

Editorial

Everything to play for

The shadows of the 1970s still hang over the Labour Party - which has not since 1979 been able to put together a winning coalition that includes the aspirations of its core supporters. Once the left alternative to the cumulative problems of the postwar era was decisively defeated, there began a long process of adaptation to living with the consequences of Thatcherism, during which time the left lost its confidence, and the Labour Party became almost incapable of carrying out its role as the bearer of hope and the possibility of a better future.

As Jon Cruddas argues in 'Our Labour', his contribution to our latest ebook: 'we have lost our language, our empathy, our generosity ... we have retreated into a philosophical framework of the right'.¹ And as he also argues: 'It is only by returning to our traditions, our language and our radicalism that we can confront this very dangerous force [the brutality of what looms under the Tories], and build an authentic political fight around a fundamentally different approach to society and humanity'.

This why there is everything to play for in the months ahead. The financial crash might just signal the beginning of a period when - given that the weaknesses of market fundamentalism are now so glaringly obvious - the left is able to become more confident about offering an alternative to the miseries brought on us all by neoliberalism. This means offering both an alternative political economy and an alternative set of values.

As many contributors argued in our last issue, there is also a very real danger that this moment of potential change will be lost, as both the Tories and the New Labour old guard try to patch things up and return to business as usual. We therefore have included in this issue of *Soundings* a group of articles that constitute part of the work being undertaken by the New Political Economy Network.² It is clear that there is an urgent need for a regrouping of critical economists, both to propose different solutions to the economic crisis, and to battle to make these ideas visible in the mainstream.

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But there is also a need for a regrouping of our values, and hence the issue begins with a set of articles that tackle this theme: our past weaknesses are far more wide-ranging than a failure to come up with an alternative economics.

In many ways the key article of this issue is the dialogue between Stuart Hall and Doreen Massey, whose conversation is a further contribution to our ongoing discussion about how to understand what is currently happening through a return to the conjunctural analysis that was so useful in the 1980s in getting to grips with Thatcherism. Conjunctural analysis is a way of looking at the social, political, economic and cultural contradictions in any particular period of political settlement, and trying to understand how they are articulated to produce that settlement - and how an alternative political project might seek to produce a different settlement, through different forms of articulation. At the heart of this kind of analysis is the recognition of the importance of culture as well as economics. As Stuart argues, 'any serious analysis of the crisis must take into account its other "conditions of existence"'. For the political settlement that replaced the postwar consensus, which includes the Blair era - for convenience described as neoliberalism - these conditions of existence have included the 'common sense' that the market is the way to organise society. This is not something that operates only in the world of high finance; it is something that is internalised by everyone, and has become the common sense of the age.

This is the reason for the continuing engagement in *Soundings* with exploring the values associated with individualism: if we conceive of our selves as rational maximisers of our own individual interests, as individual consumers of goods and services, if we cease to believe that there even is such a thing as the common good, if we believe that there are no structural reasons for individual inequality, we become the ideal citizens of a neoliberal country - we can retire from public life and focus on our own private lives, in our privately owned homes, relying on our private pensions for future security. The question of individualism, and the relationships between individuals and society, is of crucial importance for political analysis. In their article on ethical socialism Jon Cruddas and Jonathan Rutherford offer a different way of thinking about these questions: they argue that it is through rethinking these relationships that we can begin to repair some of the damage caused by New Labour's abandonment of socialist values.

Alan Finlayson points to the importance of a debate on values in his analysis

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of the difference between the Tories' notion of the 'broken society' and the concept of 'social recession'. The Cameronite reinstatement of society into the Tory vocabulary has become increasingly linked to a simultaneous rejection of the big state, based on the eccentric idea that it is the state that has made individuals so feckless, individualistic, selfish, etc. Alan's argument is that these values that are so widely deplored on all sides are in fact produced by the dominant culture. Making individuals to blame for adopting them is therefore unhelpful: a less blinkered politics would point instead to the forces that produce the social recession. The contemporary habit of looking away from the social causes of our problems is also highlighted in Danny Dorling's passionate denunciation of the creeping return of elitism to mainstream educational discourse. 'Failure' in education and life are increasingly being attributed to an innate lack of ability rather than to more structural causes, with the task of education seen as sorting the wheat from the chaff. Those whom the system fails are thus further damaged through being made to feel that it is their individual lack of talent that is keeping them at the bottom of the heap.

Anna Coote and Jane Franklin look at a different problem produced by market fundamentalism - its overlooking of the human resources that sustain social life. They argue that the welfare state will only flourish if it finds ways to draw on these resources, instead of trying to introduce the values and practices of commerce. Other contributors explore further specific areas where neoliberal thinking is unproductive - climate change, roads policy, motherhood, media policy.

As Stuart and Doreen point out in their discussion, it is not enough simply to recognise all these problems. The left needs narratives that describe the world differently and enable people to see alternative ways of living. This is perhaps where the Labour Party is most culpable. As Doreen points out, it has lived off its natural base for so long that it seems incapable of thinking through how it might put together an alternative hegemonic project - one which produces a different kind of alliance, with a new 'common sense'.

A number of changes will be necessary if Labour is to become once more a party that is capable of facing the challenges ahead and constructing a new progressive coalition. As Andy Newman points out, Blair put together 'the wrong coalition', in the sense that the dominant campers in his big tent were the voters of middle England, conceived of as self-interested consumers. Andy

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argues that the middle class can be part of the coalition on a different basis, one which recognises how many interests are shared across the middle and working class. He also has interesting things to say about the Labourist tradition's long-term ability to adapt to new times. James Rhodes shows how even the BNP seem to have a better concept of hegemony than Labour. He argues that one of the strengths of the BNP has been its ability to unite a diverse range of everyday concerns and anxieties within a broad notion of 'unfairness' to whites. He also shows how the BNP mobilises a politics of resentment that stems from a sense of abandonment by Labour: 'towns such as Burnley have become socially, politically and culturally isolated, marginalised within a New Labour vision that is profoundly metropolitan and primarily oriented towards the middle classes'. Labour's jettisoning of these old constituencies is then compounded by its willingness to accept a narrative that sees decline as in some way linked to immigration. A Labour Party that actively combated such mis-analysis could win allies from a large cross-class consensus.

Labour also needs to work much harder at weaning itself from dependency on the City. As Howard Reed shows in his analysis of Peter Mandelson's January 2010 speech apparently accepting some of the limitations of previous economic Labour policy, the 'new' ideas represented little more than a 'social-democratic sheen on a neoliberal core'. What is needed now is for the Labour leadership to have the courage to be more self-critical about their embrace of the market - that is the only way they will be able to begin to construct a new story that the electorate will be able to believe.

The problems of market fundamentalism for the economy are manifold. The dominance of the idea of shareholder value - that the main concern of business is to make money for shareholders - has been catastrophic for almost everyone. As Stewart Lansley argues, inequality is itself a cause of financial crisis, since a bad distribution of wealth encourages personal debt amongst the less wealthy and speculative frenzy at the top. Adam Leaver and his colleagues demonstrate how the obsession with shareholder value means that the banking system 'delivers little social value and instead operates "for itself"'. They also argue the need to intervene to emulate the bankers in seeking to define the parameters of debate by putting forward an alternative narrative of what banking is for, and suggest that its role should be seen as to provide 'sustainable circuits between credit and debt'. These

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are the kinds of analysis that Labour should be actively disseminating.

Catherine Howarth shows how pensions funds - which have the potential to secure socially responsible activities in the firms in which they invest - have been captured by the same rhetoric of shareholder value; but she also points to ways in which a revitalised social movement could unlock their potential to become a greater force for good, particularly in the light of their vulnerability as revealed in the crash. Jayati Ghosh too argues that the crash represents an opportunity for the promotion of alternatives. She shows how the export of Washington-consensus economics around the world has led to a mass subsidy of the rich by the poor, as unaccountable elites have been shored up and world resources unsustainably plundered. The intensification of globalised trade on unequal terms has meant that poorer countries have been affected much more directly than in previous recessions - and the countries that have fared best have been those least suborned by the financiers and their allies in western governments.

For all the reasons outlined above, this is a time of opportunity for reviving a viable centre left. This does not mean replacing market fundamentalism with left fundamentalism. As Jon and Jonathan argue, following the ideas of the late Jerry Cohen: 'The question of which principles we hold passionately are not the same as the strategic questions of how we build popular support and win elections ... we need a strong set of beliefs to help us win back what's been lost, and ... we need a political pragmatism, not of the "what works" variety, but one based around the question of what justice fundamentally requires'. What is needed now is an understanding of what has gone wrong, and a willingness to regroup and build new alliances and coalitions.

This is the subject of our new ebook (see note 1). Labour is central to the progressive future and it needs to begin a process of democratic renewal within its own organisation. But it will also need to involve a broad range of progressive social and political movements in rebuilding a centre-left coalition. There are tens of thousands of members of the Labour Party, Green Party, Liberal Democrats, Plaid Cymru and the SNP, along with progressive people in no party, who are prepared to discuss this kind of coalition politics. As Richard and Jonathan argue in their introduction: 'Whatever the result of the next general election, we need to create a common ground for a progressive coalition of ideas and action. Without this coalition the political agenda will remain unchallenged.'

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Notes

1. Richard S. Grayson and Jonathan Rutherford, *After the Crash: reinventing the left in Britain*, www.lwbooks.co.uk/ebooks/ebooks.html.
2. This is a new network seeking to work together to challenge neoliberal economics. For more information visit the LW books website.