic, to

making Brexit actually work, to energy bills and support to insulate homes. Aditya Sarkar suggests in this issue that the Conservative Party's relationship to (at least parts of) its traditional business constituency has been destabilised: the party is currently willing both to say 'fuck business' and to actually fuck many actually existing businesses. What explains this? Sarkar suggests that 'currently, the need to ride the tiger of right-wing populism outweighs every other consideration for the ruling party, including the future of British capitalism itself'. This makes the right extremely dangerous, but also unstable: reactive, incoherent, sometimes panicky. Riding a tiger is not easy.

To avoid ending up in a similar sort of position, one lesson for Labour is that we need not just a strategy to get into power, but a strategy made up of three, interconnected parts: to win power, to govern effectively, and to transform British society and political economy in the long run. And this longer term transformation requires the building up of sources of countervailing power – institutions, movements and interests capable of counter-balancing the right, embedding the change we want to see, and making it hard to reverse.

Neither a reheated Blairism nor a reheated Bennism is going to achieve that. As James Meadway argues in this issue, in his analysis of the left's Alternative Economic Strategy of the 1970s and 1980s, that strategy relied on two supports that no longer exist. The AES was a Keynesian, economic-nationalist plan at a time when the Bretton Woods agreement had recently disappeared, and it relied on a powerful trade union movement at just the moment when that movement was being eroded and undermined.

But the old 'third way' – belief in business-led economic growth and the efficiency of privatisation – looks just as hopeless in the aftermath of over a decade of austerity, stagnating wages, crumbling public services, faltering economic growth and escalating climate crisis. The 2010, 2015, 2017 and 2019 elections suggest that neither of these options is a resounding vote-winner in the current circumstances.

Is there an alternative out there? Seven years ago, when James Stafford and I first took over the editorship of *Renewal*, I would have said that it was the third part of Labour's strategy which we most needed to figure out: a strategy to transform the country in the long run. Without any idea of how to do this, strategising endlessly about how Labour could get back into power felt like little more than rearranging the deckchairs.

Today, the situation is very different. Big ideas have been set out, developed and critiqued. You may not like all of them, but at least they exist: UBI, a Citizens' Wealth Fund, Green New Deal, community wealth building, the Foundational or 'everyday' economy, local investment banks, and so on. These ideas have also,

increasingly, been systematised. To take two examples: the idea of the ‘institutional turn’, set out by Joe Guinan and Martin O’Neill and developed by a host of others, focused on the array of institutions which could systematically change how investment flows, how wealth circulates and how power is distributed at local, national and international levels.¹ More recently, Labour Together’s new *Plan for National Reconstruction* brings together David Edgerton’s analysis of the economic and political benefits of a *national* economy and Rachel Reeves’s work on developing productivity and wellbeing in the ‘everyday’ economy.² This is genuinely exciting stuff, even if there are still questions to debate. (To that end, this issue contains commentary on Labour Together’s *Plan*, with Tom Barker probing how precisely we can protect our national economy in a globalised and interdependent world, and Cathy Elliott asking how we balance people with the environment.)

But what about the first two pieces of the puzzle of Labour’s strategy? Labour needs to get into power and to stay there, with enough political capital to enact these big policies. As James Stafford writes in his commentary on Labour Together’s *Plan*:

The difficulties of doing all of this against the backdrop of a political-media common sense that regards ‘business’ – British or not – as the authoritative voice on national economic welfare go unaddressed. Yet they are formidable. We only have to look across the Atlantic to sense danger: two quarters of above-trend inflation, blamed by resentful employers on the temporary boost to worker power afforded by a successful pandemic stimulus, have gone a long way towards undoing Biden’s domestic economic programme for the foreseeable future.

So these are the questions Labour must ask (and which we’ll continue to ask in this journal). Who will oppose Labour policies: can we negotiate with them, placate them or even buy them off? (‘Stuff their mouths with gold’ as Nye Bevan once said.) Who will benefit from Labour’s policies, and who will support them? Technocracy has a bad name nowadays, but there’s a technocratic element to this, too. How do we respond to widespread demands to, for example, protect the NHS and reform social care? In the case of healthcare, as Agnes Arnold-Forster and Caitjan Gainty put it in our last issue, ‘to save the NHS we need to stop loving it’.³ Uncritical defences fail to see how the NHS needs to change as society changes. To that end, this issue contains the latest instalment in our long-running series of pieces on the NHS in ‘Era 3’, by Steve Iliffe, Linda Patterson, Richard Bourne and Jill Manthorpe. Iliffe *et al* set out a plan for rethinking the ‘stalled bureaucracy’ of the NHS by shifting the balance of resourcing away from hyper-specialisation in medicine, and towards care in the home and in the community, and by tackling staff burnout. Labour needs serious plans for our major public services, in order to make our case for winning power, and because a Labour government will be judged on this every day.

We should also look at what Labour and social-democratic parties are doing where they are in power. Writing in this issue about Welsh Labour and the German SPD, Karel Williams and Nick Wright suggest the left can govern effectively, even in a fragmented electoral landscape where social-democratic parties have to share power, via compromise hammered out between competing interests. In Wales, Labour and Plaid have a ‘cooperation agreement’, with agreement both on priorities that can be achieved within three years (like free childcare for 2-year-olds and free school meals for all primary school children), and on longer-term ambitions, like the need for an ‘implementation plan’ by the end of 2023 to deliver free access to social care at the point of need. The government is bringing together stakeholders to thrash out ideas on ‘sticky’ issues like afforestation. As Williams says, Labour at the national level has too often ignored Welsh Labour’s achievements: talking about the things Labour is doing in power, in Wales – and in city and local government – is important.

Labour must appear as a credible contender to take over managing Britain’s economy and public services in the immediate future. This is not the same as saying Labour can only hope to pitch itself as a safe pair of hands to manage the status quo.

Competence can’t be the beginning and end of Labour’s electoral strategy. When we’re thinking about how Labour wins power, of course we need to debate how Labour presents our values and what identities and interests the party embodies – class, community, nation, internationalism, and so on. (In this issue, our roundtable on the politics of class, and John Chowcat’s response to John Denham’s vision of a Labour patriotism, take up elements of these debates.) But we should remember that Labour is capable of embodying a plurality of images. After all, the three faces of New Labour were the slick, modern lawyer, the serious son of the manse, and the trade union activist who punched a bloke in the face when he was egged. (Though all three were white men.) We don’t need one size fits all on this one. Each of us has identities, interests *and* values: as Eric Olin Wright suggests, radical movements need to factor all three into the pitch for power.⁴

It was tempting to feel, in the heady days of partygate, when every day seemed to bring a Tory crossing the floor or resigning in protest at gross government incompetence, that it must be only a matter of time for Keir Starmer. But waiting for the Conservatives to discredit themselves is not going to work. After Thatcher was brought down by her own MPs, John Major went on to lead the party to a massive general election victory in 1992. Labour has a long way to go if it wants to take and exercise the power required to durably change Britain, rather than gaining office through blind luck.

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Notes

- 1 Martin O'Neill and Joe Guinan, 'The institutional turn: Labour's new political economy', *Renewal*, Vol 26 No 2, 2018; and see, e.g., Bertie Russell and Keir Milburn, 'What can an institution do? Towards Public-Common partnerships and a new common-sense', *Renewal*, Vol 26 No 4, 2018; Matthew Bishop and Tony Payne, 'The left and the case for "progressive reglobalisation"', *Renewal*, Vol 27 No 3, 2019; David Adler, 'The international institutional turn: The missing ingredient in Labour's new political economy', *Renewal*, Vol 27 No 4, 2019.
- 2 Labour Together, *Labour's Covenant. A plan for national reconstruction*: <https://www.labourtogether.uk/labours-covenant>, 2022.
- 3 Agnes Arnold-Forster and Caitjan Gainty, 'To save the NHS we need to stop loving it', *Renewal*, Vol 29 No 4, 2021.
- 4 Eric Olin Wright, *How to be an Anticapitalist in the Twenty-first Century*, London, Verso 2019.