EDITORIAL

Facing the problems

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That opposition parties need elections to be about change is a cliché for a reason: if change isn't necessary, why change the government? All opposition parties seek to embody some form of change through a diagnosis of the problems. Keir Starmer said last autumn that there exists 'a general sense that nothing is really working anymore'. That is certainly one of the problems in Britain – and while unspecific, it may well turn out to be an electorally salient viewpoint. But as Starmer, the Labour Party more generally and all readers will know, there is a long list of problems, and many reasons why things don't feel like they're working. Facing up to them is an important part of the process of change. In doing so, political parties begin to search for and find answers. They take inspiration from other parts of the world facing some of the same problems. And they begin to set out a plan. In this issue, we consider some of the problems, debate different political ideas, and offer some answers. We reflect, too, on the wider strategic questions of how to offer change.

A change of management is, of course, part of the story of politics and elections – and the offer is rarely ever merely a change in the administrator. But it is only one part of the story. The Labour Party may have good grounds to believe that poor judgement and poor governance bear some of the blame for Britain's problems, but those judgements come from political beliefs – whether consistent and organised, or chaotic. Facing the problems means challenging those beliefs, and not just the people taking the decisions. Coming up with a plan means focusing on your own beliefs. One need not be a Gramscian to believe, as Gordon Brown came to appreciate, that – whether in opposition or government – the left has to win arguments, sometimes difficult ones, to change a country for the long term.[1] This is especially so when political-economic conditions come to sharpen those choices. This strategic balance – the attack on governing competence, alongside challenging beliefs – is a theme running through this issue, and it is a process playing out within the Labour Party.

What are the problems? Starting with economic performance, the Resolution Foundation provided a bleak summary in their report *Stagnation Nation*: 'The toxic

combination of slow growth and high inequality was posing challenges for low-to-middle income Britain's living standards even before the post-pandemic cost of living crisis struck.'[2] Pervasive inequalities bedevil life chances in the United Kingdom. And since Brexit, much effort is being spent in seeking to limit damage – from additional business administration to increases in people's food bills – rather than furthering economic opportunity. Inflation in the UK remains stubbornly high.

In public services, the NHS – the subject of near constant crisis headlines – is being held together by overworked and underpaid staff who are constantly being told by those at the top of the government that they need to be more efficient. There are longstanding problems in other public services, too. A recent report by Baroness Casey found 'institutional racism, sexism and homophobia' in the Metropolitan police.[3] The case for wholesale change within not just the Met, but UK policing as a whole, is undeniable. How political parties respond to the challenges within public services is a test of values. There are campaigns across the country asking for river and sea water clean enough for a person to safely take a swim. This, of course, is not a complete list – but it tells us something about the extent of the problems.

Alan Finlayson, the Chair of *Renewal's* editorial board, wrote in September 2020 that the pandemic had 'robbed us of certainty about what next week might hold'. He called it the 'occlusion of the future'.[4] It's a phrase that, when facing the UK's problems, and the response of the current government, also risks encapsulating a broader, sceptical view of British politics: is a fairer future possible? Answering that question requires space to propose ideas, to debate them, and to work together to bring coherence and highlight ambition on the political left.

Political thinking

Renewal was founded in the wake of Labour's most devastating defeat. In his opening editorial, Paul Thompson posed and then answered the simple question: 'why a journal of Labour politics'. He suggested that the trauma of 1992 'should have finally broken [the] illusion' that 'with the economic and political cycle, [Labour's] time would come'. The circumstances of the journal's founding should be a check against any complacency, any taking-for-granted of the support of an electorate which more often than not votes for the other party. *Renewal*'s role, Thompson wrote, was to serve as 'a focal point of in-depth, strategic debate for Labour and the centre-left'; to puncture the party's intellectual conservatism and its proneness to seek out a 'safe centre'. *Renewal* aimed to push the party to focus 'less on the detail of what Labour wants to do in office, than on the kind of Britain Labour wants to help build'; to instil 'ideology [as] the

driver point of strategy'. The promise was of a journal 'critical in its outlook and pluralist in its content'.[5]

As our predecessors as editors noted in their brilliant survey of *Renewal's* first thirty years, the journal has – in its relationship with Labour's politics – experienced moments of exuberance and moments of sombre reflection;[6] such is the relationship with a Labour Party that loses more than it wins, and where ideological revisionism is often strategically demoted for reasons of party and electoral management. The answer to the question, then, partly comes from the experience. British social democracy – and Labour – needs an outlet for political and ideological debate, reflection and revision. That effort is sometimes of popular interest, sometimes not. But its absence is always noticeable – even if the problems caused by an absence of political thinking are not swiftly connected to it. The format of *Renewal*, a quarterly journal, now with a refreshed supporting website (another achievement of the previous editorial team), is suited to the task – because the work of thinking and rethinking a political project is rarely aided by following the news cycle day-to-day (another reason *Renewal* began and has been supported over the last three decades).

Looking back on *Renewal*'s early years, the intellectual resources available to Labour and the wider left in that moment – a moment well documented in Colm Murphy's *Futures of Socialism*, reviewed in this issue by Ben Jackson – seem quite enviable.[7] Such pluralistic debate between academics, policy specialists and politicians across the broad left is certainly harder now, as the worlds of academia and politics feel more siloed off from each other than ever, and the years of internal conflict within Labour have raised barriers. That challenge makes the work of *Renewal*, and the wider environment in which it operates, all the more important.

As Jackson suggests, the polarised nature of the debate about New Labour is an obstacle to understanding it on its own terms, and learning appropriate lessons. For the revisionist, the questions about New Labour's policy programme contain policy learning; the questions about political strategy tell us that it was a product of, and response to, a time that has passed. New Labour's political economy – and much of its political project – was built upon premises that straightforwardly no longer exist. The idea of a 'reheat' is not an option, as David Miliband said last year.[8] The centrality of the green transition and of economic security and resilience to the present party – and to centre-left governments worldwide – is acknowledgement of that.

The fundamental philosophical questions of what social democracy is *for* have, by and large, remained marginal recently, compared to the lively debate of both the Miliband and Corbyn years. The questions confronting a social-democratic revisionism are not for the Labour Party to answer on its own. Labour has always had to

look beyond its own internal world for the resources to renew. To complain that it does not have all the answers is to state the obvious. Successful engagement might require both intellectuals and practical politicians to engage with a degree more humility than is often the case.

The fundamental questions span political economy, philosophy, sociology, economics and history as much as those of practical policy. They require analyses (and political narratives) which weave together a raft of different problems: what are the political-ideological threads that connect abysmal economic performance with state dysfunction, political cronyism and a deep public cynicism towards politics? How do these problems and their solutions in turn relate to the mounting challenges ahead of us, those which may feed the 'occlusion of the future': climate crisis, and the rapid technological change that threatens to upend the world of work and our relationships? These are matters which should be debated in a pluralist spirit within the social-democratic tradition. They require creative thinking, and interrogation of those complex and contested concepts which nonetheless define social democracy's values and mission: equality, freedom, community.

A health service, free at the point of need, can continue to change to tackle health inequalities, provide greater freedom for people with long-term conditions, and become more personal and more embedded within communities. How we fund such a service speaks to these values too: we must do so in a way that recognises economic inequality, tax fairness and the common good of providing a universal service through public funding. How services are delivered, embracing 'bottom-up' policy implementation and creativity, also speaks to those values and how Labour could reform the state. Thinking with and through our values, and asking the fundamental questions of what 'reform' and political effort is for, is something to which contributors return in this issue.

Labour's plan

This issue has two contributions focused on Labour's plans to challenge Conservatism – and conservatism – and bring about political, economic and social change. Lisa Nandy, the MP for Wigan, and Labour's Shadow Secretary of State for Levelling Up, Housing, Communities and Local Government, reflects on her mission to decentralise power. Nandy starts with an analysis of the problem – going back decades – and discusses, in detail, an alternative that speaks to a very different future. One of Labour's 'Five Missions' for government is for Britain to become a 'clean energy superpower'. For Nandy, this ambition addresses a number of problems. Not only can it help with the cost of living, and energy resilience and

security. It can also play a role in tackling regional inequality, and unlocking investment in communities that have been ignored by the UK government. Nandy's vision for devolving power – something she has worked on for some time – is in part inspired by a belief in people working together and organising together. It rests upon enduring Labour values of solidarity, co-operation and democracy. Labour's plan is not prescriptive in terms of how local communities and different layers of government should work together – which is understandable. To deliver this vision in government may well require a significant democratic exercise if it is to get it right – no bad thing in itself.

Much of Nandy's analysis, and her ideas, can also be found in her recent book, *All In: How We Build a Country That Works* – which is reviewed in this issue by Jon Lawrence. Drawn to her appeal for a Labour politics centred around 'community' and the decentralisation of power, Lawrence cautions that such a politics requires greater reckoning with the challenges associated with such an approach: 'that communities are never homogeneous, and that not everyone wants to take an active part in local decision making', as well as noting the familiar social-democratic tension between localism and egalitarianism. The devolution of power, in short, cannot be seen in isolation from other big decisions that have to be made, including on public spending. To broaden the point: constitutional change might be a democratic good in itself; but it is not a panacea. And, if it is to serve wider progressive ends, it must be embedded within a more comprehensive view of the relationship between Britain's society, its institutions, its political economy and its place in a fast-changing world.

Labour's drive to devolve power – and even the provisional title for its proposed legislation, a 'Take Back Control' Bill – is also significantly shaped by the politics of Brexit. For Stella Creasy, MP for Walthamstow and Chair of the Labour Movement for Europe, Brexit is the 'elephant in the room, casting a shadow over all promises' for the UK's future. Creasy draws our attention to the very clear 'hesitancy' that exists about discussing Brexit, and to the different reasons for that hesitation. This hesitancy coexists with an ongoing battle between those who feel indignant at Brexit's (much predicted) costs, and those who believe it just hasn't been done right. Creasy's answer comes back to facing the problems: 'Honest recognition of the problems to be solved can underpin a programme of deals that will offer hope for our shared future'. Noting that any 'rejoin' move is not currently on the cards, Creasy sets out a detailed plan for a new relationship with the European Union, drawing on the Labour Movement for Europe's policy proposals.

Keir Starmer has moved, cautiously, towards a clearer, consistent critique of the Conservative Brexit deal. The strategic conundrum is how much Labour should

commit to, and what it should or should not rule out. As Labour gets closer to the election, it will need to go much further in specifying its objectives. Addressing the many shared challenges – from climate change to energy security – can and should involve much more cooperation with the EU. Meanwhile, the 'friction' in trade between the UK and the EU continues to make things harder, not easier, for Britain to recover economically, and to tackle high levels of inequality. The world outside is not waiting benevolently while the UK decides on the role it wishes to occupy within it. As geopolitical tensions rise, and the rules and alliances governing the global economy are reshaped, Britain is in danger of being left behind, clinging to a vision of our place in a world that has moved on.

The challenges of political strategy are discussed in this issue by Chris Butler. Tackling the subject of the 'politics of competence', Butler takes us through what political science research can tell us about a political strategy centred on competence, and the risks such a strategy entails. Recognising the motivations involved for the Labour leadership – facing a Conservative Party that oversaw economic calamity last autumn, and a new prime minister seeking to avoid the negatives of a record going back to 2010 – Butler notes that, with Labour posting consistent poll leads, the strategy may make sense. The risk is whether, in Butler's words, Rishi Sunak 'can disassociate himself in voters' minds from the various scandals that caused them to lose faith in the Conservatives'. In short, if Sunak succeeds in recovering a sense of governing competence, opposition leaders lack the essential agency to compete on this ground: they aren't governing. It comes back, then, to voters supporting you on the basis of your beliefs, and where you take them.

Post-neoliberalism

One profound change since Starmer's election is an upturn in the fortunes of social democracy worldwide. A few short years ago, it was common to hear talk of social democracy's engulfment in a global crisis. Now the talk is somewhat different. In Germany, Portugal, Australia, Brazil and beyond, the left is in power – all developments which will be explored in this journal later in the year. Of course, political success or failure for social democrats in different countries is contingent on many things. We should all be cautious of the easy headline, formed on the basis of some results in some countries, that social democracy is either thriving or in permanent decline – depending on what happened in the last twelve months. Recent defeats can be added to the list of victories above, including for the social democrats in Sweden and Finland. Yet with some successes, different political projects come into view which we should all be curious about.

The contours of a more self-confident, more assertive social democracy, explicitly

learning the lessons of the shortcomings of past centre-left governments, are discernible. Its priorities include: major public investment directed at climate transition; active industrial policy; attention to the conditions of work in the foundational economy; redressing regional inequalities; and a rebuilding of the resilience of economies and societies that have been left exposed to successive crises.[9] The political economist Dani Rodrik groups these threads under the banner a new 'productivism paradigm'.[10] Here, the contours of Labour's agenda are clearly in keeping with the spirit of the moment. The Biden administration in the United States in particular is offering a remarkably robust industrial policy directed at tackling the climate crisis and building a more just, more resilient economy. Not just academics but government officials speak about this in terms of a new paradigm, a 'post-neoliberalism'. Its implications for the UK are considered in-depth in this issue.

US Treasury Secretary Janet Yellen's promise of 'modern supply-side economics' has been enthusiastically picked up by the Labour Party, and the possibilities here too are discussed by George Dibb, Rose Khattar, Colm Murphy and Shreya Nanda. As Murphy reminds us, social-democratic supply-side policy is not new; and important points can be drawn from Labour's past experiments (and shortcomings) in this area too. As both Dibb and Nanda note, to deliver inclusive growth, the political and policy dilemmas of confronting 'rentier capitalism' will loom large. From questions of corporate incentives to planning reform, there may be few politically painless answers here.

Meanwhile, James Meadway, Carys Roberts and Todd Tucker dive deep into the implications and lessons for the UK of the American embrace of industrial strategy. As Tucker suggests, the scale of diffuse ambition underlying this industrial policy is a remarkable step change. This is an administration with genuine ambitions to shift the balance of power between labour and capital, to rewrite the rules governing the world economy, and to accelerate towards net zero: 'labour conditions or supply chain commitments or decarbonization commitments … are not add-ons to the Biden agenda; they are the Biden agenda'. Meadway, however, sounds a note of caution about the capacity of a British state – depleted as it is by years of Conservative rule, austerity, chronic short-termism and an outsource-first philosophy – to deliver an agenda on this scale, and to do so quickly. The prospects of a future Labour government will rest not only upon strong policies, but upon rebuilding the capacity of the state, nationally and locally, to enact them. We might add a second note of caution: an incredibly consequential election in 2024 will take place on the other side of the Atlantic. The political foundations of a prospective social-democratic moment appear, at least for now, worryingly shallow.

To new ways of doing things

There is a growing sense, across this issue, not only of curiosity about new ideas on the British left, but of conviction that social-democratic values can better meet the challenges of our times. The task of facing the problems has not yet been fully achieved, but many of the contributors to this issue – from Labour Members of Parliament to economists and academics – are addressing this task, and in turn are contributing to a different vision (or at least, visions) of the future. There will be much commentary over the coming months about tactics – including where ideology meets electoral strategy. Of course, this is not the zero-sum game some have made out over the years. Seeking to shine a light on Conservative competence is perfectly reasonable, and something that should be done. Thinking through our values while facing the problems, meanwhile, does not adversely affect such a political tactic. It is not an either/or. The Labour Party can and should do both as it heads towards the next general election.

Notes

1 Ben Jackson, 'What we talk about when we talk about the Labour Party', *Political Quarterly*, Vol 93 No 3, 2022, pp381-383.
2 Resolution Foundation & Centre for Economic Performance, LSE, *Stagnation Nation: Navigating a route to a fairer and more prosperous Britain*, London, Resolution Foundation 2022.
3 Baroness Casey Review, *Final Report*, March 2023: https://www.met.police.uk/SysSiteAssets/media/downloads/met/about-us/baroness-casey-review/update-march-2023/baroness-casey-review-march-2023a.pdf.
4 Alan Finlayson, 'The era-defining question facing Labour: is there such a thing as Starmerism?', *Guardian*, 9 September 2020: https://www.theguardian.com/commentisfree/2020/sep/09/labour-starmerism-movement.
5 Paul Thompson, 'Labour – the natural party of opposition?', *Renewal*, Vol 1 No 1, 1993.
6 George Morris, Emily Robinson and Florence Sutcliffe-Braithwaite, 'Renewal beyond New Labour: from LCC to Corbynomics', in Nathan Yeowell (ed.), *Rethinking Labour's Past*, London, Bloomsbury 2022, pp.267-288; reprinted in *Renewal,* Vol 31 No 1, 2023.
7 Colm Murphy, *Futures of Socialism: 'Modernisation', the Labour Party, and the British Left 1973-1997*, Cambridge, CUP 2023. See Ben Jackson's review in this issue.
8 David Miliband, 'Between the Obsolete and the Utopian: How to Understand the 1997 "Project"', Speech at the Mile End Institute, London, 6 May 2022: https://www.qmul.ac.uk/mei/media/mei/tgc-media/filesx2fpublications/Between-the-Obsolete-and-the-Utopian,-6-May-2022.pdf.
9 Consider for instance the recent article by Australian Treasurer Jim Chalmers, and

remarks by Biden administration National Security Adviser Jake Sullivan: Jim Chalmers, 'Capitalism after the crises', *The Monthly*, March 2023; Jake Sullivan, 'Renewing American Economic Leadership', speech to the Brooking Institution, 27 April 2023: https://www.whitehouse.gov/briefing-room/speeches-remarks/2023/04/27/remarks-by-national-security-advisor-jake-sullivan-on-renewing-american-economic-leadership-at-the-brookings-institution/.

10 Dani Rodrik, 'The New Productivism Paradigm', *Project Syndicate*, 5 July 2022: https://www.project-syndicate.org/commentary/new-productivism-economic-policy-paradigm-by-dani-rodrik-2022-07?barrier=accesspaylog.