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The 'Little Caesars' of Social Democracy

The Left is clearly in some difficulty as to how to explain or respond to the new Social Democratic/Liberal regrouping in the 'centre'. The formation of the Council for Social Democracy (CSD) and of a Social-Democratic bloc in parliament, is, at one level, such a media-inspired and stimulated phenomenon, that it is hard to know how to make a realistic assessment of its electoral and political prospects. Its pragmatism, soul-searching 'good sense', the eminent 'reasonableness' of its leading figures, the agony of their hesitations, the renunciation of 'doctrinaire extremes', the rhetoric of 'novelty', are all calculated to project just that illusion of a viable centre, free of monetarist and Marxist 'dogma', dear to the centrist instincts of many sections of the press. Commentators like Peter Jenkins of the *Guardian* have been hoping and praying so long for this deliverance from the burden of Socialism, that it is impossible to know any longer whether columns like his represent sober political analyses or just more self-fulfilling prophecies. Pollsters and political analysts have been predicting the 'swing to moderation' for so long, that they might well have simply created Social Democracy themselves, if Dr Owen and Mr Rodgers had hesitated much longer. Rarely in recent memory has a political grouping looked forward with such confidence to becoming the decisive element in a hung Parliament on the basis of so sketchy and gestural a programme. The argument is that there is a vacuum in the centre which has to be filled. The CSD has so far responded to this challenge by being as vacuous as they could possibly be.

Journals like the *Economist*, which abhors a vacuum, have rushed in to provide the CSD with a programme which they so conspicuously lacked ('A Policy for Pinks', 14 February 1981). The economic part of the programme included, *inter alia*, a commitment to 'the pursuit of equality' (a 'fundamental ambition of social democracy') and a wealth tax. Clearly, too extreme for Dr Owen, whose own recent writings have avoided the theme of equality like the plague. The polls had to construct a hypothetical set of policies to provide their interviewees with some credible basis for responding to the question, 'Would you

vote for a Social Democratic party — and, if so, why?' The results have simply compounded the confusion. One *Sunday Times* poll suggested that the Social Democrats would attract support for (among others) the following reasons: they supported (a) more public spending on welfare, and (b) wider worker participation in industry. Neither immediately distinguishes them from their Labour and Liberal rivals. Is Social Democracy, then, just a nine day's wonder, which is not worth discussing seriously. Not necessarily. Though this doesn't mean, either, that we should take it at its own, highly-inflated self-evaluation.

A deeper process of realignment?

For one thing, it now represents a significant re-grouping of parliamentary forces. Postwar parliamentary politics have been marked by many contradictory cross-currents. But the big parliamentary formations, and the two-party system have, despite several flutters, remained remarkably stable and durable. There have been few significant regroupings. Open splits and group defections from the Labour Party are even rarer, despite prolonged internecine warfare. It is fifty years since the last one. The Left has more often looked like splitting off than the Right, which, until recently, has maintained its dominance. Moreover, the departure of the doctrinaire Right (for the CSD is nothing if not militant in its 'moderation') marks the isolating out of certain political elements which, up to now, have co-existed with other currents in the unholy mix of 'Labour Socialism'. For years Mr Crosland was the spiritual leader of the group which has now formed the CSD. But Croslandism retained links with more traditional Labour themes (eg, the strong commitment to equality of opportunity), even though he regarded them as old-fashioned. Mr Hattersley is the last representative of this current. The rest have given up on the labour movement. This represents the breaking of certain historic ties. Their appearance as an independent force thus signals a crisis and break in the system of parliamentary representation. And though such breaks do not always mark significant movements (the 'Lib-Lab' pact was more or less pure



The social-democratic consensus has been the base-line from which both sides have attempted to govern

parliamentary opportunism, marking only the deep degeneration of the Callaghan government in the squalid evening of its rule), they sometimes do — as the break-up of Liberalism at the turn of the century undoubtedly did. It is hard to know, sometimes, just which conjuncture one is in. But, as Gramsci once reminded us, 'crises of representation', when 'social classes become detached from their traditional parties', and organisational forms and leaderships 'who constitute, represent and lead them are no longer recognised . . . as their expression' can form part of a more general crisis of ruling class hegemony. The question, then, is whether Social Democracy is simply a new allocation of seating arrangements in the House of Commons, or part of a deeper process of the realignment of political forces. This possibility should not be dismissed as easily as it has been by the Left in recent months.

Thatcherism in difficulties

Gramsci offered two reasons why such crises of authority might arise; the most relevant being that 'the ruling class has failed in some major political undertaking for which it has requested or forcibly extracted the consent of the broad masses'. In those terms, the 'objective conditions' look remarkably favourable. For such a historic failure — to wit, the task of stemming the precipitate decline of British capitalism — is precisely what is now before us. *Both* the major variants within the governing political repertoire are in various stages of collapse. The social-democratic version, Mark I — the management of capitalist crisis by neo-Keynesian demand management, corporatist politics and the disciplining of working class demands through incomes policy — is deeply discredited. Its viability seeped away through two long, disheartening Labour regimes. And now the 'radical alternative' — the restoration of capitalist imperatives through the application of unmodified social market principles — is also coming apart at the seams. The monetarist, free-enterprise credentials, economic strategies and capitalist revivalism of the Thatcher government are in deep disarray. The Great Reversal, on which everything was staked, has failed to appear. The Government is losing its struggle with public spending and money supply at approximately the same rate as it is losing its most powerful allies. The CBI is as close to open revolt as so weak-kneed and suppliant a body can ever come. The Treasury Select Committee, led by one of the most powerful independents in the Tory Party, Mr Du Cann (maker and destroyer of leaders before now) has delivered the new doctrines a near-mortal blow. The apostle of anti-statism, Sir Keith Joseph has given away more public money to prop up failing or near-bankrupt

state industries than the last three or four Chancellors put together. Faced with the long awaited showdown with the unions, the Government looked into the face of the NUM, and withdrew. Mrs Thatcher's bellicose adventurism on the world scene — exceedingly dangerous as it is in its own terms — cannot be relied on to divert attention forever from the harsh economic realities at home.

'Thatcherism' has certainly already succeeded in shifting the balance of social forces in the country decisively to the Right. But it has failed in the second task of the great populist adventure—to flush out the social democratic vestiges within the power bloc and then reconstruct it, so as thereby to restructure society and the economy. 'Thatcherism' may have *already* fulfilled its 'historic mission'. But neither of the major electoral machines now offer themselves as a credible occupant of power at another turn of the electoral wheel. Not only is Thatcher clearly in difficulties but the Tory Party is very divided. Labour is no longer what it was: but what it is, and even more, what it will become as a result of the internal crisis which Thatcherism has provoked within its ranks, is not yet clear. Its political character is highly indeterminate. The signs are therefore well set for the 'recovery' of more centrist ground. If the Social Democrats were prepared, selectively, to reflate; to restore some version of incomes policy; and to mastermind a modest revival by ditching the struggle against inflation and ruthlessly backing private industry against the state sector, they still might not attract popular support; and there is no evidence that they would succeed in the 'historic task' any better than their rivals. But they *could* look like another — the last? — viable political alternative. And they *could* secure powerful support 'from above', amongst all those forces currently detaching themselves from the Thatcher path to the brink. They are British capitalism's last political ditch.

Growing volatility

This makes Social Democracy a powerful pole of attraction of a cross-party coalitionist type — the 'exceptional' alternative towards which, since the Lloyd George coalition, the British political system has tended to veer in moments of severe crisis (remember Macdonald, and Mr Heath's 'Grand National Coalition?'). This does not guarantee it popular support. But here there may be other trends which strengthen its case. There is what political scientists have been calling the 'growing electoral volatility' of the British voters. Between 1945 and 1970, each of the two major parties polled over 40% of the votes at general elections. Their electoral base seemed reasonably secure. But in the 1970s, their share of the vote has fallen significantly. Party identification has weakened, votes have become more fluid. No administration has gone its full term and then succeeded in being re-elected. The old rotation of parties in power has continued: but on an increasingly weak base. This now finds supporting evidence in the findings of the polls that a hypothetical Social Democratic-Liberal alliance would attract a significant proportion of 'floating' and fed-up voters in about equal numbers from both Labour and the Conservatives. The scenario then goes, that they would form the decisive bloc in a divided Parliament. Electoral reform would become the principal political bargaining point. Proportional representation would then destroy the hegemony of the two-party system forever, and secure a permanent majority for 'the Centre'.

The trends are certainly clear, even if the scenario is less convincing. Mrs Thatcher may make Royal Progresses; but the two-party political *system* is in deep disrepute. Her popularity may well reflect the fact that she appears to transcend it, with her appeal to Nation and People above 'party', and is prepared to destroy it in order to reconstruct it. But people do sense that we are at or near the limit of the present political arrangements and dispositions. Yet the meaning of this phenomenon is hard to interpret. The political scientists and

'democracy' only works when it allows the 'silent majority' to out-vote the Left

polling fraternity explain it in one way. Here, at last, appears the 'true' voter: less traditional in political alignments, unattached to dogma and doctrine, rationally calculating political choices on a purely pragmatic, non-ideological, non-class basis: 'Economic Man' in the polling booth — the great pluralist dream. It confirms the wished-for break-up of the class structure of British political culture. And it is said to 'prove' that the true heart of the political system and of the 'British voter' lies in the Centre. Rationality and Moderation have fallen into each other's arms.

A gravitation to the Right — not the Centre

This is more self-fulfilling prophecy than hard political analysis. The interpretation of a natural gravitation of British politics to 'the Centre', eschewing all extremes, would make more sense if the parties had represented over the decades the spectacle of alternating extremes. But, until recently, judged in terms of real strategies rather than ideological polemics and stage-managed caricatures, both parties have long struggled precisely to occupy this mythical 'middle ground', provided by a capital-led mixed economy, incomes policy, neo-Keynesianism and corporatism. The social-democratic consensus has been the base-line from which *both* sides have attempted to govern, and to which, in the end, even adventurists like Mr Heath (in his 'Selsdon Man' period) were ultimately driven back. It is the failure, precisely, of the *Centre*, old-style, and the steady erosion of its repertoire of crisis-management, which has provoked successive movements in recent years towards more extreme alternatives. It is the collapse and bankruptcy of 'the Centre' which generated increasing pressure towards these extremes. And if the revival of the Left within the Labour Party is one way of inheriting this collapse, it has been much more evident on and towards *the Right*. First, the populist undercurrents of 'Powellism'; then Mr Heath's boom-or-bust excursion, before the miners and the U-turn; then the formation of the Keith Joseph 'Adam Smith' kitchen cabinet; finally — as it became clear that the doctrines of Hayek and Friedman would need to connect with the reactionary instincts of the Tory backwoods — the formation, radical offensive and electoral success of the 'Thatcher party'. This progressive abandonment of 'the Centre' has taken place for the best of all possible reasons: it failed. Things got worse, not better, under its increasingly weak and nerveless leadership. This suggests that the increasing volatility of the electorate is best explained, not in terms of the natural and inevitable gravitation of British politics to the 'middle ground', but because of the manifest inability of the two variants of consensus politics to stem the tide of British economic disintegration and progressive deindustrialisation. 'Because the ruling class has failed in some major political undertaking for which it has requested, or forcibly extracted, the consent of the broad masses . . .'

What's more, the evidence from the movement of public opinion suggests, not the permanence and stability of 'centrist' ideas, but a steady gravitation towards the extreme Right. A recent paper¹ has shown that, among voters strongly identifying with Labour, support for more nationalisation, more spending on social services, retaining Labour's links with the trade unions and sympathy with strikers all fell between the 1960s and the 1970s. Support among the same sections for the sale of council houses, keeping the grammar schools, cutting government spending, cutting profits tax, and strengthening law and order and immigration controls have all swung significantly in Mrs Thatcher's direction. Manual workers who are also Labour supporters and trade unionists showed markedly higher shifts of

opinion — again in this direction, than other groups — long before the very significant swing to the Right in 1979 which brought the most radical-Right government of the post-war period to office. This is particularly strong in the area of the Thatcherite populist issues — anti-unions, anti-statism, anti-welfare. When these are placed alongside the cluster of issues which Crewe and others have called 'Populist Authoritarian' — the so-called 'moral' issues of race, law and order, private initiative and self-reliance, where even Labour supporters, strongly pro-Labour on other issues, suddenly become explicitly 'Thatcherite' — the evidence of a natural gravitation to centrist politics is thin. The underlying movement is undoubtedly rightwards. Lack of faith in the two major parties may, therefore, draw people in desperation towards a middle-ground alternative. But not because this is where the natural fulcrum of the British voter permanently and inevitably comes to rest. Social Democracy must occupy 'the Centre' because it is *there*. Besides, that is where *they are*. But their strongest card will not be the promise to 'restore the Centre', but the vaguer threat to 'break the political mould'. In so doing, they inherit, not the mantle of Attlee, but the legacy of Mrs Thatcher — for, though they may deflect it in a different direction, that is what she promised too. Whether it is possible to 'break the mould' *and* 'return to the Centre' at the same time is the particular card trick or sleight-of-hand on which the fortunes of Dr Owen, Mr Rodgers, Mrs Williams and Mr Jenkins (a 'breaker of moulds'?) now depend.

The real character of Social Democracy

What, then, is its real political character and content? The break with 'Labour Socialism', however muted in some instances, is real and deep. It is a final break with the historic Labour-trade union connection. This is mounted as firmly on the back of the 'trade-unions-are-too-powerful' crusade as anything in Mrs Thatcher's vocabulary, though it is less virulently put. It is also a break with even a residual connection to working class politics — even the rudimentary form in which this is still acknowledged by the traditional Labour Right — 'Labour as the party of the working class in government'. At this level, Social Democracy is thoroughly managerialist in its political style. It will have no organised political base — only the 'detached voter' combined with a power-base in parliamentary rule. It is 'for' democracy — in so far as this highlights the undemocratic nature of British trade unionism; and especially in so far as it means (or meant) 'one-man-one-vote' for the Labour leadership, and the total independence of the parliamentary party from democratic accountability. This is nothing positively new, since for both the press and for Mrs Thatcher, 'democracy' only *works* when it allows the 'silent majority' to out-vote the Left. In earlier days, the Social Democrats were the group within the Gaitskell orbit most prepared to put its democratic conscience into permanent cold storage so long as the trade union block vote delivered the right result to the Right. It is deeply and passionately hostile to every manifestation of the Left. The media have signally failed to bring out that the single, most important factor which precipitated the final break was the very thought that non-Labour trade unionists might somehow be able to exert an indirect influence over the leadership election — and I don't think it was the Federation of Conservative Trade Unionists they had most in mind!

On the economic front, it is the party of 'incomes policy' in the classic sense: ie, as an instrument with which to discipline the demands of labour and restore them to their rightful position—led by the over-riding imperatives of capitalist profitability and competitiveness. Neo-Keynesian in their sympathy for deflation, the Social Democrats are nevertheless as committed as Mrs Thatcher and Sir Keith are to the leadership of big industrial capital and the play of market forces. That is what they mean by a 'mixed economy'. They

emerge as the only, true EEC 'party' — not even in the robust sense of Mr Heath, blowing the cold wind of European competition through the cob webbed boardrooms of British industry: more as an article of faith. The unity through competition of free-market capitalisms is what they mean by 'Internationalism'. 'A socialist who works constructively within the framework of a mixed economy' is the image to which Dr Owen recently aspired. His reference points — Sweden, Austria, West Germany and Holland. His memorable dates — the assimilation of the German SPD to reformism at the Bad Godesberg meeting in 1959, and the overturning of the 1960 Labour Conference decision for unilateralism. Which 'moulds' are likely to be broken by these ancient instruments is something of a mystery.

It is the restoration of the old through the appearance of constructing something new

A traditional recipe

Despite its cavilling at the cost of Trident, Social Democracy is fervent in its support for NATO and the Western shield. Indeed, in being less committed to the British independent deterrent, it is likely to be more suppliant to Washington's grand Alliance strategy than even its Labour predecessors. The Social Democrats, in the week of the Thatcher-Reagan resumption of the role of world policemen, and amidst the talk of NATO Retaliatory Forces and offensive Cold War postures, did not allow themselves to blink an eye at what precisely this loyal subordination to NATO strategy promises to become under the Reagan-Haig-Thatcher hegemony. Instead, they chose to open their parliamentary career by taking Labour to the cleaners about its wobbling indecisiveness over unilateralism.

This may look, when pieced together, like a *very* ancient and familiar concoction. The *novelty* appears to lie in the terminology with which their politics of the Centre is verbally glossed. Despite their commitment to 'the new', the Social Democrats have failed to identify a single new political constituency around a single new issue. Feminism is a good case in point, where a strong, vigorous and radical movement has developed, to which the traditional political cultures of both the established Left and the Right are deeply inhospitable. If any organised force were in a position to disconnect the feminist movement and women from the Left, and to articulate a limited version of feminist demands to a 'new' kind of political programme, Social Democracy ought to be. One or two public figures have indeed given this as their principal reason for evacuating the Left for centre ground with embarrassing speed. But it must be said that this is more in the eye of the beholders than it is anywhere evident in the political complexion of the new Centre. Apart from offering the person of Mrs Williams to fortune, Social Democracy has not made a single gesture towards attracting this new social force. It gives every appearance of not knowing it exists and of not knowing how or where to identify and address it, if it did. Indeed, despite the promise of nationwide campaigns and local groups, Social Democracy is at present totally devoid of any single vestige of popular politics or popular mobilisation. It is exclusively and doctrinally attached to the prospects of politics from above'.

The only single gesture in this direction is in the fulsome talk about 'participatory democracy'. This is Social Democracy's way of attempting to colonise the growth of anti-corporatism, anti-statism which has been one of the principal forms of popular alienation from Labour. Here, like Thatcherism before it, Social Democracy is indeed working on a real contradiction. Labour-in-power became the means, not for generating a decisive shift of wealth and power towards

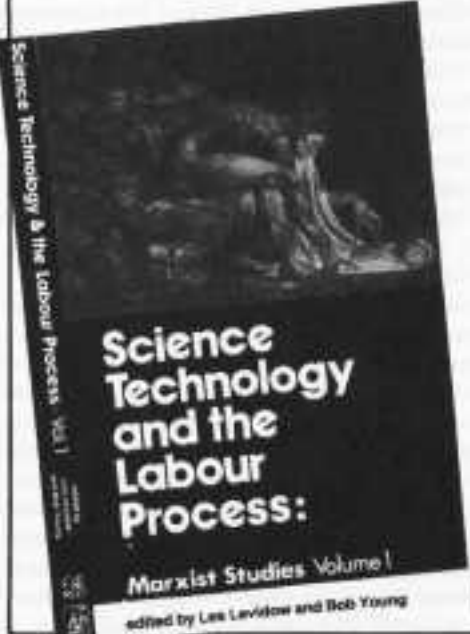
the popular classes, but a mode of representing the popular classes 'in government' — which, in conditions of recession, rapidly became a means of disciplining popular demands from above. The corporatist triangle is now, and rightly, seen as a directive style of political management — directed against the people, while at the same time incorporating them through their representatives. This has consolidated the Big State *over* the people — an identity which Mrs Thatcher was quick to exploit. This is a contradiction within the very heart of Labourism, with its deep parliamentary constitutionalism, its conception of the state as a neutral instrument of reform, its inexplicable belief that Labour governments can *both* 'represent working class interests' *and* manage capitalism without something giving, and, above all, its fear and suspicion of popular democratic politics in any form. Mrs Thatcher exploited this identity between Labour and the state to considerable advantage. By 1979, Labour seemed much the same as Big Brother, much involved in pushing people around to no visible effect; while Mrs Thatcher was the populist champion of 'the people' *against* the power bloc: a pretty remarkable reversal.

Participation without democracy

Social Democracy is gunning for the same space. But whereas Thatcherism sought to master the antagonism between 'people' and 'power bloc', transforming it, at a critical point, into a populist movement for National Unity around the new social market programme — bearing Mrs Thatcher, at the same time, *into* the power bloc — Social Democracy hopes to exacerbate the contradiction and transform it through the programme of 'participatory democracy', and 'decentralisation'. Dr Owen and Co are doctrinaire 'decentralisers'. This new doctrine circles around the same themes:

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the 'bureaucratic centralisers, the corporatists who now dominate British socialism the mood of authoritarianism . . . the state . . . seen as the main instrument of reform' (David Owen, 'Power To The People', *Sunday Times* 25 January 1981). It operates on the same dichotomies: liberty versus equality. Like Mrs Thatcher, and against the long socialist tradition, it privileges liberty over equality. In this sense, it belongs firmly within a much longer process — that of bending and articulating liberalism (and liberal political economy) to the conservative rather than the radical pole. Authoritarianism and the state as an instrument of reform, Dr Owen argues, has not been 'counterbalanced' by a 'libertarian streak'. But whereas Thatcherism, detaching 'liberty' and 'equality', connects it with *authority* ('Free Market' — liberty: Strong State — authority); Social Democracy deflects it towards a third pole, in its struggle to win space from the Left. Not authority but — Fraternity: 'the sense of fellowship, co-operation, neighbourliness, community and citizenship'. The authentic centrist, cross-class, coalitionist code-words. Participation gives people a feeling of belonging. Decentralisation gives them the illusion of real power. 'Small is beautiful' is a popular slogan in the era of state capitalism. There is no question but that, somewhere in this space, Socialism has long since ceased to operate — to its profound cost. It has deeply lost its popular, anti-power block, democratic vision. There is space, after all, here — as the enemies of Socialism in both the Right and the Centre know well.

But 'participation' without democracy, without democratic mobilisation is a fake solution. 'Decentralisation' which creates no authentic, alternative sources of real popular power, which mobilises no one, and which entails no break-up of the existing power centres and no real shift in the balance of power, is an illusion. It is a *transformist* solution. It conflates the unthinkable with the improbable — all the while giving the strong illusion of 'moving forwards'. Transformism is the authentic programme of the moderate Left in a period of progressive political polarisation along class lines. Its function is to dismantle the beginnings of popular democratic struggle, to neutralise a popular rupture, and to absorb these elements passively, into a compromise programme. Its true novelty is that it conflates the historic programmes of the classic, fundamental parties of the Left and the Right. It is the restoration of the old through the appearance of constructing something new: 'revolution' without a revolution. Passive revolution 'from above' (ie, Parliament). Gramsci noted two aspects of the programme of 'transformism' which are apposite to our case. The moment when 'individual political figures formed by the democratic opposition parties are incorporated individually into the conservative-moderate political class': and the moment when 'entire groups of leftists pass over into the moderate camp'. We are entering the second.

A 'Caesarist' solution

Since the break-up of the great Liberal formation in the early years of this century, the British political system has shown an increasing tendency, in periods of crisis, to turn to Caesarist solutions. 'Caesarism' is a type of *compromise* political solution, generated from above, in conditions where the fundamental forces in conflict so nearly balance one another that neither seems able to defeat the other, or to rule and establish a durable hegemony. Gramsci reminds us that 'Caesarist solutions' can exist without 'any great "heroic" and representative personality' — though in the earlier period there were indeed contenders for this role 'above party and class'. But, he adds, 'The parliamentary system has also provided a mechanism for such compromise solutions. The 'Labour' governments of Macdonald were to a certain degree solutions of this kind . . . Every coalition government is a first stage of Caesarism . . .' The Social Democrats are our 'little Caesars'.



In a period when the discipline of unemployment is sending a shiver of realism through the labour movement, it may seem over-optimistic to argue that we now confront a situation of stalemate between the fundamental classes. Yet this does once more seem to be the case. Thatcherism lacks the economic space or the political clout to impose a terminal defeat on the labour movement. The working class and its allies are so deep in corporate defensive strength that they continue to provide the limit to Thatcherism despite their current state of disorganisation. Irresistible force meets the immovable object. On the other hand, the labour movement lacks the organisation, strategy, programme or political will to rule. So far it has failed to act as the magnet for new social forces, thereby itself embracing new fronts of struggle and aspiration. It still shows no major sign of reversing its own long decline. Such statements are ready-made for the appearance of grand compromise.

Whether this is a solution which can more than temporarily stem the tide, remains to be seen. Sometimes 'Caesarism' is only a temporary staving off of deeper currents. Sometimes it can lead, through successive variations, to the formation of a new type of state. More often, it is 'an evolution of the same type along unbroken lines'. This is certainly not to say that it cannot temporarily succeed; or that, having succeeded in winning electoral support, it will not (as Thatcherism has done before it) have *real effects* in preventing that reshaping of the Left and of Socialism which alone can provide a real alternative — permitting, instead, Labour in a parallel way, only to recompose itself along familiar lines. A Labour government, succeeding to its third rotation in power, under such conditions, would certainly neutralise Socialism for a very long time to come. That, after all, may be what Social Democracy is *really* about. •

¹ Tony Fitzgerald in an unpublished paper on movements in public opinion.