

March Without Vision

Thatcherism is on its last legs. **Stuart Hall** and **Martin Jacques** examine how Labour is shaping up

S ometime last year it became evident that Thatcherism had lost the remarkable command over British politics it had exercised for a decade. In October 1989 the cover of this magazine bore the words: 'the end of Thatcherism'. It was not clear at that point that Mrs Thatcher would lose the next election, but it was evident that the era in which the Thatcherite project occupied the leading position across a whole spectrum of strategic issues was drawing to a close. The important point about Thatcherism has never been simply its capacity to win elections, impressive as that has been. The distinctive quality has been its ability to be, or at least its clear mission to become, hegemonic: to be the leading force in British social and political life, to set a new political agenda and fundamentally re-shape the political terrain. This distinction between a hegemonic political project and the capacity to win elections or be ahead in the opinion polls is the critical one in both the definition of, and the response to, Thatcherism.

All the signs now suggest that it is Thatcherism's hegemonic position in society which is melting away. Its chances of winning the next election are also beginning to look remote. There is of course no certainty about this. Thatcher herself is one of the most astute and powerful of contemporary political leaders and her drive for more power has been remorseless - not least because it is not personally but ideologically driven: she means to use whatever powers she can command for a Higher Purpose. In addition there is still a year to go before the election timetable begins to run against her, and there are give-away budgets, swings in inflation and the odd Gulf War to go before she must face the electorate. Another advantage she has is that she is surrounded in her cabinet by men hungry for office but scared and wimpish in the extreme; and she is unlikely to leave without being challenged. Above all, Labour's long and impressive lead in the opinion polls (electorally) is really exceedingly soft in political (that is hegemonic) terms. Nevertheless, there is now a strong basis on which to conclude that we are entering the beginning of the end of Thatcherism.

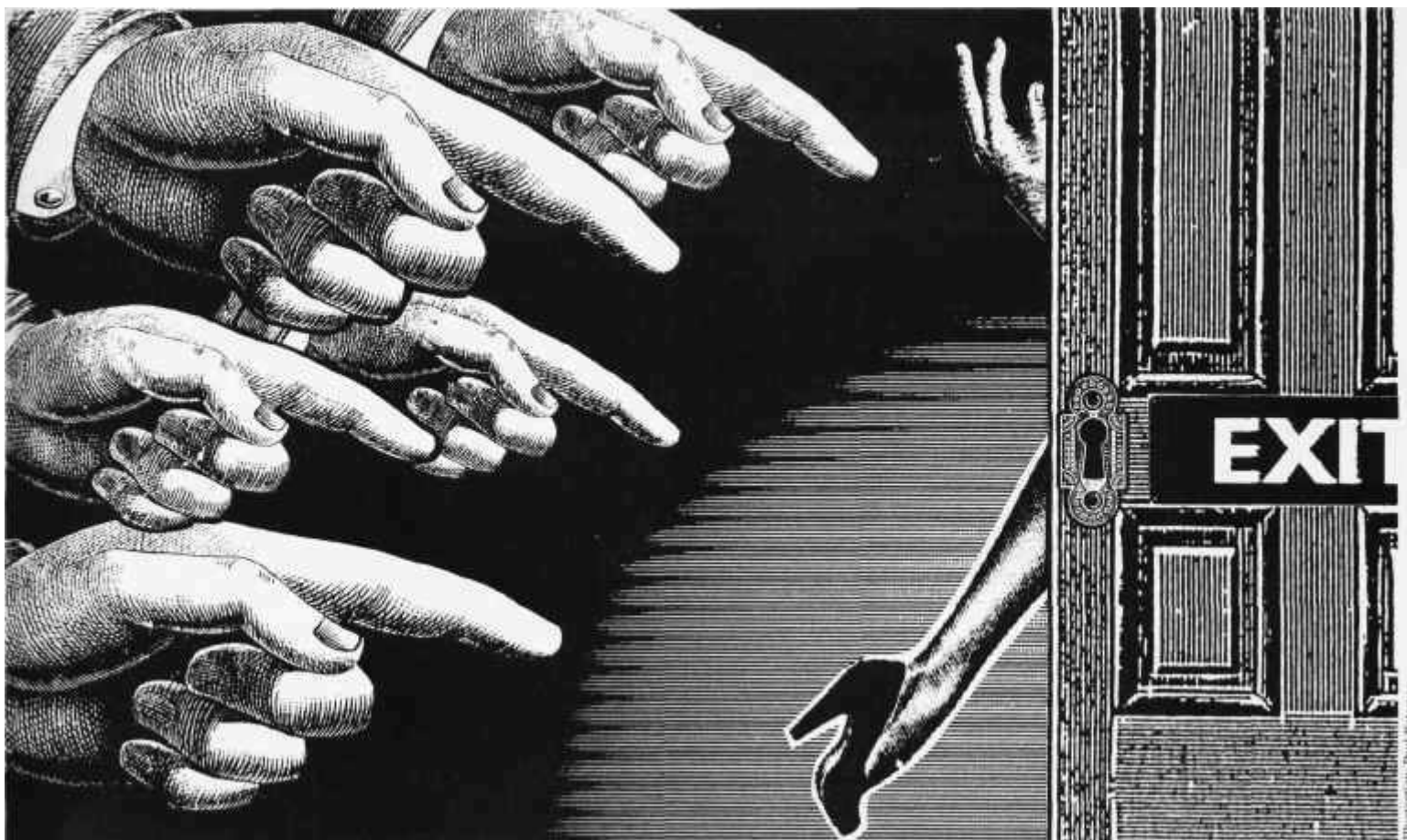
The crisis of Thatcherism has less to do with the advances made by Labour, and more to do with Thatcherism's own contradictions. It has always been a contradictory phenomenon. And now, in the third term the capacity to square circles is running out. In the early phase of the project, turning round the economy was the centrepiece of the strategy. But Thatcher always made clear that this was secondary to - the means to the end of - reconstructing society itself, and creating a new moral order. These may sound like high-falutin' terms, but Thatcherism was deadly serious about this. The Left's failure to take the Thatcherite social revolution seriously indicates the short-term cha-

racter of its own perspectives, and the long-term nature of hers. In fact, neither objective has been achieved. The economic miracle - market forces in command - has proved to be a mirage. And the social revolution is running into the sands.

The third term was dedicated to the social revolution - which had previously eluded the Thatcherites but which was always the essence of their bid for hegemony. The strategy was to harness the economy and shift the balance of political forces in order to 'reform' society in a new, historic direction. This bold but dangerous project has largely failed. It entailed breaking up the unholy alliances between 'old' and 'new' Conservatives, challenging some of the darkest but most venerable recesses of the British class system, confronting ingrained social habits and dismantling institutions which had become enshrined in the hearts and minds of the electorate. The legislative programme has been vigorously pursued - right-wing think tanks cheer-leading from the sidelines. But it has failed to win anything like majority support.

The NHS proposals have wrought havoc with the health service, and the full horrors of the hybrid monster of private and public imperatives which the Clarke reforms have created are still to be experienced. But Thatcherism has failed in its wider aim - to dislodge the majority of people from a commitment to a publicly-funded health care system for all. The poll tax enshrined the impeccable simplicities of Thatcherism - crushing local government, allowing market forces to rip through local services, separating the (Tory) strong and wealthy from the (Labour) weak and deprived, and putting Labour councils in the front line to perform the dirty work that capping made necessary. But its cynical, indefensible inequality scandalised, rather than converted, everybody. Despite the deceitful propagation of the 'gospel of active citizenship' - putting the thin band-aid of philanthropy around the open wounds of the welfare state - people have begun to talk about the new caring mood of the 90s: not at all what Thatcher had in mind.

Europe is the question which has smoked the contradictions in the philosophy of Thatcherism into the open. Since the whole project has been hinged, ideologically, around the narrowest, most racist, exclusive and backward-looking definition of English national identity, and focused on the ancient symbols of empire and nation, hearth and family, kin and culture, the idea that Thatcherism could lead the nation to embrace a European identity and future always lacked conviction. But characteristically - another contradiction - it clung to the illusion that Britain could snatch the economic goodies for itself from the European shop window,



without having to pay any social, political or cultural dues. Thatcher has gone about as far as she can in attempting to ride these two horses at once. Now that their paths have decisively diverged, she is left trying to clutch the reins of both at the same time. Tricky business. All the fudging in the world will not put such ancient icons of 'Englishness' as Tebbit and Ridley in touch with the broader contours of European culture.

But there is a further factor which helps to explain the Thatcherite crisis. From the outset, this was a radical experiment. It had its chosen social agents - the exemplars of its project, its 'heroes' - the self-made entrepreneur, the post-Big Bang City dealer and the aspirant working class, all united by the spirit of enterprise. It was driven by a strategic perspective rather than short-term tactics. Its motto was permanent revolution. In many ways this was something profoundly un-English. Thatcherism's closest parallels as a political project, in this respect at least, are on the left, not the right. This sense of radicalism gave it tremendous impetus and energy: new ideas - each more breathtakingly reactionary - tumbled on to the political stage. And it put Thatcherism in touch with some of the most dynamic forces of its time. But slowly, Thatcherism has been losing its rapport with society, as is the wont of so many radical political projects, and as the Left knows to its cost so well. The British body politic is beginning to reject the Thatcherite transplant. And as the impetus has faded, the fragmentation has set in.

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One possible outcome is a rally in Thatcherism's fortunes followed by a fourth term: but it is now the least likely outcome. Another is the possibility that the Tories will ditch Thatcher and succeed in salvaging victory from the ashes of her departure. But by far the most likely outcome of this extraordinary process of collapse is a Labour victory at the next election. But what, in the aftermath of Thatcherism, would that mean?

Labour's renaissance has much more to do with Thatcherism's crisis than anything it might have done itself. Nevertheless, Labour has contributed something to its recovery. Over the past seven years, and especially since its third defeat at the 1987 election, it has taken itself in hand, at the electoral level. It has mastered the art of public relations and political self-presentation in a manner which puts the Tories in the shade. Its leaders have modernised themselves. They look and speak a language which is readily understood by the electors. The shadow frontbench look more convincing - like well-dressed Euro-social democrats, effective, though not yet commanding, political technocrats.

Labour's annual conference is now more effectively disciplined and stage-managed than the Tory conference, which - with its flag-waving, sea-of-blue, last-night-of-the-proms effects - is beginning to look distinctly anachronistic. The grand old socialist rhetoric, which always had its moments from the floor before the hard-headed compromise resolutions rolled everybody back into place, has virtually disappeared

from the conference itself. Once the latter was driven by a sense of class consciousness: now it is driven by television consciousness. In so far as winning elections in a system of party competition is the name of the game, Labour now plays it with a great deal more sophistication than it ever did before.

The most important change, however, concerns the shift in policy. The old Labour landmarks - nationalisation, unilateralism, opposition to the EC - have been buried. This may not mean quite as much as it seems, for Labour's actual policies were always less oriented in practice by these goals than its rhetoric suggested. They were more part of the Labour ritual than of its concrete political strategy. But their symbolic loss is not to be underestimated. The key question is, what does this shift in policy commitments mean? Is it the result of a profound intellectual revolution - the kind of deep unhooking of strategy, of a whole universe of thought, such as Thatcherism dragged old-style Conservatism screaming and kicking through in the early 1980s? Is it the result of a new analysis of society, a new philosophy, an emerging strategy for the new times? Or is it a skillful adaptation to unfavourable terrain - its parameters determined by a reactive response to the success of the other side in defining the historical agenda?

If Labour has 're-made' itself by passing through an intellectual revolution, then there is something distinctly eerie about the process. Intellectual revolutions are normally characterised by enormous energy, as old ideas and ways

of thinking are replaced by new insights and parameters. In the normal course of events, ideas change slowly. Intellectual revolutions are different: modes of thinking are transformed overnight, accompanied by enormous excitement, a ferment of ideas. All this is absent from the Labour Party. Here we have an intellectual revolution without any accompanying intellectual energy.

Indeed, the opposite is the case. New ideas have been carefully and scrupulously avoided. New thinking is strictly regimented. Strategic inquiry is actively discouraged. Thatcherism generated a whole corpus of intellectuals scurrying over one another to position themselves to influence the historic course of events. The intellectual eddies around Labour's self-refashioning hardly ruffle the surface. Each shadow minister has his or her small band of backroom advisers. But that is a quite different matter from creating an intellectual movement, setting a political current in motion, in the wider society. Of the latter, there is little evidence. The new party may be a well-disciplined machine: but it has disciplined the hard questions, the debate about alternative scenarios, the strategic analyses, right out of existence.

One reason why Labour's intellectual revolution lacks intellectual energy is that it has been taken off the historical shelf. It has not been made, it has been inherited. Its inspiration is the revisionism of the Crosland-Gaitskell era. This intellectual wave, in the 1950s, represented the bid for power of the Labour Right - and later of what became the SDP. Whatever its political inclinations, it did offer, at the time, a genuine alternative project. It had to be taken seriously. There was a political and intellectual spine to it. It contained an analysis of capitalism, the erosion of class and the capacity of the corporate state to provide the foundations of a new strategy for organised capitalism which - though, it turned out to be wrong - emerged from an effort to understand the new dynamic of postwar capitalism. Its political strategy followed from the logic of the analysis. It identified the social actors - the 'historical bloc' - who were to be the bearers of this political strategy (the white-hot technological working class).

The key problem with the Crosland revolution, in this context, is that it was conceived as a response to the 1950s. It belongs to the past. The intellectual inspiration behind Labour's revolution lies in history not the present. It does not represent an engagement with contemporary society. Thatcherism, too, belongs in many ways to the past and it has its own historical reference points, icons and texts. But it has something else - it is a response to its own times. As a consequence, its radical right programme was rooted in the society in which it lived. Again, the Left has found it difficult to make the clear distinction between agreeing with Thatcherism and understanding the way in which its

strategies were addressed to real issues, which Labour - if it were serious about alternatives - would have to address as well.

To clinch the point, take the example of the welfare state. Every advanced industrial society now confronts the fiscal crisis of the welfare state: that is, the growing need for welfare support (driven by changing demographic pressures, for example), coupled with the rising inflationary costs of services and the powerful popular demand to put a ceiling on the tax burden levied on individual families. We know how Thatcherism addressed this question. Submit the welfare system to the discipline of the free market (ie, real costs); abandon the commitment to a universal system of support and shift the ideology of welfare towards targeting particular vulnerable minorities only (ie, make it cheaper); undermine the local basis of service provision by privatisation and rate-cappings; establish the priority of tax cuts and value-for-money for the taxpayer above that of the welfare client populations. We know the havoc, the social dislocation, the widespread misery this precipitated. But it did address the underlying issue - the steadily rising cost of welfare and the highly sensitive level of public taxation.

That is the problem - and Thatcherism's solution. And what of Labour? The question, in a way, answers itself. It has let it be assumed that Labour will 'do something about restoring the welfare state which Thatcherism savaged'. But exactly what and how remains a mystery. How it will fund the rising cost of a restored and expanded welfare state has never been publicly posed as an issue. The electorate does not really understand what the underlying problem is, while no sustained effort has been made to construct an alternative 'higher taxation' consensus, even among that large section of the population who keep telling the opinion pollsters that they are willing to pay higher taxes if they get better welfare services from them. The social philosophy which must underpin a welfare society has no articulate Labour proponents.

The low tax/taxpayer-as-king ideology, around which Thatcherism constructed its ideological assault on the politics of welfare, remains undiscussed, unanalysed; no alternative strategy has appeared; no alternative consensus has been built. If Labour's thinking on this issue has evolved into an alternative political strategy, then it is one of its best kept secrets. The political consequences are plain for all to see. There are really only three alternatives. In office, Labour is unable to deliver on the keystone commitment to welfare - and loses its support among the 'welfare state' majorities. Or it tries to deliver in office, but having failed to prepare the ground or build a majority around its strategy, it runs into the unreconstructed brick wall of the 'taxpayer phi-

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losophy' - and succumbs to it. Same result. Or, third, it discovers in office the harsh realities it failed to confront intellectually while in opposition, and doesn't even try. Disillusionment all round - not for the first time with Labour governments. This is a strategy guaranteed to get you elected for one term only. And its cause is a failure of intellectual and political nerve; the error of believing that, if you avoid the difficult questions and the construction of popular majorities, nobody will notice and you will glide unnoticed into office.

This brings us to the other reason why Labour's intellectual revolution lacks intellectual energy: its parameters have been determined, not by its own distinctive project, but by Thatcherism. Labour's strategy lives by courtesy of Thatcherism, by what is judged to be possible in the context of the Thatcher revolution. Here it is worth pondering the difference between Thatcherism and the 'Kinnock revolution'. The former was driven by its strategic ambition to transform society; the Kinnock revolution is revolutionary only in the sense of what it has jettisoned from Labour's past. It has no positive ambition to remould society and no concrete image of what such a Labour-transformed society would be like. Consequently, people may vote for it because it is less harsh, abrasive, inequalitarian and inhuman than Thatcherism; but not for its positive qualities. The Kinnock revolution lives in the shadow of Thatcherism, judging what is impossible on the basis of the opinion polls, its vision rarely extending beyond the relatively immediate. It is this which explains the overwhelming intellectual timidity of Labour's approach and reflexes. Paradoxically, it is Thatcherism which provides Labour with its only sense of modernity.

It is worth spelling out the nature of that timidity. It is not a fear of appearing 'too left', as the Labour Left sometimes puts it, since many of the really knotty problems which confront Labour cannot easily be represented on the old left-right spectrum. Many of these issues are the product of the 'new times' through which we are passing, and have out-run the well-tried limits of Labourism. They require that the Left re-think many of its traditional positions. The timidity that counts, then, is the refusal to engage in the new thinking required by the problems which society presents to the Left: the thinking occasioned by the fact that, in the 1980s, some of the Left's most cherished solutions have been shown to be woefully inadequate.

For example: if (taking the lessons of Thatcherism on board) unregulated market forces always produce deeply unequal and oppressive outcomes, and (taking the lessons of the state-socialist regimes on board) the Left was wrong in believing that the state should become the universal caretaker of society, and (taking the lessons of the postwar years on board) statist forms of nationalisa-

tion neither empower consumers nor workers, nor solve the economic problems of key economic sectors: then what should be the balance - the 'historic compromise' - between international economic forces, national state, local state, private sector and consumer representation in Labour's new 'democratic socialist' dispensation? Or to put the question more modestly, can anyone think of a single thought of any great significance on this historic question, which has just ripped half of Europe asunder, uttered by a single member of the Labour frontbench in the last five years?

Or take education. Neil Kinnock was right to highlight education in his speech at the Labour Party conference. But there was little that he said about education that could not have fallen from Harold Wilson's lips in 1964. Yet education has enormous potential as an issue. The Tories understand this, but their philosophy prevents them from exploiting it. Either they want to expand the system while reducing its funding base (higher education) or they are so committed to undermining the state education system that they cannot satisfy the parental aspirations and educational needs of the majority whose educational chances depend on it (secondary education). There is, however, a real and genuine problem of teaching standards and a real crisis in teaching as a profession (both unaddressed by Labour), which will continue to erode and undermine public confidence in schooling unless directly confronted.

There is an economic dimension to the education issue - the immense expansion in the knowledge and information 'base' required for modern advanced societies, which plays right into Labour's hands, for it aligns the economic logic of expanding educational funding with a democratic educational strategy. And there is a social dimension - the 'new' skills which men and women, of all races and class backgrounds, now know they need access to in order to become full citizens in the new world which is emerging. If one were asked to design, on a drawing board, an issue which combined popular democratic aspirations with an expansionist economic strategy, it would be hard to dream up a better one. And yet, there is no popular mobilisation by Labour around education, no new perspectives, no emerging alliance between teachers, parents and students, no strategic commitment to opening up or funding access.

An even more stunning example is provided by Europe. Labour has cleverly exploited Thatcherism's divided loyalties on the issue. But when it comes to its own position, Labour is, to put it bluntly, shift. Does Labour support a single currency or not? The racist banalities of Tebbit and Ridley aside, is there a real issue about sovereignty and if so, what is it? Of course, Labour has moved on Europe. But what is needed is not

movement but a double transformation. The first is to embrace the fact that Britain's future lies within Europe. So far the political debate on either side has got little beyond recognising that our membership of the EC is a political fact. To embrace such a European future requires Labour to endorse monetary union. But more it requires Labour to take on the sovereignty argument, which so far it has singularly failed to do, and acknowledge publicly that sovereignty has declined and will decline more: and that parts of it can only be recuperated in a European context.

But there is a second, broader dimension. Labour must take responsibility for moving the argument beyond simply the EC as it is and the EC debates as they are now. The EC is a highly undemocratic institution whose decisions are not popularly accountable. It represents only a part of Europe at a time when the whole meaning and definition of Europe has changed as a result of the events of 1989. And it is rapidly reproducing, indeed, exacerbating the old North/South, developed/underdeveloped divide. A whole new vision of Europe - together with a new set of settlements (east/west Europe, Europe and the Third World) - needs to be engendered and embedded in a popular culture which might be summed up in the term European, if Britain is not to slide further into the trough of cultural nationalism.

The chances of Labour inheriting the mantle of the post-Thatcher era look better with every passing day. But its ambitions for that era remain profoundly restricted. They are shaped by an intellectual legacy which is more a response to the postwar boom than the late 20th-century. Even in Thatcherism's death throes, Labour is still unable to break out of the former's shadow. And even when it does - as in its focus on education - it is prone to regress into its past in the terms of its agenda. Labour in short, has no project of its own. Nothing illustrates this more clearly than its failure to identify the social groups that might act as the symbolic bearers of its aspirations for society. Thatcherism had them, so did the 1945 Labour government. As yet the present-day Labour Party does not. Yet any serious reforming project must tap into and establish a rapport with the expansive, dynamic social groups in society.

It is not difficult to guess what they might be in the 90s. Firstly, there is the highly-skilled, highly-educated salariat - the technicians, the managers, the computer experts - in leading-edge, hi-tech industry, in both the network of small companies and the research centres of international firms. These groups, which are not to be confused with Thatcherism's self-made entrepreneurs, are likely to contribute disproportionately to the tone of the 90s. They are European-oriented, environmentally-concerned,

and particularly sensitive to the importance of education. They are also concentrated for the most part in the south of England.

Secondly, there are the emergent, increasingly self-confident regional identities in the north. No one social group is the bearer of this new mood, though youth culture is as good a candidate as any. This new sense of civic and regional identity is partly a reaction to a decade of southern dominance, but it is also about developing a new sense of awareness in a European and even (in the case of the Olympics) global context. Thirdly, women will be a dynamic social force in the coming decade. By the end of the millennium they will comprise half the workforce: such a transformation will mean growing pressure for flexibility - at work and in social provision. In combination with the new demographic pressures, women will be the cutting-edge of a flexible social revolution and the dismantling of older structures and practices.

The nature of Labour's intellectual revolution has much to suggest about the likely character of a Kinnock government. A good deal of attention has been focused on the likelihood of it rapidly getting into economic difficulties, as has been the wont of previous Labour governments. Here it is worth pondering the difference between Wilson and Kinnock. Kinnock's greatest quality as a party leader has been his willingness to have his internal conflicts in public. He has eschewed smoke-filled rooms and the fix-it solution. The result has been that his victories have been real ones, rooted in a shift in attitudes and perceptions. There is every reason to believe that he would be like that as prime minister. He would have a sense of priorities and he would make them stick.

The problem with a Kinnock government is likely to be somewhat different. A party which lacks an original analysis of society, which has no clear idea of where it wants society to go, and whose project is so obviously derivative, is likely to run rapidly out of steam. In this respect it will surely resemble earlier Labour administrations rather than the Thatcher governments. The latter have been rare in their ability to recharge their batteries while in office: it is only in the third term that they have lost their way, and that has had more to do with alienating their popular base than intellectual exhaustion. Running out of steam in the tranquil 60s, like the Wilson governments, however, was one thing: the 90s will be a quite different proposition. The economic problems are likely to be formidable, while the speed of change in the world suggests that a government will require an ability to think on its feet, which can only be done successfully if it is based on solid intellectual foundations.

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