New Labour’s Ideology: A Reply to Michael Freeden

STEVE BUCKLER AND DAVID P. DOLOWITZ

In his recent article, ‘The Ideology of New Labour’, Michael Freeden characterises New Labour’s position as ‘eclectic’, invoking an assemblage of ideas and values from a variety of sources and traditions.¹ Freeden identifies a set of core values in New Labour’s thinking located within a framework too internally diverse to be given a clear ideological identity. He therefore suggests that it is misleading for New Labour to present their position as a ‘third way’; a term which implies a clearly defined ideological middle position between the dominant alternatives of democratic socialism, associated with ‘Old Labour’, and neo-liberalism, associated with recent Conservative governments. In Freeden’s view it is far too eclectic a mix to be so understood.

Freeden is doubtless correct to say that any but the most rigidly doctrinaire ideological positions will display a certain amount of openness and internal variety. In addition, a government will do things that answer to political and economic imperatives but which do not necessarily reflect its own policy agenda. However, we wish to argue that there is a core ideological approach evident in the thought and practice of New Labour that can be more coherently theorised than Freeden supposes. In our view, New Labour’s position can be thought of as standing between democratic socialism and neo-liberalism. We shall suggest that New Labour’s position is best seen as social–liberal, in that it embraces fundamental liberal individualist assumptions but also retains a commitment to redistributive social justice. This formulation can be explained in terms of a shift of emphasis from equality of outcome to procedural fairness as the principle of redistribution.

We shall first look at New Labour’s most general statements of principle and seek to show that they reflect a social–liberal theoretical position. We shall then draw out some implications of this position for a general, principled, agenda, arguing that New Labour’s agenda is consistent with these implications. This argument will be further supported by reference to some of the more particular policy initiatives taken by the New Labour government to date. On the interpretation of social liberalism that we shall offer, where market freedom is mediated by a concern with arbitrary disadvantage, it is to be expected that in the context of a liberal democratic, free-market society the most distinctive aspect of a social–liberal administration’s agenda would be in the area of social policy and related economic measures. The argument will deal principally with these areas.² This will allow us finally to make an assessment of the distinctiveness of New Labour’s position relative to the ideological alternatives.

Social–liberal principles

In 1994 Tony Blair assumed the leadership of the Labour Party with the specific intention of bringing to fruition the processes of ideological change initiated under Neil Kinnock. At the core of this process was the renunciation of the vestiges of egalitarian collectivism associated...
with ‘Old Labour’ in favour of a more thoroughgoing liberal individualism. An early symbolic indication of this shift was the rewriting of Clause IV Part 4 of the Party Constitution. The commitments to a society based upon ‘equitable distribution’ and ‘common ownership’ were eliminated in favour of an image of a community providing individuals with ‘the means to realise [their] true potential’, through the spreading of opportunity. The liberal direction suggested by this change was further confirmed at the time of the general election when Labour’s manifesto talked of a context ‘in which people get on, do well, make a success of their lives’, where there are ‘more successful entrepreneurs’ and where ‘ambition and compassion are seen as partners’. Since the election, the liberal basis of New Labour thinking has been consolidated as the ‘third way’ agenda has developed on the basis of Blair’s view that social co-operation is a ‘contract between citizens of civil society’.3

New Labour’s liberal emphases have seemed to some to indicate a move towards an outlook associated with the neo-liberalism of the Conservative Party, as emphasised by the admission in the Manifesto that there were some things the Conservatives got right. However, these emphases have been complemented by a moral discourse not normally associated with neo-liberalism. Here, a principal concern has been with the idea of fairness, understood as requiring more than simply securing open market competition with minimal state intervention. This idea of fairness has been seen as grounded in a recognition of the equal worth of persons, requiring that ‘everyone whatever their background, from wherever they come, is valued . . . [and] must have the chance to bridge the gap between what they are and what they have in themselves to become.’4 For Blair this, in turn, creates an agenda: ‘in which government action necessarily plays a large part’.5

This combination of liberal individualism with a potentially extensive interventionist role for the state to ensure fairness would seem to make the term social-liberal appropriate. A position of this sort has been theorised in a more sophisticated way by John Rawls.6 For Rawls, the classical liberal position, which prioritises individual autonomy and views the just society as a contractual order answering to the interests of individuals, can readily be combined with a mediating moral principle of fairness. Traditionally, liberals saw the just society as one that provided individuals with the appropriate conditions to maximise the free pursuit of their interests by ensuring the absence of force and fraud. For Rawls, however, the prioritising of autonomy embodied in this view equally implies a moral recognition of the equal worth of human beings, who are all capable of exercising autonomy. In view of this, a just social arrangement must ensure that the advantages of social co-operation are genuinely mutual, a requirement that Rawls thinks of in terms of fairness. Respect for individual autonomy implies that the means of guaranteeing fairness cannot involve the attempt to impose a predetermined pattern of outcomes upon social exchanges. The requirement is for procedural rules guaranteeing that social co-operation benefits all and that no one is disadvantaged.

In the light of this general characterisation we can turn to some implications of social liberalism. If it is assumed that markets embody autonomous activity, attention must be given to the way in which the resultant benefits are bestowed. Markets left wholly unconstrained cannot answer fully to a social–liberal conception of justice: measures are required to ensure that the wealth-creating potential of the market is mediated by fairness. Since the principle of autonomy demands that such mediation is purely procedural and does not serve as a means of imposing a prior pattern, the principle of equality of outcome does not answer to justice as

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fairness. Instead a principle of fair equality of opportunity, requiring that those with similar abilities and skills should have similar life-chances regardless of social background, would seem more appropriate. However, a formal principle of fair equality of opportunity is not likely, on its own, to be enough. This is partly because it will not, in itself, be effective in mitigating the potentially enervating effects of background disadvantage (cultures of low expectation). More than this, however, such a principle does not reach far enough: there are other equally arbitrary factors, such as differential natural endowments, that it fails to address.

In order to be authentic, therefore, fair equality of opportunity must be combined with, and supported by, redistributive transfers to those suffering background disadvantage.

We can sum up these considerations in four brief points:

- First, redistribution is not justified in terms of a notion that inequality is in itself unacceptable. Inequalities are in fact desirable where they may be seen to contribute to efficient wealth creation in a system in which the prospects of all are potentially enhanced.

- Second, given the assumption that market societies are relatively efficient in this respect, commensurate inequalities created by market activity would generally be deemed acceptable, so long as the market is sufficiently free of monopoly and that social and economic disparities are not so great as to destroy the worth of liberty for some, or systematically to exclude some from access to social positions.

- Third, and in the light of this, the purposes of redistribution are to be understood principally in terms of opportunity. In a market setting, expectations as to social and economic primary goods are attached to market positions. Genuine openness of positions is therefore a requirement.

- Fourth, and more specifically, what mitigates inequality from the point of view of social justice is the opening up of opportunities for the realisation of the long-term expectations of those who do not benefit from the right kind or level of natural endowment, or who are disadvantaged in terms of social background.

We can now turn to New Labour to see how their rhetoric and policies correspond to these social–liberal principles.

**Focus on opportunity**

The key to justice as fairness can be seen as the procedural securing of opportunities, rather than a substantive commitment to egalitarian outcomes. Blair refers to this as a central and distinctive element in the reformed agenda of New Labour:

I want to highlight opportunity as a key value in the new politics. Its importance has too often been neglected or distorted. For the Right, opportunity is characteristically presented as the freedom of individuals from the state. Yet for most people, opportunities are inseparable from society, in which government action necessarily plays a large part. The Left, by contrast, has in the past too readily downplayed its duty to promote a wide range of opportunities for individuals to advance themselves and their families. At worst, it has stifled opportunity in the name of abstract equality.

The commitment to procedural justice is explicitly seen by New Labour as attached to the wealth-creating potential of markets freed from monopoly and entrenched elites. To be mediated by fairness, markets require appropriate regulation. Brown sees ‘not government suppressing markets, not government surrendering to markets, but government helping people to equip themselves for every challenge these . . . markets bring’.

In the light of this, the general hallmark of appropriate market mediation is the
securing of the widest possible spread of opportunities for all groups in society.

Within the terms of this general commitment, specific attention is given to groups that are, in one way or another, arbitrarily marginalised. For the general aim of raising the expectations of disadvantaged groups to be realised, the system would need to incorporate procedural measures in order that marginalised groups were enabled to utilise their talents. This is reflected in New Labour’s intention to use ‘the power of government to set a framework in which the potential talent of [all] . . . is liberated’ through systematic redistributive transfers to groups ‘cut off from society’s mainstream’, for the purpose of opportunity rather than equalising outcomes.9 This redistributive commitment to marginalised groups includes not only provision to the disabled, for example, but also provision of resources to those families and communities whose background circumstances create a culture of low expectations. Furthermore, the idea of equal moral worth is reflected in a commitment to recognising the need to rectify undue disparities in life-chances as a result of ‘morally arbitrary’ factors of natural endowment. Thus, for Brown, real equality of opportunity is denied ‘if we assume that there is only one type of intelligence, one means of assessing it . . . one chance of succeeding’.10

These commitments may be seen in the general context of the concern with inclusiveness which has become a central element in New Labour’s agenda. The idea that no groups are excluded from the benefits of wealth creation articulates the principle of equal worth in the context of a co-operative scheme for mutual advantage. In specific terms, the commitment to mediating the market in order to spread and maximise opportunity, rather than for equality of outcome, and to redistributive measures which compensate for background disadvantage, would seem to answer to a social–liberal conception of justice as fairness.

A further point needs addressing here. New Labour have made much of the idea of community and the responsibilities the community might generate. Indeed, Blair lists community and responsibility among the key values defining the ‘third way’. Freeden points out that these ideas carry connotations of an organic, morally authoritative order, grounded in an image of cultural homogeneity. It is true that, on the face of it, this traditionalist conservative image would seem to sit as uneasily with a social–liberal position as it did with the neo-liberalism of the Conservatives. However, it is worth noting that Blair makes a distinction between a ‘national community’ and more particular communities that subsist within a civil society now understood to be pluralistic and multicultural. This would seem to imply that the roots of ‘national community’ do not lie in the ‘deep’ cultural attachments associated with a homogeneous civil society. Instead, it is implied that ‘national community’ is grounded in the sense of mutual respect and recognition embodied in justice as fairness itself. This sense of ‘national community’, and of the responsibilities it places upon individuals in their capacity as citizens, is thus generated by a mutual acknowledgement of autonomy and equal moral worth of individuals.11 Accordingly, Blair has argued that ‘a modern idea of community . . . [is] one which applauds and nurtures individual choice and personal autonomy and recognises the irreducible pluralism of modern society.’12

The policy agenda
We can now look at how a social–liberal position might be reflected in policy terms. Clearly, there is room for a degree of indeterminacy here. With respect to any one policy, it might be said that a government could have done something else (although not, of course, anything else) and still be called social–liberal. In order to mitigate this difficulty, we can

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ask what a social–liberal position would be expected to imply in terms of a general policy direction in a range of areas, and then look at how these directions are embodied in some of New Labour’s policy initiatives. While we would accept Freeden’s point that not everything undertaken by New Labour is consistent, we do suggest that a general policy agenda has emerged which answers to a social–liberal position.

There are four policy areas in which a social–liberal position would appear to have fairly strong implications:

- First, the requirement that equality of opportunity be authentically fair implies that disabling background conditions require compensation. A key way in which this might be accomplished is through an emphasis upon educational and training opportunities. Resources need to be directed, therefore, to securing such opportunities for those who are disadvantaged, either in terms of social position (poverty of means and expectation) or through shortfalls in educational potential.

- Second, the need to ensure openness of market positions means that appropriate measures are required both to reconnect the unemployed and economically inactive with employment opportunities and to maximise employment choice.

- Third, it is implied in the social–liberal emphasis upon fairness that attention be given to those who are additionally disadvantaged by special circumstances, including those losing out in the ‘natural lottery’, in such a way as to be potentially excluded from the benefits of economic activity.

- Fourth, the requirement of raising expectations for the less well off implies that market opportunities must be genuine with respect to those expectations.13

We can now look at actual policy initiatives in the light of these four points.

First, New Labour have consistently given priority to education, introducing a number of changes to education policy. Additional revenue has been used to reduce classroom sizes for five- to seven-year-olds to below 30, to recruit and train additional teachers, and to invest in infrastructure and new technology. In addition to these general measures, a number of programmes have been introduced which target those in greatest danger of not benefiting from widened educational opportunities. Education Action Zones have been developed to encourage public and private bodies to work together with parents to raise educational standards in deprived areas. The New Deal for Schools is designed to promote private sector investment in school infrastructures. Sure Start enables providers of services and support to combine to meet the intellectual, social and emotional needs of pregnant mothers and pre-school-age children in the most deprived areas, so that children in these areas are best positioned to take advantage of the primary and secondary education system. In combination, these reforms embody an attempt to create an education system geared to maximising long-term opportunity and preventing potential exclusion through lack of skills.

In relation to the second policy area, the reconnection of the unemployed and economically inactive with the labour market, the aim has been to ensure the spreading of employment opportunity. This concern has issued in the welfare-to-work programmes, particularly the New Deals for 18- to 24-year-olds and for the long-term unemployed over 24. The general aim of these programmes is to direct redistributive revenue towards the provision of opportunities to regain market positions. Further, they aim to maximise the utilisation of talents by incorporating elements of choice and individual customising of the programmes.

Third, in addition to providing direct assistance for persons outside the labour...
market, New Labour seeks to address the circumstances that might be thought to adversely affect life-chances. Thus, for those suffering additional disadvantage with respect to the labour market, such as lone parents and the disabled, who are regarded as economically inactive, further New Deal programmes have been established. These are designed specifically to cater to the needs of these groups by offering them packages of support and advice designed to ensure that they are aware of, and can take advantage of, employment opportunities where appropriate. Circumstances leading to community breakdown and the poverty of aspiration are addressed through the New Deal for Communities. This runs in conjunction with other programmes designed to expand opportunities, such as the Action Zones covering Employment, Education and Health. Here, funding is provided to enable individuals, organisations, public bodies, businesses and voluntary associations within a local area to address in a practical manner problems such as high crime, worklessness, environmental decay, lack of services and poor transport networks. Those who have not been afforded increased opportunity by these measures are compensated by increases in financial support through the government’s policy of benefit upgrading.

Fourth, in addition to spreading opportunity and rectifying background circumstantial disadvantage, a further strand in New Labour’s agenda seeks to ensure that opportunities are worth taking, so that they answer fully to the notion of raising expectations. This involves addressing both unemployment and poverty traps through the introduction of the national minimum wage, the 10p starting rate on taxation, changes to the rules governing National Insurance contributions, the working families tax credit, the fairness at work legislation and the signing of the Social Chapter.

The policies examined here combine to express an overall aim of directing redistributive revenue toward the creation of opportunities for all, and particularly to the least well off groups, through the amelioration of background disadvantages. Many of these programmes have been designed to alter the state’s redistributive support mechanism from one of short-term income maintenance to one in which income is redistributed in such a way as to maximise an individual’s long-term opportunities and expectations. In general, this would seem to reflect a social–liberal position.

A procedural concept of justice

Michael Freeden doubts that the term ‘third way’ is appropriate for an ideological assemblage as eclectic as that of New Labour. We have suggested that, in fact, there is a core ideological commitment susceptible to theoretical identification underlying New Labour’s thought and practice. Furthermore, it is a social–liberal position which is located between the principal ideological alternatives of neo-liberalism and democratic socialism, because it incorporates key features of each of these alternatives and brings them into a combination which can be afforded an independent moral and philosophical grounding.

In common with neo-liberalism, it incorporates a conception of justice that is purely procedural in character. In the light of its stress upon individual autonomy, social–liberalism rejects the imposition of patterned outcomes for persons and the prior conceptions of the good that such patterns insinuate. On these grounds, it rejects the commitment to equalising outcomes associated with democratic socialism. However, it goes beyond neo-liberalism in finding, in the principle of fairness, a moral basis for redistribution. That is, it goes beyond the neo-liberal commitment to maintaining legitimate and open market mechanisms, recognising that markets require regulation and
mediation by redistributive transfers that compensate for morally arbitrary disadvantage through the creation of opportunity.

Of course, this picture is highly schematic and it is a matter for empirical investigation as to how far the contrasts it draws translate into significant differences in policy orientation. However, there would seem to be room here for one or two distinctions to be made. It might be suggested that in reality what New Labour are doing is rather less distinctive than we have implied. For example, the limited redistributive measures they have undertaken might not look that different from measures undertaken by previous Labour governments. However, a question which has always been central for democratic socialist administrations, given their commitment to the good of equality of outcome, has been: how much equality? Policy issues to do with balancing equality both with market freedoms and with economic efficiency have been central. This sort of question, and the policy implications that might attach to any answer for it, is not relevant for New Labour. Equally, although neo-liberal administrations have accepted the need for redistributive mechanisms, arguments in favour of such mechanisms cannot readily be drawn from the neo-liberal sense of market justice. This suggests that ‘safety nets’ should be kept to a minimum and strong interventionist measures for the creation of opportunity are not justifiable.

Ultimately, distinctions of this sort rest upon New Labour’s emphasis upon fairness as the central value defining social justice in a market setting. This new position can be grounded theoretically in a liberal contractual argument, where individual autonomy is prioritised but where an acknowledgement of equal moral worth requires that the terms of contractual association are mediated by fairness. This requirement creates an obligation for the state to ensure justice by instituting procedural guarantees of fair equality of opportunity directed towards enhancing the long-term expectations of the least well-off groups in society. Moreover, this understanding of justice as fairness arguably provides a basis for the articulation of a sense of community pertinent to the public sphere and is fundamentally liberal, rather than traditionalist, in form.

In view of this it may be reasonable to say that New Labour has a core ideological direction that is definable in relatively clear terms. In addition, when so defined it would seem to constitute a position for which the epithet ‘third way’ is quite appropriate.

Notes

2 Constitutional reform might also be thought to follow from a social–liberal position, but we will confine the current discussion to the area of social and economic policy.
3 Tony Blair, speech delivered in Cape Town, January 1999.
6 See John Rawls, A Theory of Justice, Oxford, Oxford University Press, 1973. We do not suggest that New Labour have consciously sought to adopt or implement a ‘Rawlsian’ agenda. We merely refer to Rawls here for the purposes of a more theoretical identification of what we take to be a social–liberal position. Equally, of course, this brief reference to Rawls does not begin to do justice to his extensive, ambitious and subtle argument.
7 Blair, The Third Way, p. 3.
11 For an extended argument to this effect,
