LABOUR AND DEMOCRACY

Actually existing Corbynism

Lewis Bassett

Looking at the Corbyn movement beyond the shadow cast by the ‘long 1970s’ allows us to see it in the light of today’s ‘new times’.

Concepts in political commentary are often fickle. Is populism a symptom of socio-economic crisis or a corrupting pathology, brought to the West from ‘outside’? Democracy, too, typically refers both to a given set of institutions (‘Madisonian democracy’) and the notion of a ‘general will’. And what of economic democracy, currently much discussed but variously understood?

The meaning of Corbynism is likewise contested. The Labour leader has at once been described as a hard left Marxist and at times not radical enough. Corbyn has been accused of putting principles before electability yet, concerning Brexit, criticism from the same quarters is the other way around. Earlier this year, Labour’s deputy leader Tom Watson founded the Future Britain caucus to bring together the ‘Blairite and Brownite’ wings of the party, citing ‘the need for those from the social democratic and democratic socialist traditions to give ourselves the strongest voice we can’. But what, if not Corbynism, is social democracy and democratic socialism today?

Unfortunately clarity is also lacking in the green shoots of academic debate on Corbyn’s Labour. Steven Fielding has called for Corbyn’s critics to ‘publicly define themselves as social democrats’, by making ‘a loud and principled emphasis on
equality’. According to Fielding, in 2017 it was the Liberal Democrats who ‘had the policies that would have most benefitted the poorest’. Yet his account fails to take seriously Labour’s tax and spend proposals, the party’s support for trade unions and fairer working contracts, its plans for public ownership and much else besides. Elsewhere, Jake Watts and Tim Bale see Corbynism as a form of ‘intraparty populism’; a purely discursive phenomenon that pits party members as ‘the authentic people’ against ‘apparently perfidious’ party elites. In their account, Corbyn’s values are cynically held, masking motivations that remain unclear. The conflicts between Corbyn-supporting party members and the PLP (backed up by the media) are presented by Watts and Bale as little more than a Corbynist conspiracy theory. The authors thus fail to dig into what the movement actually entails. Likewise, Frederick Harry Pitts and Matt Bolton’s work also fails to seriously consider whether Corbyn’s anti-establishment rhetoric arises out of conflict with an actually existing elite. In their book-length critique, the authors proceed from the assumption that Corbynism simply re-animates the outlook of the Labour left from the 1970s, identifying in the movement a protectionist ‘populism’ that threatens liberal democracy itself.

Earlier Labour Party leaders have often been viewed as responding to broader social and economic dynamics (Tony Blair, for example, successfully presented New Labour’s ‘modernisation’ project as a response to globalisation). This is rarely the case with Corbyn. The current leader’s name hangs in the air as a floating signifier. Like Tom Watson and Steven Fielding’s idea of social democracy, Corbynism is all things to all analysts. However, now that we have seen nearly four years of his leadership of Labour, a clearer view of the political space carved out by the Corbyn movement should be possible.

This article concentrates on a major source of confusion: the shadow cast over contemporary debate by the ‘long 1970s’. This period was one in which trade unionism reached a post-war peak, while inflation, combined with low growth and floating exchange rates, forced Labour to accept an IMF loan, and, in the words of Denis Healey, abandon Keynes. It ended with Thatcher’s defeat of the miners in March 1985, following a general election in 1983 in which Labour stood on a left-wing manifesto and lost; both events paved the way for an anti-inflationary economic consensus that became the regulatory norm for subsequent governments and central bankers right up to the present. The long 1970s was also the period in which Tony Benn, a man widely considered to be Corbyn’s mentor, became the figurehead for an alternative strategy to austerity and industrial decline, an experience to which Corbyn’s early ideological repertoire owes its lineage. In spite of this heritage, however, I argue that actually existing Corbynism is best understood as a modernising agenda, one that is deeply in tune with our ‘new times’.
New Left lineages of Corbynism

Winning the Labour leadership election in 2015, standing in front of an audience of which one half were dazed, and the other enthralled, Corbyn announced that ‘we go forward now as a movement and a party, bigger than we’ve ever been for a very, very long time’. Later that afternoon, as if to prove the point, the newly elected leader appeared on the platform for a rally held in central London in support of refugees. From the get-go, Corbyn sought to define his leadership in terms familiar to the ideals of the New Left, a narrative reinforced by a barrage of criticism that cast the change in direction as an attempt to drag the party back to the 1970s.

After a (to many) disappointing period in office in the late 1960s, Labour returned to government in 1974, fired up by a left-wing manifesto that commanded significant support among the party’s members but which was almost entirely dismissed by Labour’s cabinet. At the heart of Labour’s programme was an account of the globalisation of large monopolistic firms that shunned domestic investment and bypassed sovereign constraints, both capital controls (prior to the formal end of Bretton Woods) and taxation. According to Stuart Holland, whose work pioneered this analysis, these changes best explained the slow-down of the thirty year ‘golden’ period of economic growth that had followed the end of the war.7 The answer to this crisis as set out in Labour’s manifesto for the February 1974 general election – which promised ‘a fundamental and irreversible shift in the balance of power and wealth, in favour of working people and their families’ – was greater state intervention, including nationalisation of the top twenty-five firms, agreements on prices and investment, and the reintroduction of capital controls. The programme was approved by Labour’s conference but immediately rejected by a majority of the party’s front bench. One exception, of course, was Tony Benn. Entering office in 1974, Benn found himself isolated at the Department of Industry and unable to implement Labour’s radical programme. Instead the pipe-wielding MP for Bristol South turned outward to support worker-led, ‘bottom up’ initiatives in order to try to save and at times transform industrial firms whose fate pointed toward the scrap heap.

Writing with others in 1979, Labour’s current Shadow Chancellor, John McDonnell, extrapolated the ethos of Benn’s approach in government as the strategy of working ‘in and against the state’.8 From 1981–1983, Labour’s control of the Greater London Council (GLC) under the leadership of Ken Livingstone held the candle for this approach in the shadow of Thatcherism (almost literally – the GLC offices being directly opposite parliament). ‘We wanted to go into the state and open it up in order to transform people’s lives’, explained McDonnell (who
ran the GLC’s budget under Livingstone) at an event in Lambeth earlier this year. ‘It meant that Londoners themselves were taking control; what we saw was an emerging social movement’. As Benn had welcomed committees of shop stewards to his offices in Whitehall, the GLC opened its doors to activists in the capital, lending particular support to cultural interventions that promoted municipal socialism, sexual liberation and anti-racism – all of which were labelled by Conservatives and the popular press as ‘loony left’ causes.

Momentum

So much is comparable to the ‘people power’ ideology of Corbynism. Writing for the Observer the day after the leadership election, Corbyn described his victory as ‘an unequivocal mandate for change from a democratic upsurge that has already become a social movement’.9 Indeed over 100,000 people joined the Labour Party during Corbyn’s first leadership bid, with a further 50,000 signing up shortly after the results were announced. Crowds followed the MP for Islington North everywhere along the campaign trail. In August, Corbyn told a large rally in Manchester that 15,000 people had volunteered for his campaign, having delivered the same message earlier that day to crowds of supporters in Derby and Sheffield. As the author Alex Nunn, whose book documents Corbyn’s rise, writes, ‘the rally, the social media buzz, the burst of young people suddenly appearing on the scene – this looked like movement politics’.

Activists who sought to connect Corbyn’s Labour to the extra-parliamentary politics of social movements converged upon Momentum, the group set up to continue the legacy of the campaign. In its infancy, the organisation was caught between the competing visions of a group of volunteers drawn into Labour by Corbyn’s leadership campaign and Jon Lansman, a veteran activist of the Campaign for Labour Party Democracy and a former aide to Tony Benn. Emma Rees, a schoolteacher turned fulltime Momentum employee, explained to me that for the volunteers ‘the whole framing of Jeremy’s campaign was a new kind of politics, creative and coming from the bottom up. It might sound naive now, but it was what people wanted.’ Likewise, in an article for Renewal, Rees, along with Adam Klug and James Schneider, wrote ‘we need more than Corbyn as leader. We need to build grassroots power now: the ability for ordinary people to influence and change the world in their interests, through their own institutions’.

Lansman, however, had from the outset of Corbyn’s leadership campaign sought to build an organisation that would help the Labour left win internal party elections and push for constitutional rule changes that would move the party’s centre
of power away from its cabinet and MPs and towards its affiliated trade unions and membership. Initially, Lansman’s ambition was to gather in the region of 5000 new contacts that would form the basis for this organisation. By September 2015, that list had grown to well over 100,000.

Looking back, almost four years since its launch, Momentum has fallen short of building ‘people powered politics’, or, as Rees and her colleagues had put it, ‘grassroots power’ exerted through non-parliamentary institutions. Momentum have been successful in their other endeavours: winning the left’s battles in party conferences and ballots, dramatically outperforming the social media campaigns of both Labour and the Conservatives in the 2017 general election, and using new techniques, imported from the Bernie Sanders campaign, to revolutionise Labour’s ground war and mobilise the party’s mass membership. So why, despite the enthusiasm and best intentions, has the promise of ‘people powered politics’ not materialised?

For Lansman, part of the problem was that the volunteer wing of Momentum ‘didn’t understand sectarianism and how damaging it could be’. With an attitude mirroring that of Labour’s women and black sections from the late 1970s, Momentum’s movementists sought to be as welcoming as possible to anyone entering the party.15 ‘The challenge’, as Rees now recognises, ‘was that by opening the door to those new activists we opened the door to a small group of sectarians as well.’ Unlike the newer recruits who favoured informal and ‘horizontal’ decision-making processes, more seasoned and single-minded activists helped impose traditional party-like structures on Momentum, in which they gained a strong presence. The sectarians, centred around Trotskyist groupings as well as other ad hoc assemblages, polarised political debate (on issues ranging from public ownership to Zionism) and found themselves frequently at odds with both Lansman and the younger volunteer wing, not to mention Labour’s front bench. Their influence was eventually distanced from Momentum during the second leadership campaign, and, with Corbyn’s blessing, a new constitution was implemented by Momentum’s central office that replaced the delegate based structure with a one member one vote system. The constitutional ‘coup’ caused the sectarians to split, setting up ‘Grassroots Momentum’, which failed to survive its first meeting.

Although a constant and unfortunate feature of left-wing politics, sectarianism is in this case also a sign of the times. Since their post-war peak in the long 1970s, trade unions in the UK have been in near terminal decline. The causes – the globalisation of capital and the rise of finance in particular, anti-trade union legislation and Thatcher’s victory over the National Union of Mineworkers – are all familiar. Yet some of the major consequences are less recognised. In this case
it was the hollowing out of the union movement that left Momentum’s movementists without a steady base from which to build support, and allowed dogmatic sectarianism an easy rise to the top.

Not only has trade union power virtually been eradicated in the UK, but there is a growing realisation, including among trade union leaders, that to reverse the trend will above all require the levers of the state. There is no need to belittle the advances made by organisers in some of the UK economy’s most precarious sectors in order to make this point; one need only look at the statistics: for example, the last ten years exhibit the lowest strike rates on record. The state can dramatically tip the playing field for trade unions in at least three ways: by making working (and rental) contracts less precarious; overturning regressive trade union legislation; and investing in industry, including in an expanded public sector.

Modern liberation struggles don’t offer Momentum’s activists many opportunities for movement building either. Well into the 1980s, women, people of colour and LGBT+ communities could find themselves dismissed and demeaned within the party, as in other spheres of life, prompting extra party sections and organising. Today Labour, like other institutions, has been relatively well prised open by movements based on gender, race and sexuality, limiting the need to build extra-party organisations on this basis. Such progressive institutional integration is one explanation for weak identity-based social movements beyond the party as well. Those movements that do exist and share cultural similarities with Momentum’s movementists (Sisters Uncut, for example) eschew direct involvement in party politics and so avoid a place within the organisation’s formal structures.

In the political sphere, too, the impact of neoliberalism has been felt. In 1979, McDonnell and his colleagues could speak of the welfare state as an oppressive apparatus that reproduced patriarchal categories and inhibited the self-organisation of workers, but subsequent decades have put the left on the defensive and generated working-class demands for state intervention, rather than for the disruption and devolution of state power.

Momentum has proven to be instrumental in driving Labour’s renewal under Corbyn. From the start, the politics of Corbynism was isolated on three fronts: in the party’s bureaucracy, in parliament, including among Labour MPs, and in the media. Having limited resources, Momentum turned to these battles. As well as the organisation’s well-known success with campaigning, both online and off, it has been at Labour Party conferences where the impact of Momentum and the wider Corbyn movement has helped to rebalance Labour as a pluralistic and ‘contentious alliance’ between its three sources of constitutional power: members, trade unions and MPs. Nowhere has this been clearer than in the reform to the
trigger ballot system of selecting party candidates for Westminster. The compromise agreement made it easier to trigger a selection contest for Constituency Labour Parties who wished to see their sitting MP face such a contest before standing for Labour in a general election. The rule change was brokered at the 2018 conference between National Executive Committee representatives of MPs, members and unions, and spearheaded by Momentum and Unite.

A new social contract

Just as Momentum has helped embed the Corbyn insurgency within Labour’s institutions, the re-embedding of workers within a renewed system of democratic capitalism has become the very backbone of Corbynomics, as exemplified by Labour’s plan for ‘inclusive ownership funds’. The policy, announced by McDonnell last year, requires companies in the UK with over 250 employees to annually transfer at least 1 per cent of ownership to a worker managed fund, having the same voting rights as shareholders, for a period of ten years. Likewise, Labour’s proposals for a National Development Bank include a governance structure with representation from trade unions, business, government ministers and civil servants. The party’s plans for public ownership of rail, mail, energy and water are highly limited, at least compared with the long 1970s. Yet here too, McDonnell has accepted the charge of statism that dogged the left’s proposals in that period and emphasized the need to do things differently. The Shadow Chancellor has sought to find ‘new models’ of public ownership that integrate the priorities of consumers, alongside those of workers and the state. These policies, the most radical of Labour’s current offering, are characterised by pluralism, and present the basis for a new social contract between workers and capital.

And here is where the parallels to the long 1970s break down completely. Where, in the past, the Labour Party had to choose whether to support trade unions or the free movement of capital, today the ideas advanced by Corbynism have sought to carve out a non-zero sum game between the two. The irony of Corbynist policies is that they are enabled by the very thing they are against: neoliberalism. Inequality is a case in point. Britain’s current outlier status as a wealthy economy with a long-term declining real wage reflects the weakness of organised labour that, in turn, is causally linked to the country’s chronic productivity problem. Moreover, as the financial press is prone to speculate, the disembodiment of workers from the accumulation process has undermined consent for capitalist institutions and created the conditions for a populist backlash. McDonnell’s plans for dealing with inequality offer the potential to forge a pro-growth coalition that includes both trade unions.
and business leaders. Such an approach appeared impossible in the long 1970s.

So what changed? The current weakness of organised labour is one face of a coin that explains the collapse of supply-side economics. Looking at things from the other end of the class divide, there is a growing consensus among representatives of capitalist firms and mainstream economists that the policies in place since the late 1970s to manage inflation have run out of steam. Austerity, as even the IMF and the OECD have pointed out, is hindering growth. At the same time, interest rates have been held at historic lows, while £435 billion in liquidity has been pumped into banks in the form of quantitative easing – yet neither have yielded an upswing in growth. Indeed, Britain’s recovery from the 2008 recession has been the slowest on record. Larry Summers, once a staunch defender of the self-regulating capacities of financial markets, has since helped to popularise the concept of ‘secular stagnation’, describing the dilemma facing OECD economies as ‘the achievement of fairly ordinary growth with extraordinary policy and financial conditions’. Persistently low inflation, despite the commitment to low interest rates, has left neoliberal economists scratching their heads much in the same way that mainstream Keynesian theory struggled to explain stagflation in the 1970s. Moreover, it has left policymakers with nothing in their monetary tool kit to turn to in the event of a future downturn. As Stefan Eich and Adam Tooze write, ‘we are in a weird and inverted world. The result [of the crisis] has been a collapse of the anti-inflationary consensus assembled in the late 1970s’. Where, as prime minister in 1976, James Callaghan famously told the Labour Party conference that the option for Keynesian reflation of the economy no longer existed, today we may say that it does. The consequences of this shift in the left’s overarching political opportunity structure are economic policies that can secure non-zero sum returns to both capitalists and workers, such as Labour’s proposed £250 billion stimulus programme (made affordable by low interest rates). That such policies are today theoretically possible forms a major part of the rationalisation for Corbynomics.

Actually existing Corbynism is hence the product of new times. The order it seeks to create is not an end to markets as such but the political re-embedding of workers, communities and consumers within the accumulation process, where such conditions will be enabled by the state. Unlike in the long 1970s, Labour’s strategic options are limited by the impact of neoliberalism, particularly in regard to the strength of the workers’ movement. Yet, also unlike the long 1970s, Keynesian economics in some form is today politically tenable. Whether Labour can win government and sustain a reformist course on this basis has not been the concern of this article. What I hope to have made clear, however, is that the
economic approach of actually existing Corbynism is a far cry from both the left in the long 1970s and from most characterisations of the Corbyn movement that appear in contemporary debates.

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**Notes**

1. ‘If Labour members call for a people’s vote on Brexit, then we must respect that’, *Observer*, 22 September 2018.
2. S. Fielding, ‘Corbyn’s critics must go back to their social democratic roots’, *Ballots & Bullets*, School of Politics & International Relations, University of Nottingham: http://nottspolitics.org/2018/06/19/corbyns-critics-must-go-back-to-their-social-democratic-roots/.
6. S. Hall, *Selected Political Writings: The Great Moving Right Show and Other Essays*, Lawrence & Wishart, London 2017. Hall and his colleagues at *Marxism Today* grounded their analysis of Thatcherism and New Labour (which they initially welcomed but later lamented) in the crisis dynamics of post-war social democracy, the rise of new technologies and new social movements – all of which they claimed denoted ‘new times’.
9. ‘Britain can’t cut its way to prosperity. We have to build it’, *Guardian*, 12 September 2015.