

The principal differences between old and new labour



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Britain has been regarded for some time now of having two major political parties: labour and conservative. The reason why such assumption occurs is because since after the end the Second World War in 1945 to 2001 both the labour and conservative parties have consistently obtained 90% of the seats in the parliament (Kavanagh, Richards, Smith and Geddes, 2006).

Although support for both parties has been declining, they are still today the parties that hold most dominance in Britain politics. In this essay I will cover the first question of the case study regarding the rise of “ new Labour”.

Labour party foundation started in the beginning of the 20th century, more specifically in 1900, when the trade unions, cooperative and socialist societies established the Labour Representation Committee (LRC) in order to represent the interests of everybody and enable the right of working men to enter on the Parliament (Jones, Kavanagh, Moran and Norton, 2001). The party name, as it is known today was eventually adopted in 1906. In the same way that the conservative party ideology was inspired in capitalism, the labour party ideology was strongly influenced by socialism and its principles.

Socialism was initially originated and developed in order to act in opposition against capitalism (Heywood, 2007), which was a type of political ideology that placed great emphasis on market competition and disregarded trade unions. Revolutionary since its origin, Socialism ultimate goal was to abolish the capitalist economy brought by capitalism and in return establish an economy based on common ownership, in which society would have the opportunity to command the means of production. According to Orwell (1938, p. 104) “ the thing that attracts ordinary man to Socialism and makes

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them willing to risk their skins for it is the idea of equality and the portrayal of a ' classless' society". Socialism followed core principles such as: 1.

Belief in human nature: every human being is born genuinely good and it is the " selfish competitive economic system of capitalism" (Jones, Kavanagh, Moran and Norton, 2005) that deforms this attribute. 2. Social equality: every man possesses equal rights and opportunities in life. 3.

Freedom: in order for true freedom to exist in the society, the contrast between rich and poor should be less evident. 4. Fraternity: there must be an emphasis on comradeship and social solidarity instead of greed and individualism. 5. Importance of workers: the working class is seen as the most important asset in society and should obtain full benefits for their work instead of being exploited by the people at the top. Initially, it was based on this ideologies and principles that Labour established their beliefs, policies and acted upon, however, the party made its own adjustments and came up with a " less emotional and more coherent version of socialism" (Jones, Kavanagh, Moran and Norton, 2001), that became known as corporate socialism.

Under this type of socialism, Labour was then focused on managing the economy in order to reduce unemployment with the use of investment and was committed in converting most of the private industry into public controlled services and organisations. Furthermore, the party only intended to attract the working class. By the end of the 20thcentury, in 1994, Labour had suffered four consecutive major elections defeats against the Conservatism party, which to a certain extent indicated that Britain had

changed and that the deep rooted ideas of the Labour party were no longer reaching the attention and needs of the society. Furthermore, Conservative policies had already become very popular and difficult to go against (Shaw, 1996). Other important factors or drivers, as referred in the case study, such as globalisation and modernisation were also the reasons why the Labour party was struggling to compete against competitors and heading to an uncertain and disastrous future. Globalisation is a recent phenomenon that has changed the way that people see the world as well as how we live our lives.

According to Soros (2002) ' globalisation is the free movement of capital and the increase domination of national economies by global financial markets and multinational corporations. While this portrayal of globalisation is very accurate, I think that it is incomplete. Globalisation is also the spread of culture and information. The development and evolution of Internet and other means of communication such as television has greatly enabled people to communicate and " get to know" other parts of the world. Furthermore, people are now more than ever susceptible of being influenced by other countries values and traditions. The movie industry and Hollywood can be seen as example of this.

Another phenomenon that is further pushing globalisation further is international migration which according to Munck (2009) is ' reshaping economics and political systems. Modernisation is a ' historical process in which economically backward countries catch up with the advanced standard in economics and technology through technological renovation' (Rongqu, 1996). To put it more simply, modernisation can be regarded as progress
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and “ evolution” and it is inevitable for the world to continue to experience constant progress. In 1994, when Labour was struggling, modernisation was taking huge and remarkable steps forward and therefore Labour policies needed to be adjusted.

It was during this agitated and troubled period that the recently elected party leader, Tony Blair, took over the party and aimed to radically change the party traditional beliefs, values and most importantly the damaged image of the party. Like I previously mentioned, Conservatism policies had become very popular while on the other hand Labour policies were seen by the population as outdated and not very effective (Kavanagh, Richards, Smith and Geddes, 2006). Tony Blair had an enormous task on his hands if we was to succeeded. In the same way that Margaret Thatcher implemented radical changes when elected leader of the Conservatism in 1975, Tony Blair changed and reformed some of Labour long rooted and traditional policies which were deemed not effective in the eyes of the population. More specifically, Blair abandoned a majority of the left wing policies that Labour had been following since its creation and shifted towards the centre. As result of this change, Labour started to be called as “ new Labour”.

The changes he made were the following: 1. Rewrote Clause Four of the party constitution: Blair made changes in the party traditional ideology and established that “ new Labour” from then on would work hard in order to establish a dynamic and more effective economy, a fair society, an open democracy and a healthy environment (Jones, Kavanagh, Moran and Norton, 2001). 2. Abandoned policy of public ownership: the theory of the public

owning the industries was not succeeding in other countries and therefore was deemed as ineffective in the public eye. 3.

Changed electoral market: instead of attracting and pleasing only the working class, "new Labour" was now vowing and aiming to appeal every voter regardless of their social class. 4. Commitment to businesses: trade unions were no longer benefited by any means and didn't have their rights restored as they were previously been removed by former party leader Neil Kinnock. .

"New Labour" was now striving for good terms with businesses as they were deemed important for the economy and was also in favour of competition in a "free market". 5. Renounced the party beliefs on high taxation: Labour had always been a supporter of a policy of high tax, however this decision was heavily criticised by the conservatism and the population. As a result Blair reformed the party taxing and spending policies.

6. Highlight on competition in the economy: Fond of Margaret Thatcher policies, Blair abandoned Labour's disregard towards competitiveness and believed that in order for the economy to benefit and flourish, competition among business in Britain was of high importance. 7. Establishment of market driven economy: "new Labour" strongly believed in the competition between businesses on a "free market". With growth in the economy investments would directly be made to improve public services and increase the good fortune of the nation. 8.

Earn influence in the European Union (E. U): one of the main policies which "new Labour" intended to implement was to improve relations within Europe
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and obtain an influential role in the European Union (Redgrave, 2008). Within a short period of time, Tony Blair managed to change the Labour party image considerably and greatly improved the way that people used to perceive Labour. It is important to refer that Tony Blair was clearly inspired by Margaret Thatcher, an enthusiastic former party leader of the conservatism (1975-79) and former prime minister (1979-90) whose strict ideologies and belief in conservatism policies turned her into an influential and inspirational figure. The reason why Tony Blair “ shift” from the Left wing towards the centre is compared to Thatcher is because during her time in charge of conservatism party, she also “ moved” away and disregarded some of the conservatism deep rooted policies that were unpopular at the time and marked a change from the traditional Tory collectivism (Burch and Moran, 1987). This became known as Thatcherism.

Despite Blair managing to remarkably change Labour crumbling image there was still a price to pay. More specifically, the fact that Blair opted to move away from some Left-wing policies brought some opposition within members of the Labour party. Some members criticized Blair and strongly opposed his leadership since they felt that it didn’t follow Labour’s core values. As a result some tension was originated between “ old Labour”, the members who were full supporters of the traditional Labour party policies such as favouring trade unions, and the “ new Labour” which were members that agreed with Blair “ shift” from the Left-wing policies and favoured competition in the market. However this emergence of opposition wouldn’t affect Blair and his “ new Labour” as after this transitional period Labour managed to win 4

consecutive elections and remained in power for 13 years, something that had never happened before in Britain history.

Tony Blair eventually made history by serving as a Labour prime minister for 10 years and became an iconic figure in Britain politics. It is also important to mention that under Blair leadership, Britain was provided a new guidance with measures such as the introduction of a national minimum wage.

Furthermore, Labour managed to decrease unemployment and heavily invested on NHS during its time on power. It is very hard to figure out which section of the party is now most dominant.

During the time of Blair and Brown as the leaders of the Labour party, it could be said that “ new Labour” supporters and members within the party were the dominant force since the policies introduced were working perfectly and Labour had never been stronger. However, since Blair and Brown left and considering the fact that the Conservatism party has won the last election and is now in power, it seems that “ new Labour” has lost some momentum. Furthermore, the new leader of the Labour party, Ed Miliband doesn't seem to be too supportive of the measures that Blair implemented when in charge of the party. In fact, Miliband considers himself to be a socialist and seems to favour the traditional Labour ideology and left-wing policies (Beckett, 2011). As of now, it is possible to declare that “ new Labour” is losing dominance, however, due their increased and historically success in the last decades, they are still the dominant section of the party.

Only time will tell if Ed Miliband is capable of turning this situation around.