

Roundtable

What's left of the left? Democrats and social democrats in challenging times

James Cronin, George Ross and James Schoch's edited collection, What's Left of the Left: Democrats and Social Democrats in Challenging Times (Duke University Press, 2011) is a major contribution to the debate on the prospects of left parties in the advanced industrialised economies. In collaboration with the Labour Movements Group of the Political Studies Association, Renewal gathers here five reflections on the essays contained in the volume from leading academics, and a response from editor James Cronin.

Introduction

Mark Wickham-Jones, Professor of Political Science in the School of Sociology, Politics and International Studies at the University of Bristol

It comes as no surprise that advocates of progressive politics across Europe, as well as North America for that matter, currently confront a number of severe challenges to their favoured project. The crisis in the eurozone raises profound question marks about the nature of the left's economic model, most obviously in its capacity to combine economic recovery with the social commitments that define a reformist approach. The banking crisis of 2008 filtered through the collapse of housing markets, most notably in the United States, and an explosion of public debt, paved the way for prolonged recession across many advanced industrial economies. Though left governments were by no means the only candidates for blame, the economic downturn challenged assumptions about a number of variants of the progressive model, whether in terms of New Labour's predominantly neo-liberal approach with its emphasis on a lightly regulated financial sector or of the differing forms of the social model to be found across continental Europe. Most obviously, of course, the emphasis currently placed on retrenchment and spending cuts as the necessary means of stabilising debt challenges the notion of a progressive politics.

At the same time, many European social democratic parties have experienced severe reversals at the ballot box. After thirteen years in power and three successive general election victories, New Labour lost office in May 2010. It was not alone. Since September 2009 and September 2006 respectively, the German SPD and the Swedish social democrats have been in opposition. The success of Barack Obama in 2008 seemed an isolated example of progressive success, one that is arguable in its orientation and, in the mind of many, disappointing in its execution. Only recently with the success of Francois Hollande in the 2012 French presidential elections, and the re-election of Obama, have the fortunes of the left turned up slightly.



RENEWAL Vol 20 No. 4

The publication of *What's Left of the Left*, edited by James Cronin, George Ross and James Shoch, marks, accordingly, a particularly useful point at which to appraise the conjuncture. How did progressive politics come to be in such a situation and what are the prospects for such an outlook at the present time? *What's Left of the Left* brings together an impressive range of scholars, mostly based in North America. Different chapters in the volume develop historical and thematic perspectives as well as a number of case studies and the book is notable in offering a direct comparison between European social democracy and progressive politics in the United States. This roundtable, held at the University of Bristol in June 2012 and organised by the Labour Movements Group of the Political Studies Association, addresses these questions through a discussion of the volume. Perhaps inevitably, a particular focus is on the British situation and the case of New Labour (tackled by James Cronin in the book).

Developing the social democratic model in Britain and Sweden

Mark Wickham-Jones

Twenty years ago, in a panoramic survey of social democratic politics, Perry Anderson (1992, 1994) drew a distinction between reformist parties in Northern Europe and those in the south of the continent. The former, including the British Labour Party as well as the Swedish social democrats, were characterised by a general sense of retreat as they lost ground in political and intellectual terms. By contrast, reformist parties in Southern Europe enjoyed better, though still mixed, fortunes. Consolidating democratic reforms and enacting some welfare provision, social democrats in such polities had enjoyed some successes and offered greater future potential than their northern counterparts. Two decades later, aspects of Northern social democracy, typified by the trajectories of the British Labour Party and the Swedish social democrats, may have proved more durable than critics had anticipated earlier.

To be sure, the British Labour Party underwent a profound modernisation during the 1980s and 1990s, culminating in the jettisoning of many policy commitments, the adoption of a new electoral strategy, and the development of a heavily revised organisational structure. Such reforms paid dividends, alongside a favourable political environment, and in May 1997 'New' Labour won a landslide victory. In his contribution to *What's Left of the Left*, James Cronin provides a nuanced account of New Labour's period in office. In contrast to those analyses which have emphasised the straightforwardly neo-liberal character of the governments led successively by Tony Blair and Gordon Brown, he offers a rounded and balanced account that notes some progressive successes as well as the standard litany of failures. There is much that is commendable in such a concise account of New Labour: the attention given to some of the finer points of New Labour's record, the emphasis on historical circumstances, and the wide scope of the points made by Cronin. Cronin's overall conclusion is perhaps too generous: given the existing constraints – emphasised throughout the chapter and indeed the volume – he argues that 'Labour's policies were more or less where they ought to have been' (Cronin, 2011, 138). Granted, Labour achieved more between 1997 and 2010 than many of its critics readily admit. But I cannot help thinking that in retrospect historians will see the massive majorities of 1997 and 2001, in the context of a centralised polity, as missed opportunities to attempt a more decisive reshaping of British politics. Almost certainly, alongside intervention in Iraq, considerable opprobrium will be heaped on the personal dynamics of the administration



Roundtable what's left of the left?

and the problematic relationship between Tony Blair and Gordon Brown which did much to undermine its capacity to secure fundamental reforms. In part Cronin does not address such issues. To be fair, his scope is limited in a single chapter. Nevertheless, I think that some of his detail comes at the expense of an analysis of the wider issues surrounding Labour's years in office. As a result broader matters do not get quite the attention that they deserve. I offer two examples here. The first of these concerns the nature of New Labour's agenda; the second relates to New Labour's model (and its connection to the economic crisis).

In terms of Labour's agenda, I think it would be useful had Cronin said more about New Labour's capacity to shape its own identity. He emphasises the shifting context in which Blair won the May 1997 general election: the reforms of the Thatcher governments, a dramatically changed electorate, and a profound and far-reaching economic transformation of the United Kingdom. This approach risks suggesting that, by 1997, New Labour was wholly reactive, an empty vessel that simply responded to external stimuli whether in the form of the demands of Thatcherism or the priorities of a materialistic and individualised electorate. I am not persuaded that such an approach fully captures the complexity of New Labour. Cronin touches on this matter in his discussion of the 'Third Way'. The Third Way offered an attempt by New Labour to define its agenda and map out an identity. But it was never wholly satisfactory, given the bland principles upon which it was based and the uncertain meaning with which it was deployed. Few figures within Labour seemed wholly at ease with the concept. Perhaps, given its failure to establish itself, none ever fully accepted it as the basis for the party's new identity. So the problem of characterising New Labour as a reactive force remains.

Yet a number of the party's initiatives appear to be neither wholly responsive nor to be based in a meaningful sense upon the Third Way. Most obviously, perhaps, intervention in Iraq was neither guided by the logic of Thatcherite developments nor constructed as a response to electoral pressures. To this list might be added, arguably at any rate, foundation hospitals in their detailed development, academies in secondary education, the various New Deals, and tuition fees in higher education. All have features which are different to, and, I think, go beyond the Thatcherite settlement of the 1980s and 1990s. Foundation hospitals and tuition fees do not appear to be grounded in an electoral coalition: far from it, they alienated voters that New Labour might have been expected to target. But academic attempts to find a theoretical 'lens' with which to characterise New Labour's identity have not developed greatly since discussions of the mid-1990s (and they now seem quite dated). Cronin backs off from such an analysis. With regard to Iraq, he side-steps the question rather deftly by asking what a social democratic response to 9/11 and Iraq might have looked like: 'even now the present lack of a clear alternative suggests that getting it right would have been very hard' (Cronin, 2011, 134). It is an interesting puzzle. But the question remains as to why an administration that apparently put so much emphasis on popular preferences embarked on such a risky and problematic trajectory. Indeed, if New Labour was driven by the median voter model, it appeared to act at critical points in a remarkably cavalier fashion.

In terms of the overall model, I think it would have been useful had James Cronin engaged more directly with the economic arguments underpinning New Labour. There has been much praise of New Labour's management of the economy, particularly during its first two terms in office and in its initial response to the financial crisis in 2008. Gordon Brown's decision to give operational independence to the Bank of England days after taking office in 1997 appeared to pay huge dividends by providing a framework in which steady economic growth could take place. Following a number of careful years controlling

public expenditure after 1997, Labour's approach generated growth which in turn supplied resources for increased spending on the NHS and education. In retrospect, it is less clear whether this model was sustainable over the long run. In one line of thinking, an unforeseen financial crisis, stemming from the reckless exposure of the banking sector to bad debts, forced the government to make a series of interventions that led to a massive increase in public borrowing. The subsequent crisis in the financial sector derailed growth and led to the current, double-dip recession, complete with its programme of spending cuts and austerity, albeit one being implemented by a coalition of Conservatives and Liberal Democrats. Another approach, however, indicates that, certainly from 2002, New Labour's commitment to welfare spending relied on increased public debt alongside tax revenues boosted by asset inflation in the housing market and elsewhere. This approach, held by neo-liberals as well as some on the left, questions the sustainability of New Labour's model. Despite its finely balanced detail, Cronin's account does not address this issue directly. Indeed, there is little discussion either as to the overall nature of the model developed by New Labour or about its responsibility for the current economic crisis. I would add that I think other scholars, including myself, have been equally remiss in not speaking directly to this topic.

One of the most striking features of *What's Left of the Left* is the comparison that can be made between the British and Nordic chapters. In the latter, Jonas Pontusson (2011) suggests that there is a distinct and viable Nordic model of social democracy. His chapter is remarkable, partly because it represents a considerable development from his earlier views which were essentially critical of the Swedish model (Pontusson, 1992). Here, he emphasises a number of features of Nordic social democracy. In effect, he comes close to endorsing a revised version of the Rehn-Meidner model developed by the Swedish social democrats in the late 1940s and early 1950s to combine full employment, distributional equity, price stability and economic growth. He notes the importance of compensation for job loss and an active labour market policy as responses to unemployment. He places considerable weight on the part played in this approach by higher education as a route to general skills acquisition rather than specific promises of vocational training. At the same time, deregulation has occurred whilst core spending programmes were retained. In such a climate, a revised version of the Rehn-Meidner model might work as firms come under pressure to improve productivity.

What is striking about Pontusson's account is that the emphasis placed on higher education and the capacity of individuals to develop their own skills within the labour market is remarkably similar to some of the core features of New Labour's model (on education, see Soskice, 1992). Certainly, New Labour did not flesh this model out in the same detail and with the same emphasis. As I suggested above, the party's approach remained frustratingly elusive. The notion of flexible labour markets (which do not really figure in Cronin's discussion) was not really developed by Labour in a progressive manner and was often seen as simply a code for cheap labour (low wages). But at a general level there is an interesting similarity between Pontusson's interpretation of Nordic social democracy and some of the arguments mobilised by New Labour. Such similarity is all the more noteworthy as Pontusson argues that too often scholars have asserted economic policies to be rigidly grounded in particularly structural contexts and to be incapable of transfer from one polity to another. Most obviously, certain academics working within the varieties of capitalism school have asserted that measures in coordinated market economies cannot be deployed in liberal ones. By contrast, Pontusson claims: 'I fail to see any compelling reason why the economic and social benefits of social democratic policies should be more pronounced in coordinated market economies than in liberal market

Roundtable what's left of the left?

economies' (Pontusson, 2011, 100). He accepts that institutions may play a role in developing social democracy and asserts that strong unions are significant. However, quite what exclusive, specific role strong unions might play – as opposed to that of a determined state or a transnationally-based actor – is not really clear in his analysis. The question provoked by Pontusson's intervention is whether a revised commitment to flexible labour markets, through higher education and regulation as well as unionisation, might have provided the basis for a radicalised politics in the United Kingdom. Might it do so in the future?

Overall, I felt that one of the most interesting features of *What's Left of the Left* was the curious convergence of social democracy in these two apparently different cases, the United Kingdom and Sweden. In this regard, the appointment of Jon Cruddas as the coordinator of Labour's policy review is, potentially at any rate, of some significance. Enjoying close links to the German SPD, Cruddas has already signalled his determination to examine reformist arrangements elsewhere and, in the past, he was intimately associated with attempts to open up Labour's battery of policy commitments to external influences, most notably as a party official in the development of economic policy before the 1992 general election (Wintour, 2012). Slightly disappointingly, *What's Left of the Left* backs off from a discussion of these issues in its conclusion. The conjuncture may not be quite as bleak for social democrats as the volume assumes to be the case. Political support for the progressive project is likely to be boosted by the impact of austerity and the increased economic insecurities generated by the current crisis. Some features of the social democratic model – such as the National Health Service in the United Kingdom and welfare provision in Sweden – have proved institutionally tenacious. Other aspects might be reformed as part of a new set of arrangements. In this sense, the economic situation and the Coalition's failure to develop a coherent strategy may be as significant in shaping Labour's outlook under Ed Miliband as the legacies that the party inherited from three slightly disappointing terms in office. Having highlighted the different trajectories taken by progressive politics, *What's Left of the Left* has helped to set the agenda for what will hopefully be a fruitful discussion of reformist politics in the United Kingdom as well as in Europe more generally.

New Labour: whence it came, where it went

Richard Toye, Professor of History at the University of Exeter.

What was New Labour, where did it come from, where did it go? The party's spectacular and unprecedented electoral success under Blair, together with the sense of missed opportunity that surrounds the 1997-2010 period, combine to make these questions seem pressingly relevant to the concerns of today's social democrats. At the same time, one has the sense that New Labour was a *phenomenon* – something that arose from a specific historical conjuncture that will never be repeated, much as one might wish that certain aspects of it (such as the confusion that it sowed in opponents) could be. This is not to say that there is nothing to be learnt from it – indeed a great deal may be – but the Labour Party's next revival, if it has one, will be conducted in New Labour's shadow, not in its warm nostalgic afterglow.

James Cronin's thought-provoking analysis (Cronin, 2011) does two things which I very much welcome. First, it reminds us that Blair-Brown government did have some considerable constructive achievements to its credit. Second, it makes an impressive effort

to reconstruct the thought-world of New Labour, in order to answer the question, why did it come to seem necessary? Cronin reminds us of the problems that had plagued the party through four consecutive general election losses, and notes the weight of the Thatcherite settlement. Adjustment to the new political and economic reality, in his view, was the result of common sense pragmatism, and if the ultimate balance of policies was not perfect, it was approximately right, and more or less the best that could be expected given the constraints the party faced.

Certainly, it is important to avoid being churlish. (We may note the point Tony Blair made in 2003 when he quoted from a 1954 *New Statesman* article which condemned the Attlee government as 'the only event of its kind in history which contributed almost nothing new or imaginative to the pool of ideas with which men seek to illuminate human nature and its environment' (Blair, 2003)). Nonetheless, I feel that Cronin lets New Labour off too lightly. Although he accurately explains New Labour's premises, he goes too far towards an uncritical acceptance of its mind-set. If it is important to be fair to Blair and Brown, it is also important to do justice to their critics within the party, and to appreciate why they too felt as they did.

Cronin's approach to New Labour's left opponents is overly dismissive. He writes that according to its critics, New Labour's record amounted 'to little more than a "humane Thatcherism" or, as Perry Anderson labelled it, a kind of "compensatory neo-liberalism."' Cronin judges, though, that such criticism is 'fundamentally and historically naïve, for it vastly underestimates the weight and durability of what Thatcher brought about' (Cronin, 2011, 119). But is this accusation of naivety fair? Surely it is possible to argue *both* that New Labour was a form of humane Thatcherism *and* that this came about precisely because of the profundity of Thatcherism's impact. Meanwhile, it is unclear exactly what view Cronin takes of the 'Old Labour' past. He refers both to 'what Labour built over generations' and the 'repeated failures of the Labour Party while in office' (Cronin, 2011, 117, 123). Cronin does acknowledge the legitimacy of some complaints about New Labour, only to wave them away with a sweep of his hand. Writing of the marketisation of public services, he writes:

Critics have of course pointed out that privately provided services and facilities are no cheaper or better than those done by and through public authorities, and sometimes have higher cost and lower quality, but that is not the point: the perceived need as of 1997 was for speed. (Cronin, 2011, 129)

Whether or not the policy really was driven by a quest for speed is debateable, but even if it was, it does little to reduce the strength of the indictment. For Cronin, the Blairite embrace of the market was 'only marginally excessive' (Cronin, 2011, 138). In the face of a continuing economic crisis to which New Labour's uncritical embrace of City thinking was a contributory factor, this is a brave position to take.

I have previously argued that Blair's accession to the leadership marked a watershed in Labour's attitude to the market. Previously the market had been viewed even by revisionists in an instrumental fashion. Its virtues were noted, but generally cautiously and in parallel with an emphasis on its limitations. Thereafter it was treated, at least by Blair and his supporters, with untrammelled enthusiasm (Toye, 2004). We may qualify this, insofar as Blair and Brown also paid lip service to Keynes, and arguably to some extent operated Keynesian policies (Toye, 2007). However, public service 'reform' was always equated with market, or quasi-market, solutions. Although the Blairite mantra was 'whatever works' it was in practice assumed that the market worked and that non-market solutions didn't.

Roundtable what's left of the left?

What was in fact a profound ideological commitment to the market was presented as a pragmatic way for the public and private sectors to work in partnership. Anyone who rejected the logic was condemned as a hidebound Old Labour ideologue.

In practice, this type of 'partnership' was conducted very much on the private sector's own terms and held alarming implications for the provision of public services, not least in terms of the lack of transparency that resulted once 'commercial confidentiality' could be invoked by the firms concerned. This was what George Kennan, in the context of Mutually Assured Destruction, referred to as 'crackpot realism' – a set of seemingly consistent axioms with potentially lunatic implications (now being worked out by the Coalition government) that secured an all but unchallengeable position of political orthodoxy. The process, of course, started under Thatcher and Major, but Blair and Brown continued it and perhaps accelerated it. The Harvard philosopher Michael Sandel has suggested that 'without quite realising it, without ever deciding to do so, we [in the West] drifted from *having* a market economy to *being* a market society' (Sandel, 2012, 10, emphasis in original). New Labour bears some of the responsibility for that.

At the same time, it has to be admitted that the embrace of market rhetoric had a compelling political logic. We might say that the distinctive characteristic of New Labour was its enthusiasm for both markets *and* public spending. Of course, Blair's first term saw the acceptance of tight spending limits set down by the Tories in an attempt at a political trap. Thereafter, though, New Labour successfully shifted the terms of public debate. No longer could Labour be reprimanded by its enemies for 'uncosted spending plans'. Rather, during the 2001 election Hague's Conservatives faced the demand that they explain what public services they would cut in order to 'pay' for their proposed tax cuts. This came at a price, of course. Although Gordon Brown as Chancellor could wallop the Opposition by boasting of billions in investment, much of that investment was through Private Finance Initiative schemes which nominally shifted the risk to the companies involved but in fact ensured the taxpayer would face a massively inflated long-term bill. This risked bringing the idea of public spending into disrepute, but paradoxically this was a form of profligacy the financial markets would wear, because, of course, the private sector stood to benefit from the contracts.

In other words, New Labour did create space to pursue its more progressive instincts, but usually with some unpalatable corollary. That, of course, is the nature of politics. *Pace* Mark Wickham-Jones's contribution to this roundtable, the Blair-Brown years represent less a missed opportunity than a series of inescapable dilemmas – at least, if New Labour's premises are accepted. By acknowledging, and perhaps exaggerating, the constraints on social democratic action in a globalised world, Blair was able to create a compelling rhetoric of political realism that made New Labour's various accommodations appear as a symbol of principled modernity, not of compromise. But by swallowing his own logic he condemned himself to policies that to a great degree frustrated his well-meaning societal intentions, which were genuine although tinged with authoritarianism.

Still, there is another line we may add to Cronin's able (if not completely convincing) case for the defence. Recent revelations surrounding media practices in general, and the Murdoch empire in particular, make for hair-raising reading (Watson and Hickman, 2012). Blair's explanation at the Leveson enquiry of his failure to take on Murdoch may not seem very heroic, but we do at least now have a better grasp of the nature of the forces he was up against. The conventional wisdom is that New Labour created the monster of 'spin' and was in due course eaten up by it, but that may be in need of revision. What now seems remarkable is not that the media eventually turned on New Labour but that the party nego-

tiated the swamp so successfully for so long. It might, however, have survived longer if not for the invasion of Iraq, the central political tragedy of my generation. But that, as they say, is another story.

A loss of faith in Keynesianism?

Ben Clift, Associate Professor of International Political Economy in the Department of Politics and International Studies at the University of Warwick.

One of the great merits of *What's Left of the Left?* is the systematic inclusion of cases other than Europe in a comparative analysis of the left. It is very welcome to see the United States incorporated into debates about comparative social democracy – which too easily fall prey to Eurocentrism. Eurocentrism exerts a powerful gravitational pull on the analysis of social democracy, even within a volume committed to escaping these shackles. Pontusson, for example, chastises scholars for conflating ‘social Europe’ with ‘social democracy’, only to then spell out a ‘model’ of social democracy (discussed further below) which requires encompassing unions, collective bargaining, and large public sector service provision. This is not a particularly exportable set of initial conditions beyond a few political economies in Europe. Similarly, the intriguing discussions by Moschonas, and elsewhere Ross, hinge on social democracy’s relationship with European integration. This renders it rather parochial, and limits our ability to gauge what’s left of the left as a broader international phenomenon. Nevertheless, the volume’s structure, including three informative chapters on the US case, keeps Eurocentrism in check. Indeed, in this volume, ‘Europe’ includes Eastern and Central Europe, which is a welcome geographical broadening of focus. Thus many of the chapters and much of the discussion addresses social democracy’s potential and travails in a refreshingly comparative and internationalised manner.

This casting of a gaze beyond the European experience gives glimpses of a more genuinely international or even global discussion of the left which is surely crucial to the fullest account of the left and its prospects in the twenty-first century. Understandably, this volume can only take the first steps down that path. Such a global account is not something that could reasonably be expected of Cronin et al. Their beginning to bring a wider world into the comparative analysis of the mainstream left does however throw down the gauntlet for future volumes and studies to take up. What of the left beyond Europe and North America? South America, and India, amongst others, should all be part of the next phases of this conversation.

Perhaps as a consequence of the broader geographical reach of this book, and issues of conceptual stretching, the editors did not require contributors to reconcile themselves to one definition of social democracy. This fine volume is therefore rather short on discussion of the identity, or ideology, of social democracy. After promising early discussions of Marx, Bernstein and revisionism (Berman, 2011), big ideas and social democratic ideology rather retreat from view. There is only the most cursory attempt to set out an ends-based definition of social democracy that might prove exportable beyond particular sets of national conditions and social democratic *means*. The editors confine themselves within one paragraph of their conclusion to a minimal discussion and definition of ‘reformism in the absence of the socialist dream’, seeing social democracy as a political movement which addresses the ‘equality puzzle’ not just in securing a more egalitarian distribution of wealth, but also of life chances (Cronin, Ross and Shoch, 2011b, 352). Surprisingly, perhaps, there

is no attempt at conceptual interrogation beyond this, allowing the contributing scholars to operate at this level of 'taken as read' generality, or to discuss particular national cases or programmes and policies. Indeed, the term social democracy is largely eschewed in favour of 'centre-left', but this begs still further definitional questions – which the editors themselves raise without resolving, about how to define or delineate what the centre is, either in one context or cross-nationally (Cronin, Ross and Shoch, 2011b, 344).

Given the limited discussion of the broader ideological contours of the left, the discussion remains more empirically grounded in particular national level social programmes and policies. Yet these are not always unambiguously policies 'owned' by the left or centre-left, so it is not always self-evident what such discussion is telling us about 'the left' and its prospects and trajectory. Shoch, for example, suggests tantalisingly that Obama represents a 'revival of the embedded liberal compromise' via hybridising European and US social models (Shoch, 2011, 232). But discussed only at the level of specific social programmes, his approach lacks an analysis of either the underlying ideological or political economy foundations of 'social democracy' in the US case. It fails to convince fully.

The empirical grounding in particular policies has a focus which is in itself revealing. Discussion orbits almost exclusively around social policy and welfare provision. There is precious little on economic policies, macro or micro. This begs the question – is there no economic policy of the left in the twenty-first century? There is a reproduction of the standard account of social democratic economic policy: Keynesianism was good while it lasted, but it came unstuck in the 1970s, and we are all neo-liberals now, and have been since about 1976. This periodisation goes rather unquestioned in the literature on social democracy, but there are grounds to doubt its veracity.

First and foremost, discussions of left economic policy need to admit more nuance, recognising economic policy as an amalgam of elements, some drawn from different political economic traditions. Then we should ask: which are most threatened by globalisation? Thus it is important to specify which parts of Keynesianism have been retained, or abandoned, and why. For example, one could helpfully distinguish fine and course tuning (Cliff and Tomlinson, 2007) – and a potential ongoing role for fiscal policy in boosting aggregate demand, perhaps through increasing reliance on more muscular automatic stabilisers. Using the tax system and minimum wage regimes to boost the disposable incomes of lower earners on grounds both of distributional equity and economic efficiency remains a viable and credible economic policy agenda. The Keynesian critique of financial markets also has a pertinence and resonance that should not be lost on left economic policy-makers.

The ongoing economic turmoil in the world's economies presents many possibilities – with economic ideas in flux, orthodoxies in tatters, and some yardsticks (3 per cent deficit, 60 per cent debt) proving unhelpful. There is clearly more scope to rehabilitate activist fiscal policy and redistributive measures to secure demand and restore growth in the interests of addressing public finances. In addition, there are good reasons, within cuts and austerity measures, to be mindful of who bears the burden of adjustment: the need to protect lower earners and vulnerable groups who have a higher propensity to spend. And that is just the retention of some 'old' thinking. Surely we should also expect some new thinking on the left about macro-economic policy.

The editors in their conclusion identify instead a 'loss of faith in Keynesianism', even in the post-GFC (Global Financial Crisis) reconstruction of economic and fiscal rectitude, and a 'continuing hegemony of orthodox thinking' on all these issues (Cronin, Ross and Shoch, 2011b, 343, 359). The notion of a return to Keynes is dismissed in a line, scuppered by the perceived 'resilience of neo-classical economics' (Cronin, Ross and Shoch, 2011b, 356).



RENEWAL Vol 20 No. 4

This risks neglecting significant doctrinal movement since 2008, including in some very unlikely places, such as the European Commission and the IMF. Indeed, the question to ask is why we have not seen more on these issues from mainstream left parties and their economic policy brains trusts. In as much as Keynesianism was revived in 2008, it was by centre-left figures such as Obama and Brown, as well as Dominique Strauss-Kahn. There is a story to be told about why the centre-left voice in the reconstruction of fiscal rectitude post-GFC has fallen silent.

In terms of the left as a political movement, there is little discussion, except in Cronin's excellent chapter on New Labour, either of parties, mass or otherwise, or of organisational issues, factors or themes. The new context of politics perhaps explains the lack of this traditional focus. In a world where new social media such as Twitter and Facebook pervade our culture (Cronin, Ross and Shoch, 2011a, 12), and where older 'new' social movements, such as anti-globalisation, Attac and so on, are a vehicle for the political activism once channelled through the parties of the mainstream left, perhaps a new form of political campaigning means that we do not need to talk about parties any more. There are, however, many political scientists who are not so sure.

A refreshing aspect of the discussion here is some appreciation of the changing societal context and the 'more fluid, unstable environment' (Cronin, Ross and Shoch, 2011b, 357) in which left politics operates, and the shifting 'social bases of progressive politics' (Cronin, Ross and Shoch, 2011a, 9). The new social risks, and the more complex and differentiated social order in post-industrial societies which have now been post-industrial for decades, feature prominently, especially in the third section of the book. How should left parties address labour market dualisation, and the 'polarisation of the post-industrial income structure', for example (Jenson, 2011, 243)? There could have been more interrogation of how, faced with citizens with multiple identities and electorates strewn with cross-cutting cleavages, political movements of the left can or should navigate these complexities and attempt to articulate and aggregate increasingly diverse interests.

Moschonas's careful discussion of the electoral prospects of the left re-badges the 'golden age' many hark back to much more modestly as a 'bright spell'. Fascinating insights are offered on the relative weakness of contemporary Scandinavian social democracy electorally. The 'glass half full' story hinges on Portugal, Spain and Greece riding to the electoral rescue of social democracy. In present circumstances, one might conclude 'oh dear'. Thus expectations are suitably diminished of a return of a bright spell, let alone another golden age. Moschonas's discussion ends up in the old cross-class alliance thinking and 'class-based political mobilisation' strategising – combining middle and working class blocs. The reader is left wondering, in light of the new social developments charted in Part III of the book, whether those terms capture a sufficient reality, or more concretely a sufficient constituency today.

Inevitably, the reader of a volume like this is hoping for answers to the key 'what is to be done?' question. Not all the contributors are fully focused on what their analysis means for the left in terms of political mobilisation, organisation, or 'movement'. That said, there are elements of a twenty-first century model for the political economy of social democracy which can be gleaned from these chapters. Pontusson's excellent chapter, alongside the individual contributions of Shoch, Berman, and Jenson, begin to sketch elements of such a 'model'. The key role here is for public education and enhancing life chances to be at the root of a social democratic path to economic efficiency in the twenty-first century. Social democracy's mission is to forge a high skills growth path, prioritising social investment in human capital formation (broadly conceived), and combining economic openness with the spread of greater 'IT literacy' and the building of the knowledge-based economy. Through



Roundtable what's left of the left?

child-centred social policy, gender equality in employment, and tackling dualism through active labour market policy, economic and social policy should be geared around compensating losers. Overall, as noted by Wickham-Jones in this roundtable, the important commonalities with Swedish social democracy's Rehn Meidner model are striking.

There is limited innovation in all this: it is more a defensive, rearguard action, one to protect the social and economic policy that social democracy has managed to pursue in the past rather than a new political economy of social democracy. There are also potential incongruities, related to the more diverse social base and range of interests the left seeks to advance. Notably, post-materialist values such as environmentalism are at odds with the productivist agenda at the heart of this twenty-first century vision. Nevertheless, these constitute elements of a 'model' that, internationally, the centre-left could rally around. This could be harnessed to a Keynesian-inspired approach to economic and fiscal rectitude, defending redistribution in the context of austerity in support of economic growth.

Overall, this volume offers an extremely well-informed and wide-ranging account of the state of the left across the whole of Europe, and in North America. The book has the potential to be the beginning of an increasingly internationalised conversation about the future of the left, and the potentialities of the social democratic model in the twenty-first century.

Don't forget the public sector

Magnus Feldmann, Lecturer in Politics in the School of Sociology, Politics and International Studies at the University of Bristol.

What's Left of the Left provides a comprehensive overview of many key challenges facing the centre-left in a variety of European countries and in the United States. It is a thought-provoking volume, which contains excellent analysis and a wealth of empirical material. The core question posed in the volume - 'what's left of the left?' - can be asked both in electoral and programmatic terms, and this review will offer some reflections on both of these dimensions.

Several chapters (especially Cronin, Ross and Shoch, 2011a, and Moschonas, 2011) address the electoral aspects of this question. A variety of factors, such as globalisation, the decline of the industrial working class, changes in the nature of political campaigns etc, are shown to have weakened the left's prospects virtually everywhere and led to a gradual decline in the vote share of the centre-left over time. Nevertheless, these trends mask a lot of variation - even if one abstracts from the idiosyncratic trajectories of Eastern and Southern Europe. In particular, the left's vote share could decline because its ideas no longer appeal to voters or because the most popular ideas have been successfully adopted by other parties (see Pontusson, 2011, 113).

While the claim that 'in Sweden Social Democrats can still effectively dominate policy-making, even if they are in opposition' is probably an exaggeration, it is clear that strategic environments vary greatly (Cronin, Ross and Shoch 2011b, 345). The recent successes of the Swedish Conservatives (characteristically called the 'Moderates') came at a time when they were being accused of stealing social democratic rhetoric, including the decision to label themselves 'The New Workers' Party'. While the nature of the policies adopted by the Swedish centre-right governments is more controversial, it is clear that they have deliberately sought to signal a strong commitment to the welfare state and other causes typically associated with the centre-left, such as gender equality. In effect, the Swedish Conservatives are suggesting that they are offering more modern and efficient solutions to

many of the traditional Social Democratic goals. By contrast, as Cronin (2011) argues, the Thatcherite revolution profoundly reshaped the political and socio-economic landscape in the UK, and New Labour's platform could be viewed as a response to these changes. Conservative success therefore required moving to the left in the Swedish case, whereas New Labour arguably won by moving to the right.

What are the sources of these differences? As this volume suggests, different histories and national traditions have interacted in complex ways with the development of centre-left political parties, and this clearly shapes their current situation and future prospects as well. More generally, recent research has shown that the position of the median voter varies quite substantially across countries as well. Therefore different policy packages may be required to achieve success in different countries (see de Neve, 2011). While this may be the result of deep-rooted cultural, historical and institutional differences, some of this may also be the result of preference-shaping strategies by both centre-left and centre-right parties in office, as in the Swedish and British cases.

Another explanation of these differences stresses the importance of electoral systems. Torben Iversen and David Soskice have shown that the centre-left tends to perform much better in PR systems, whereas the centre-right tends to be more successful in majoritarian systems (Iversen and Soskice, 2006). The mechanism they propose – the median voter's fear of excessive taxes in a majoritarian system under a centre-left government and its absence under PR (when there will typically be a coalition government) – may capture some of these issues. It would have been interesting to hear more about the significance of electoral systems, not least since the comparison of national experiences may well shed more light on the importance of this factor for centre-left party structures, strategies and electoral outcomes.

However, there is also some evidence in the book, especially in the chapter by Teixeira (2011), that the relationship identified by Iversen and Soskice may not necessarily hold in the future. Teixeira suggests that the United States, which has a majoritarian system (but also a strong presidency and a complex web of veto players), may be about to experience a period of Democratic dominance. A variety of demographic and social changes, such as increasing shares of single, working and highly educated women and of professionals in the American electorate, are changing the complexion of the American electorate in ways which increase the proportion of likely Democratic voters (Teixeira, 2011, 163-72). Given that the strategic environment facing traditional social democratic parties in Western Europe seems to have become less hospitable, the existence of similar demographic dynamics raises the possibility that majoritarian systems may become more favourable to the centre-left. The fact that New Labour was for some time one of the most successful centre-left parties in Europe is also consistent with this point.

There may be several reasons for this. In a period of an increasingly fragmented left, including a variety of new or reformed left parties (for example, Die Linke in Germany) and Green parties in addition to traditional social democratic parties, some centre-left voters are more concerned about the policies that a coalition might produce than they were in the past. There were potential Social Democratic voters in Sweden who chose to vote for the centre-right in 2010, as they were unhappy about the prospect of seeing a coalition (including the Greens and especially the Left Party, that is, the ex-communists). Although the Social Democrats rarely gained outright majorities in the past, they were generally in a dominant position and able to govern alone (usually with the support of the Left Party in parliament). By contrast, fragmentation on the centre-right has arguably fallen, although there are four 'bourgeois' parties and a far-right party as well. Since the 2006 election, the centre-right Alliance has effectively been a cohesive and united force. Between the 1930s

Roundtable what's left of the left?

and 2006 no Swedish centre-right coalition government ever served an entire electoral term without a serious cabinet crisis or the departure of at least one of the coalition parties. If the coalitional dynamics on the left become more complicated due to new cleavages and divisions, then the advantage associated with PR for the centre-left may be less obvious.

On the other hand, such prognoses are complicated by a number of factors. First, the success of the centre-left will also depend on the strategies adopted by the centre-right. Similarly, if the far right continues to eat into the support of the centre-right in Europe, it may be increasingly difficult to forge successful coalitions on the right as well. Even in the absence of far right ascendancy, there may be increasing fragmentation of electoral preferences (for example, due to environmental and other post-material issues), which may make majority governments harder to achieve even by the centre-right in first-past-the-post systems. In addition to the current Con-Lib coalition in the UK, there have been several minority cabinets in Canada in recent years (2004-11) as well.

With respect to the second aspect of the question 'what's left of the left?', namely the centre-left's agenda and programmatic coherence, the conclusions of the volume are somewhat unclear – perhaps deliberately and inevitably so. The book paints a compelling picture of what the left no longer is. It has jettisoned its commitments to Keynesianism, public ownership of business, and an ever-expanding welfare state. However, what exactly should a centre-left ideology look like today? And what kinds of policies are still viable? As the volume highlights, the new fluid environment offers lots of possibilities to develop creative platforms, but there are also a variety of tensions associated with new insider-outsider conflicts and the role of post-materialist values.

Given the diversity of national experiences, it is of course virtually impossible to identify a comprehensive set of policies which all centre-left parties might agree to. Pontusson's chapter about the Nordic model comes closest to defining a specific policy agenda for the centre-left. He puts great emphasis on 'security in the labour market' rather than 'job security' (Pontusson, 2011, 92). This implies a commitment to flexible adjustment underpinned by generous unemployment benefits and active labour market policies, which help workers compete for new high-quality jobs. As Katzenstein (1985) showed many years ago, flexible adjustment has been a central element of Northern and Western European corporatist countries for a long time, not least since these are small and export-dependent economies. Pontusson also suggests that this model could be emulated even by liberal market economies in a global economy (Pontusson, 2011, 113). Many features of the model outlined by Pontusson are actually remarkably similar to some aspects of the New Labour project, notably the emphasis on active labour market policies – a point also made in this roundtable by Mark Wickham-Jones.

However, the successful implementation of this model in liberal market economies like the United Kingdom may well depend on a greater role for the public sector, a point which could perhaps receive even more emphasis in this volume. Without a strong public sector it may not be possible to combine a commitment to efficiency with the broader centre-left agenda, including the promotion of egalitarianism and female labour participation. Pontusson's analysis suggests that subsidised public services, notably the availability of affordable childcare, is essential for ensuring higher female labour force participation (Pontusson, 2011, 95). Pontusson also highlights the role of high educational attainment and its egalitarian distribution in the Nordic countries, which is likely to affect the quality of the jobs relatively less-skilled workers can take and the associated distributional outcomes. Both of these policies could be seen as complementary to active labour market policies, and both of them require substantial investments in public services (Pontusson,

2011, 96-7). This implies that strategies for strengthening the public sector in an age of tax-weary electorates may be a critical challenge for the centre-left.

Yet Pontusson's model focuses almost exclusively on labour markets. Indeed he explicitly says that macro-economic and financial policy should not be seen as part of the social democratic model (Pontusson, 2011, 112). While the labour market has been and will continue to be essential, it may be unwise to restrict the progressive agenda in such a way. Some of the most important challenges to the centre-left may well relate to macro-economic, financial and housing policy. In Britain it will be essential to develop a credible, yet also more egalitarian and growth-oriented, alternative to the austerity agenda of the Conservative–Liberal Democrat coalition. More generally, the dramatic increases in private credit and home ownership in recent decades raise major challenges associated with what Colin Crouch calls 'Privatised Keynesianism', where spending financed by private credit is increasingly central (Crouch, 2009). Unlike traditional Keynesianism, which was designed to smooth business cycles, the growth in private credit and new financial instruments can be expected to exacerbate fluctuations. The challenges of simultaneously achieving financial stability and providing abundant affordable housing, especially in an economy like the United Kingdom where the financial sector is so influential both in economic and political terms, are formidable. While it is not clear what a distinctively centre-left agenda might look like, especially since many Labour voters have invested in the housing market, no progressive government can avoid grappling with these issues.

Ultimately the two aspects of the question *What's Left of the Left?* are related. The electoral prospects of the centre-left depend on its programmatic content. As this volume highlights, there is scope for developing creative programmes that have great electoral appeal. While new circumstances may necessitate some novel approaches to regulating labour, housing and financial markets, progressive parties would be well advised not to forget the importance of the public sector to the pursuit of the classic goal of combining efficiency and equity.

Social democracy: objectives, options and agencies

John Kelly, Professor of Industrial Relations at Birkbeck, University of London.

What's Left of the Left is a collection of authoritative and wide-ranging essays whose authors aim to grapple with the prospects for social democracy in hard times: the aftermath of the long post-war boom; the collapse of the East European command economies; and the growth of multinational corporations in a globalised economy. Whilst none of the contributors echoes Perry Anderson's millennial remark that 'the only starting point for a realistic left today is a lucid registration of historical defeat' (2000, 16), the general tone of the volume is both sober and modest. According to the editors, 'the alternative to actually existing capitalism is not socialism, but a better and more just capitalism' (Cronin, Ross and Shoch, 2011a, 8). This overarching theme certainly provides the book with a degree of coherence, notwithstanding the differences between the contributors, yet it also raises a number of key questions: what should we now understand by the term social democracy? To what extent are the strategic options for social democratic parties subject to the severe social and economic constraints described by many of the contributors? And what is the relationship between social democratic parties and that other, traditional component of the labour movement, the trade unions?

Roundtable what's left of the left?

One of the intriguing features of *What's Left of the Left* is how little discussion it contains on what it now means to be a social democrat. This is not simply a question of conceptual or terminological precision, although that is clearly important. Without an understanding of what distinguishes social democracy from say Christian Democracy or social liberalism, it becomes difficult to establish benchmarks that enable us to gauge the policy success of social democratic governments. Broadly speaking we can identify three approaches to this topic in the book: first, there is social democracy understood as a set of values, such as equality; second, there is social democracy as a set of policies, such as solidaristic wages or high public spending; and thirdly, there is what we might call social democracy as a policy orientation, an example of which would be limiting the power of markets. It is also important to define social democracy so that we avoid the danger of equating the electoral victory of social democratic parties with the hegemony of social democratic policies or values.

The issue of definition is perhaps brought out most clearly if we compare two chapters in the book, on Sweden and the UK respectively. Jonas Pontusson and James Cronin both offer highly positive appraisals of the recent social democratic governments of these countries. Yet it is clear from their own (and other) accounts that the two governments pursued significantly different policies, probably with different policy orientations, and quite possibly rooted in somewhat different values. The Swedish commitment to public provision of basic goods, to active labour market policies, to strong trade unions, and to a high replacement rate in its welfare payments are far removed from New Labour's commitments to privatisation, workfare, weak trade unions shackled by draconian laws, and one of the meanest welfare regimes in Western Europe. Now it is perfectly reasonable to argue that the policies that embody social democratic values will vary somewhat between different economies and different party systems. But at what point do these differences cease to represent *intra*-party family differences and become *inter*-party family differences? After all, Tony Blair's strong commitments to a national minimum wage and to social partnership between labour and capital are as central to Christian Democracy as to social democracy (and Blair himself is a practising Christian). I'm not suggesting that the Swedish SAP is the guardian of social democratic orthodoxy whilst Blair's New Labour has been transformed into a Christian Democratic organisation, but the evolution of British Labour policy since the late 1980s does raise a legitimate and interesting question about the boundaries between party families. In the absence of a clear specification of what might comprise social democratic policies or values, however, it is hard to make much progress in thinking through this issue.

Any appraisal of social democratic policies must take account of the electoral environment within which these parties operate. On this point a number of contributors are keen to stress the electoral difficulties faced by social democratic parties and to emphasise that the declining vote share for these left parties is both long term and widespread. In other words, as Moschonas makes clear, the problems faced by social democracy cannot be located in the particularities of this or that national economy or electoral system. In the face of declining electoral popularity, and given the electoral successes of the resurgent neo-liberal Conservatives and Liberals, James Cronin is therefore keen to stress that British Labour's adaptation to neo-liberal policies was sensible electoral politics. On this view the median voter has moved rightwards, as evidenced in Conservative electoral success, and so vote-maximising social democratic parties must also move to the right. Measured purely by vote share and years in office the conclusion seems incontrovertible. A similar argument could be made for other social democratic parties, such as PSOE in Spain and PASOK in Greece. Moreover, Cronin is keen to stress, against leftist critics, that New Labour did not simply continue the implementation of Conservative neo-liberalism but

gave these policies a pronounced social democratic inflection. The national minimum wage, for example, dramatically raised the earnings of several million low paid working class women and was strongly opposed by the Conservatives.

Yet despite these arguments, there are still questions to be asked about the adaptation to the right. In the first place, it is possible that social democratic endorsement of neo-liberalism, in whatever form, will end up strengthening the political right at the expense of the left. Whilst the vote share of Western Europe's social democratic parties has been steadily declining since the 1970s, Conservative and Liberal vote shares have held steady and the far right vote share has risen significantly, from under 2 per cent in the 1970s to almost 8 per cent in the 2000s (Gallagher, Laver and Mair, 2011, 241 ff.). The claim that voters are now less receptive to leftist policies is backed up by the collapse of Communist Party support. On the other hand, it is contradicted by the capacity of both Green and radical left parties to pick up votes from disillusioned social democrat supporters, to a limited degree in the UK, but more so in countries such as France, Germany and the Netherlands. Moreover the median voter argument downplays the increasing volatility of the electorate and the willingness of voters to switch between parties. It also downplays what Berman calls the 'primacy of politics', in other words the wide range of policy options open to social democratic parties in between the extremes of ideological pro- and anti-market positions (Berman, 2011). The logic of Berman's argument (*pace* Cronin) is that it is wrong to describe the Conservative reforms of the 1980s and 1990s as being 'largely irreversible'; constraints are not insuperable obstacles.

Social democratic parties have traditionally enjoyed close relations with trade unions, through organisational structures, overlap in senior personnel, and shared policy agendas. Many of these linkages have weakened in recent years, not least in the Scandinavian heartlands of social democracy. Yet the unions in these countries remain strong and provide workers with a degree of protection against the vicissitudes of the market and against corporate power. Pontusson emphasises the centrality of union power for the social democratic project and rightly so: numerous studies of trends in earnings inequality have shown that strong trade unions within a centralised collective bargaining structure are one of the most effective means of maintaining an egalitarian earnings structure (see Glyn, 2006, 167-70). It is therefore remarkable that much of what James Cronin has to say about trade unions is highly critical. Whilst noting their historic contributions to finance and electoral mobilisation he argues that their resistance in the 1960s and 1970s to legal regulation of strikes and to state incomes policies ultimately led to the election of the Thatcherite Conservatives in 1979. Even if this account were accepted, with its critical fire directed entirely at the unions, there is little appreciation of the transformation that has taken place within the union movement over the past thirty years. The idea of the statutory national minimum wage, opposed in the 1960s by manual unions because it represented state interference in wage bargaining, was wholeheartedly accepted by the very different trade union movement in the 1990s. What Pontusson recognises far more than New Labour and its supporters is that social democratic labour market policy cannot be confined to minimum wage laws, job creation policies, and employment tribunals. Unions have an equally vital role to play in bargaining over wages, thereby contributing to economic equality, and in providing workers with an effective voice at the workplace, thereby acting as a countervailing power against corporate executives.

Notwithstanding these critical reflections, *What's Left of the Left* is a fascinating and thought provoking book. Steeped in Gramscian 'pessimism of the intellect' it offers a candid and sobering assessment of the strengths and weaknesses, the opportunities and threats, facing the social democratic left today.

Response: what's left of the left, once more

James E. Cronin, Professor of History at Boston College.

Good criticism is hard to come by and it is a genuine pleasure to have one's work read, taken seriously and debated, particularly by scholars as knowledgeable and thoughtful as those gathered here. I therefore want to begin by thanking the five critics whose pieces are printed here and especially Mark Wickham-Jones, who organised the discussion from which these comments emerged and then put together this roundtable itself.

Each of the authors raises important points that my co-editors, George Ross and Jim Shoch, and I have found extremely helpful. It will be impossible, in this short space, to respond to them all, but we can and will commend them to our contributors. Several issues came up in more than one comment – the assessment of 'New Labour', the role of Keynesianism and economic strategy more generally, the surprising similarity between at least some aspects of New Labour and Swedish social democracy, and the more general problem of defining social democracy and the centre-left. Let me try to address these issues and, in the process, explain a bit about what we set out to do in the book and the choices we made about how to proceed.

It was perhaps inevitable, given who we are and where we were, that New Labour's vision and achievements should have been an important focus. Clearly, neither Mark Wickham-Jones nor Richard Toye are entirely convinced by my relatively positive assessment of the New Labour project and record. In his comments at our meeting in Bristol, John Kelly also shared this scepticism. I would make three points in response, though they, too, might be found wanting. First, the essay in *What's Left of the Left* was never intended to be the definitive verdict on the Blair/Brown record, but rather an effort to suggest that New Labour still had things to teach others and that, despite the disappointments of its thirteen years in office, its accomplishments were not insignificant. Part of that effort required, it seemed to me, a proper sense of context and, in this case, constraint. Hence the emphasis on Labour's four consecutive electoral losses and the legacy of Thatcherism. To this extent, at least, the chapter on New Labour was intended to illustrate the broad constraints on the centre-left in the current era, the recognition of which was a guiding assumption of the volume as a whole. That assumption might well be questioned, and the reasoning behind it rejected, but it was the premise of the broader effort.

My second response is perhaps defensive, or even self-serving: several of the issues raised by critics were dealt with at greater length in my book, *New Labour's Pasts* (Cronin, 2004). Wickham-Jones asked specifically for more discussion of New Labour's 'agenda' or, as I read him, its identity and vision, and its economic model; and Richard Toye argued that there should have been greater attention paid to New Labour's critics on the party's left and he queried the claim that Labour's prior record was one of repeated failure. They both also and appropriately mentioned the financial crisis of 2008 and the ensuing 'great recession'; and they are right in noting the absence of extended discussions of these points. To do so effectively in a relatively short essay would have been difficult, however, and so I simply, and perhaps mistakenly, referred readers to the larger book. On the party's identity, in *New Labour's Pasts* I reviewed the rather impressive efforts made by New Labour to develop a more coherent vision and rhetoric: the party spent time debating both 'community' and 'stake-holding' as dominant frameworks before settling uneasily on the 'Third Way'. If the effort was not a complete success, it was not for want of trying or for lack of interest; and the party's ongoing efforts to define a post-New Labour vision, in which some of these ideas are being aired once again, suggest it is never done or fully

RENEWAL Vol 20 No. 4

satisfying. That is because these things are hard, particularly hard for a party that needs to keep an eye on opinion polls and function as the official opposition.

The book also discussed, though perhaps too cursorily, the turn to what was called 'supply-side socialism' (and famously, by some, 'post-neo-classical endogenous growth theory'), with its emphases on education and training. Richard Toye suggests that 'the distinctive characteristic of New Labour was its enthusiasm for both markets *and* public spending.' If one adds to that formula various programmes inspired by 'supply-side socialism' and a certain measure of fiscal prudence – which may have ebbed over the course of the government – New Labour's economic strategy was relatively coherent and, for a decade, quite successful. It always lacked a name, and perhaps I should have suggested one in my essay, but it was quite well understood by party leaders, by outside commentators and by the Tories, who were forced to accept much of it.

Nor was there serious dissent over this strategy within the Labour Party. The left had lost out in the battles over policy in the 1980s and while there was grumbling about the 'modernisers' approach, no coherent left alternative was on offer in the 1990s or, it must be said, after 2000. Eventually, the left found its voice over Iraq, but not until then; and prior to that the main dissent came from trade unionists unhappy with talk of public service reform. It would seem, however, that they could not quite decide whether talk of reform was just that, designed to make increased spending palatable to a potentially sceptical public, or something the government actually believed in. Their indecision was in fact quite sensible, for if Blair would come to see public sector reform, largely on market principles, as central to his politics, Gordon Brown did not; nor did others.

Overall, I have therefore found it difficult to find credible and consistent critics within the party who were ignored at Labour's peril. Nor is it easy to find a tradition within the party that could have been developed and served as a plausible alternative path for Labour after Thatcher. Toye says 'it is unclear exactly what view Cronin takes of the "Old Labour" past.' Again, he is right, but that past was complicated and it was in the nature of the party that it comprised distinctive traditions that overlapped, competed and co-existed at different points in time. *New Labour's Pasts* reviewed these traditions since roughly 1960 and demonstrated that the changing mix of tradition and policy followed in successive Labour governments of the 1960s and 1970s largely failed and were as a result discredited. A more full-throated left-wing policy was adopted only in the late 1970s and early 1980s and although it was never implemented, it was in place in the party's programme and it came to be regarded as a major cause of the catastrophic electoral defeats of 1983 and 1987. It was in this sense that the party experienced 'repeated failures'. The Wilson and Callaghan governments worked hard, and were committed to serious programmes of reform, but success eluded them and made change, or 'modernisation', imperative.

The issue that was not and could not be addressed at all in *New Labour's Pasts* was, of course, the economic crisis that came later. It is cited, however, as the more or less definitive proof that New Labour was too enthusiastic about markets and too uncritical toward the rich and finance in particular. Fair enough – no one would argue against the judgment that the deregulation of markets went too far and was at least partly responsible for the collapse of 2008, the seizing up of credit markets, and the resulting steep recession. The mistake was not, however, uniquely British or uniquely New Labour's. The collapse was global, if uneven in its impact, and even if bankers and financiers went wrong in devising new and untrustworthy products and practices, they thought that what they were doing was spreading and thus reducing risk. Would tighter regulation have prevented this? Perhaps, but loosening regulations was a widespread phenomenon and came to be understood as a means of competing effectively in financial markets. Of course, bankers

Roundtable what's left of the left?

did rather well out of the crisis, though not all of them did, but they were as genuinely shocked by what happened as were the politicians who had to deal with its consequences. And I would venture that this sense of shock still lingers and is largely responsible for the, again global or nearly so, push for austerity. That is, after all, the default position for finance and for policy-makers in tough times.

One could say more about Britain, of course, but *What's Left of the Left* had a broader reach, as did the comments on it. Two issues, raised by Magnus Feldmann, Ben Clift, and Wickham-Jones, connect Britain and other cases and responding to these might allow a broader view of what we sought to do in our volume. The first concerns the surprising parallels that emerge in the treatments of Britain and Sweden; the second has to do with Keynes. Britain and Sweden remain very different cases, of course, and nothing we said should be understood as implying a close correspondence or suggesting that policies and models are easily portable from one context to another. The point was that both New Labour and Swedish social democracy followed policies that merit further study and, perhaps, emulation and adaptation elsewhere. To make that case for Britain required that we situate it in context, with a more nuanced sense of constraints and opportunities; in the case of Sweden, it required a focus on what was central to the model and which aspects, however desirable, might be of secondary importance. Pontusson's piece therefore focused on policies designed to bring about 'security in the labour market' rather than 'job security' – specifically, education and a variety of 'active labour market' measures. Such policies were pretty much what Labour had meant by 'supply-side socialism'. None of this means that Britain is Sweden or that, to use the terms popular in the 'varieties of capitalism' literature, that Britain is not an example of a 'liberal market economy'. It is to suggest options and possibilities for the centre-left in a time when many other possibilities are not so easy to imagine or argue for.

The relevance of Keynes to *What's Left of the Left* is, or was, both explicit and implicit. The explicit argument was that one of the major changes to which the centre-left needed to respond was the end of the post-war era of sustained growth and the accompanying eclipse of Keynesian ideas, policy prescriptions and assumptions. We never argued, or meant to argue, that Keynesian ideas were wrong or policies based on those ideas wrong. The point was that the world in which they were the norm had ended and a new era, in which other assumptions seemed more natural and appropriate, or at least politically acceptable, had begun. This is not an argument about economic theory or policy, but about the *political* consequences of a structural shift in the economy and the determinants of prosperity. The implicit argument in the book, and perhaps it could have been made more explicit, was that many policies associated with Keynes would be appropriate in particular settings. They remain, after all, part of the repertoire of most serious economists, and were the first recourse of policy-makers in 2008. Still, we would argue that the broader context of politics and policy-making remains largely inhospitable to the sorts of Keynesian policies that were the norm in capitalism's 'golden age'. Recognising this is not an 'endorsement of neo-liberalism' but, we believe, the precondition for any effort to limit the consequences of 'market fundamentalism' and to begin crafting an alternative.

The question about Keynes is basically a question about the way in which the essays in *What's Left of the Left* were framed. Several commentators, John Kelly most forcefully, have asked more specifically for a definition of social democracy or, failing that, the centre-left. We chose deliberately not to do this for two reasons. The first was that we wanted to include a discussion of the United States, not because the three co-editors are Americans, but because we think that there are sufficient similarities between political and economic trends and processes in the US and in Europe. The points from which these trends start

RENEWAL Vol 20 No. 4

are different, and the political culture and policy mix in the US is clearly further to the right than in Europe. But Europe and America inhabit the same world and it seemed to us likely that studying them together would be useful; equally important, the US is a dominant if not quite hegemonic power and what happens there matters a great deal. So, a more inclusive research strategy meant a looser definition of the phenomena, and experiences, that we wished to incorporate.

The second reason we avoided a more precise definition of social democracy or, as we chose to call it, the centre-left is that definition means not just borders but criteria of belonging: to be properly social democratic a party needs to believe or do this or that and not something else. The logical next step in the process, then, is to identify parties that do not fit the criteria and are to this extent deviant. Not only would that lead us to restrict the cases we examine, but it would bias the analysis, for the very act of distinguishing genuine social democrats from those who have deviated or fallen away leads to conclusions about loss, about selling out, about the abandonment of principle. This is an attitude with which we who have been on the left, whether it be the centre-left or the far left, will all immediately recognise. It is a posture, moreover, that might lead to clear and simple distinctions but that blocks a more serious study of the contexts in which centre-lefts must of necessity work and effectively labels adaptation as defeat and apostasy. We very much wanted to get away from that style.

There is clearly much more to say on all these issues and on others raised by the comments. We need another volume, maybe several, to do this. It is possible that our team of collaborators will come together again to undertake this task. Even more valuable, however, would be if others did so and if they felt that our labours were at least a useful starting point. And in further clarifying and also questioning that starting point, we feel that this roundtable has been enormously productive.

References

- Anderson, P. (1992) 'The light of Europe', in Anderson, P. (ed.) *English Questions*, London, Verso.
- Anderson, P. (1994) 'Introduction', in Anderson, P. and Camiller, P. (eds.) *Mapping the West European Left*, London, Verso.
- Anderson, P. (2000) 'Renewals', *New Left Review* 1: 5-24.
- Berman, S. (2012) 'Social democracy's past and potential future', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Blair, T. (2003) Speech to Fabian Society Conference, 17.6.2003, at <http://www.guardian.co.uk/society/2003/jun/17/publicservices.speeches1>.
- Clift, B. and Tomlinson, J. (2007) 'Complexity, constraint and New Labour's putative neo-liberalism: a reply to Colin Hay', *British Journal of Political Science* 37 (2): 378-81.
- Crafts, N. (1996) "'Post-neo-classical endogenous growth theory": what are its policy implications?' *Oxford Review of Economic Policy*, 12 (2): 30-47.
- Cronin, J. (2004) *New Labour's Pasts*, London, Longman.
- Cronin, J. (2011) 'Embracing markets, bonding with America, trying to do good: the ironies of New Labour', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Cronin, J., Ross, G. and Shoch, J. (2011a) 'Introduction: the new world of the centre-left', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Cronin, J., Ross, G. and Shoch, J. (2011b) 'Conclusion: progressive politics in tough times', in

Roundtable what's left of the left?

- Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Crouch, C. (2009) 'Privatised Keynesianism: an unacknowledged policy regime', *British Journal of Politics and International Relations*, 11 (3): 382–99.
- de Neve, J. E. (2011) 'The median voter data set: voter preferences across 50 democracies', *Electoral Studies* 30 (4): 865–71.
- Gallagher, M., Laver, M. and Mair, P. (2011) *Representative Government in Modern Europe*, fifth edition, Maidenhead, McGraw Hill.
- Glyn, A. (2006) *Capitalism Unleashed: Finance, Globalisation, and Welfare*, Oxford, Oxford University Press.
- Iversen, T. and Soskice, D. (2006) 'Electoral institutions and the politics of coalitions: why some democracies redistribute more than others', *American Political Science Review* 100 (2): 165–81.
- Jenson, J. (2011) 'European centre-left parties and new social risks', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Katzenstein, P. (1985) *Small States in World Markets*, Ithaca, Cornell University Press.
- Moschonas, G. (2011) 'Historical decline or change of scale? The electoral dynamics of European social democratic parties, 1950-2009', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Pontusson, J. (1992) *The Limits of Social Democracy*, Ithaca, Cornell University Press.
- Pontusson, J. (2011) 'Once again a model: Nordic social democracy in a globalised world', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Ross, G. (2011) 'European centre-lefts and the mazes of European integration', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Sandel, M. (2012) *What Money Can't Buy: The Moral Limits of Markets*, London, Allen Lane.
- Shoch, J. (2011) 'Grappling with globalisation: the Democratic Party's struggles over international market integration', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Soskice, D. (1992) 'Social skills from mass higher education: rethinking the company-based initial training programme', *Oxford Review of Economic Policy*, 9 (2): 101-13.
- Teixeira, R. (2011) 'The evolving Democratic coalition: prospects and problems', in Cronin, J., Ross, G. and Shoch, J. (eds.) *What's Left of the Left: Democrats and Social Democrats in Challenging Times*, Durham, Duke University Press.
- Toye, R. (2004) "'The smallest party in history"? New Labour in historical perspective', *Labour History Review* 69 (1): 371-91.
- Toye, R. (2007) 'The Labour Party and Keynes', in Green, E. H. H. and Tanner, D. M. (eds.) *The Strange Survival of Liberal England: Political Leaders, Moral Values and the Reception of Economic Debate*, Cambridge, Cambridge University Press.
- Watson, T. and Hickman, M. (2012) *Dial M for Murdoch*, London, Allen Lane.
- Wintour, P. (2012) 'Cruddas looks to German model for economic miracle', *Guardian* 2.6.2012.