Socialism and Democracy: New Labour and the Constitution

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Abstract:

This paper suggests that one way to make sense of New Labour’s constitutional reforms is to show how they draw on concepts of democracy embedded in the British traditions of thought that have inspired New Labour. In this view, the constitutional reforms draw on a representative concept of democracy that has been characteristic of the liberal and Fabian traditions that have long dominated British socialism. Similarly, New Labour’s other public sector reforms often draw on a concept of democracy associated with communitarianism and the new institutionalism – two strands of social science upon which New Labour, following the Fabian tradition with its faith in expertise, has drawn to respond to issues raised by the New Right. The paper contrasts the dominant liberal and Fabian traditions upon which New Labour has drawn with some neglected participatory and pluralist alternatives that have long inspired socialist opposition to the Labour Party. No doubt the prominence of liberalism and Fabianism in British culture – and especially elite British culture – suggests a bleak future for these alternatives, the paper suggests that we should not neglect them and, more intriguingly, that there are some signs of moves toward them even among the elite of New Labour.
How can democratic theory help us to make sense of the constitutional reforms introduced under New Labour? We could compare the reforms with different concepts of democracy. Perhaps we thereby might judge how well the reforms do or do not fit with whichever concept of democracy we find most compelling. We could give the reforms marks out of ten. It is arguable, however, that the marks we gave would say more about our own visions of democracy than about the reforms. An alternative approach becomes possible once we allow that concepts of democracy are embedded in the traditions which inspire political practices. Particular traditions, and concepts of democracy, have inspired New Labour’s reforms. Other traditions and concepts of democracy were rejected – or not even considered. We can understand the reforms better if we identify the historical traditions that have inspired them.

Particular traditions of democratic thought have inspired New Labour. A sceptic might remind us that politicians are rarely political theorists. It is true no doubt that Tony Blair and Donald Dewar did not spend much time reading Locke and Rousseau (although when Labour was in opposition Gordon Brown was said to spend part of the parliamentary summer recess studying weighty tomes of economic theory in the libraries of Boston). Nonetheless, even the most unreflective politician acquires conscious and tacit beliefs through processes of socialization, and these beliefs include their perspective on democracy. The politicians, civil servants, and advisors responsible for New Labour’s constitutional reforms operated within tacit frameworks of democracy.
One way to make sense of New Labour’s constitutional reforms is to show how they draw on concepts of democracy that are themselves characteristic of the traditions of thought and practice that have inspired New Labour. From this perspective, the reforms draw on a representative concept of democracy that has been characteristic of the liberal and Fabian traditions of socialism that have been dominant within the Labour Party for most of its history. Similarly, New Labour’s other public sector reforms often draw on a concept of democracy associated with communitarianism and the new institutionalism, which are the two strands of social science upon which New Labour has drawn to respond to issues raised by the New Right. It might not surprise us to learn that New Labour has drawn on Liberal and Fabian traditions of socialism and on communitarian and institutionalist forms of social science. It is well worth pointing out, however, that New Labour has thereby neglected participatory and pluralist alternatives.

**Traditions of Socialism**

The Labour Party has been divided on democratic issues from the moment of its inception in 1900 as the Labour Representation Committee.¹ The main division is between a liberal representative concept and a participatory and pluralist alternative. The liberal model seeks to protect citizens from the government and to make sure government pursues policies in the interests of its citizens. Sovereignty resides with the people, but it is exercised by a small number of representatives elected by the people. The executive branch of government is accountable to a legislative assembly composed of representatives. The legislative assembly is held accountable by the people through regular elections. Typically, a constitution limits state power and also secures civil rights.
The participatory and pluralist concept of democracy focusses more on self-rule and hence on emancipation. Citizens should have as much control as possible over their own daily lives. Sovereignty might be dispersed among the several institutions that shape people’s daily lives. In each institution, it might be exercised by the direct participation of the members. Participation should be extended from decision-making to the processes of implementation. Measures might be needed to ensure that all people have the resources that they need for effective participation.

The early socialist debates over representative and participatory concepts of democracy reflected different visions of the role of the state within a socialist society. The Fabians, and some Marxists, argued that the state had to take on new functions and play a more active role in civil society: the state had to take control of the unearned increment and use it for social purposes. The Fabians advocated an extension of liberal democracy, notably the right to vote, in order to ensure that this increasingly active state would remain trustworthy. In contrast, ethical socialists and syndicalists argued that civil society needed to be purged of the abuses they associated with competitive individualism and capitalism. They called for the democratisation of civil society. The ethical socialists wanted civil society to embody a democratic fellowship. And the syndicalists wanted to establish democracy within the associations that made up civil society. Hence one of the main debates among the early socialists concerned the relative roles to be played in a socialist society by a democratic state and by democratic associations within civil society. To simplify, we might say that the view that came to dominate the Labour Party fused ethical socialism with Fabian economics to emphasise the role of the state, but that this
view was always challenged by socialists influenced by syndicalist themes in Marxism or by nongovernmental themes in ethical socialism.

A particular view of democracy came to dominate the Labour Party during the first three decades of the twentieth century. At that time, the leading figures in the Party – Keir Hardie, Philip Snowden, and Ramsay MacDonald – condemned capitalism in much the same terms as had the ethical socialists. In their view, the competitive market brought out people’s base instincts, not their moral ones; capitalism turned people into selfish and acquisitive beings. The leading Labour politicians turned to the Fabians for an economic analysis of capitalism that buttressed their moral views. They accepted a Fabian analysis of interest as analogous to land rent: just as the landlord gets an unearned payment from the value of land, so capitalists do from improvements in productive methods and advantages of location that owe nothing to their efforts or abilities. The leading Labour politicians also accepted the Fabian denunciation of the uncoordinated nature of the market: whereas capitalism relied on a haphazard and chaotic clash of individual interests, socialism would eliminate waste by organising economic life on a scientific basis.

The Labour Party's reliance on Fabian economics led it to emphasise various forms of state intervention at the expense of attempts to democratise civil society. For a start, the existence of an unearned increment present in all economies suggested that the state should be in charge of collecting this surplus and using it for the benefit of the community. The Labour Party's mock budget of 1907 advocated taxation so as to collect unearned increments of wealth and then use them ‘for communal benefit’.Labour politicians advocated several measures to deal with the social surplus in the economy. To
secure the surplus, they called for taxation, legislative restrictions on property, and
eventually public ownership of the means of production. To deploy the surplus for
communal benefit, they called mainly for increased state provision of social welfare.
They also advocated various degrees of public ownership of the means of production in
order to end the anarchic nature of capitalist production. This reliance on the state to
correct social failings raised the fear of too powerful a state. Labour politicians allayed
this fear by stressing the ethical nature of a truly democratic state. As MacDonald
explained, ‘the democratic State is an organisation of the people, democratic government
is self-government, democratic law is an expression of the will of the people who have to
obey the law.’ Labour politicians defined democracy in terms taken from Fabians and
ethical socialists. They equated democracy with representative institutions and the spirit
of fellowship. They rarely showed enthusiasm for other forms of popular control.

The dominant outlook in the Labour Party drew on Fabian economics. Opposition
to this outlook drew on syndicalist forms of Marxism and non-governmental forms of
ethical socialism. The leading syndicalists – notably Tom Mann and James Connolly –
were Marxists. They argued that the ills of capitalism could be overcome only through a
transformation in industry. The state was to play no (or almost no) role. Their Marxist
economics did not demand a greater role for the state. They could envisage a harmonious
civil society in which capitalism had been replaced by a system based on worker-owned
industrial units. They also argued that any leadership became a self-serving bureaucracy.
Leaders had to be subject to strong democratic control. Even worker-owned industrial
units would need to institutionalise popular control through a range of varied measures.
The syndicalists and other Marxists thereby opposed the Labour Party's restricted view of
democracy as little more than representative government. They proposed an extension of popular control through devices such as the initiative and referenda.

   Ethical socialists often expressed a romantic medievalism. They wanted a world of craftsmen united in guilds. These guilds would embody an ideal of fellowship. A. J. Penty developed such medievalism in his The Restoration of the Gild System, which inspired the other begetters of guild socialism, A. R. Orage and S. G. Hobson. The early guild socialists drew on themes from ethical socialism. They identified fellowship as the spirit of democracy. They wanted individuals to exercise full control over their own daily activities in a cooperative and decentralised society. They advocated transferring the control of industry from financiers to craftsman. Ethical socialists also believed that the cure for capitalism lay in this moral ideal of fellowship. They suggested that the political realm was irrelevant – perhaps even detrimental – to such fellowship. In their view, the moral economy did not require state intervention, and in any event state-owned industries might replicate the commercial ethic of private companies. Hence social democrats should focus not on parliamentary politics but on promoting an ideal of fellowship. The guild socialists did not define democracy as representative government. They defined it to include local control of institutions in civil society. And they wanted these institutions to be largely autonomous from the state.

   By the end of the First World War, the Labour Party had accepted social democratic ideas that committed it to an extended role for the state. This commitment gained additional strength from the many liberals who found their way into the Party as it became the leading alternative to the Conservatives. These liberals challenged the idea that the market constituted a harmonious, self-regulating system. They had begun to look
to the state to put right the failings of the market. They agreed with the Fabians about the need for democracy to ensure that the state could be trusted to play this expanded role. While a liberal socialism thus reinforced the dominant Fabian tradition in its emphasis on a representative concept of democracy, other groups within the Labour Party continued to draw on themes from syndicalism and non-governmental socialism – they continued to challenge the Party’s statism and its restricted concept of democracy. During and after the First World War, for instance, pluralists such as G. D. H. Cole and Harold Laski fused guild socialism with syndicalism, and also aspects of Fabian thought, in an attempt to revitalise democratic voices in the Party. Cole wrote, ‘a representative system on a geographical basis is certainly not the last word of democracy.’ Elsewhere he fleshed out the alternative: a democratic society that provided ‘the greatest possible opportunity for individual and collective self-expression to all its members’ by means of ‘the extension of positive self-government through all its parts.’

**New Labour and the Constitution**

Surely we should not be surprised that New Labour has followed the dominant liberal and Fabian traditions in the Party? We might even suggest that Blair, Brown, and Peter Mandelson – three of the main architects of New Labour – are respectively exemplars of the ethical socialist, Fabian or social democratic, and liberal traditions in the Party. Blair emphasises the value of community, relates community to his Christian faith, and places a heavy emphasis on moral exhortation. Brown appears more concerned to relate New Labour’s ideas and policies to values such as equality. Mandelson is (or was) the most committed to the liberal themes of choice and the market.
It is perhaps because New Labour has followed the dominant liberal and Fabian traditions in the Party that it has remained tied to a representative concept of democracy. Its major constitutional reforms exhibit little interest in extending participation beyond legislative assemblies. There is little concern to advance democratic pluralism within the associations that make up civil society. Nobody should underestimate the extent of New Labour’s constitutional reforms, nor, as we shall see, New Labour’s general impact on the public sector. The reforms might well come to be seen as a decisive moment in British political history. Yet the extent of the reforms does not alter the fact that they concentrate pretty much exclusively on representative assemblies, elections, and civil rights.

New Labour’s reliance upon a liberal, representative concept of democracy was clear even before the 1997 election. The Labour Party began informal talks about constitutional reform with the Liberal Democrats in the mid-1990s while still in opposition. The talks led to an agreement to work together after the election. This agreement reflected the Labour Party’s growing willingness to pursue a liberal vision of multi-level territorial governments, electoral experiments, and civil rights, to the exclusion of alternative socialist concepts of democracy. The agreement covered, amongst other things, reform of the House of Lords, devolution in Wales and Scotland, a referendum on proportional representation, and incorporation of the European Convention on Human Rights into domestic law.

Representative institutions, elections, and civil rights have remained the main planks of New Labour’s constitutional innovations. Devolution has led to several new representative institutions. In its first term in government, New Labour held a
succession of referendums on the creation of national and regional assemblies. The referendums led to the creation of a national parliament for Scotland, a national assembly for Wales, and a mayor and assembly for London. (Regional devolution in England proved more awkward: New Labour made legislative provision for regional assemblies and eventually, in its second term in government, a referendum was held in the North East alone, but with the proposal being rejected by over three quarters of those who voted, the government was quick to put the issue to one side.) The national and regional assemblies that were created have widely different powers. The Holyrood Parliament has the most extensive authority, including primary legislative powers. It also has limited powers to raise taxes, although it has not yet done so, preferring to rely on the block grant from the centre. In sharp contrast, London’s mayor has few powers – the most notable are over public transport – and even those remain subject to checks and controls by Whitehall. As well as creating national and regional assemblies, New Labour moved to reform Westminster. Change in the House of Lords proved difficult, but, while it is currently stalled, the days of hereditary peers do appear, at long last, to be numbered. Modernisation of the House of Commons has been desultory.

Electoral reform has not yet found its way to Westminster. Forms of proportional representation operate for the devolved assemblies, and a regional list system is in place for elections to the European Parliament. Nonetheless, Labour’s agreement with the Liberals to hold a referendum on proportional representation for Westminster seemed to have been put to one side until it was suddenly restated in the 2005 manifesto. Even now, however, it would be foolhardy to bet on the referendum actually taking place. A
Party that has just won three successive elections has little reason to alter the rules of the game.

The final plank of New Labour’s major constitutional reforms has been a series of legal reforms to promote civil rights. The European Convention on Human Rights has been made part of domestic law.¹ British citizens can claim their Convention rights in British courts instead of going to Strasbourg. And judges can declare parliamentary statutes incompatible with the law. The Government has passed legislation to create an Equality and Human Rights Commission. Optimists argue that it will have a human rights advocacy role and that it will take on the promotion of anti-discrimination rights that are coming out of European legislation. Pessimists counter that because the Commission also replaces the three existing equality commissions – those for Racial Equality, Equal Opportunities, and Disabilities Rights – it remains to be seen what, if any, difference it will make. Some pessimists complain of tensions between the different responsibilities of the Commission.

New Labour has also introduced legal measures designed to promote greater access to official information. The Freedom of Information Act, 2000 replaced an earlier code of practice. It was not fully implemented until 2005. Critics suggest that even then it failed what they see as its first test: the Government refused access to the advice it had received from the Attorney General on the legality of the Iraq War. The Department of Constitutional Affairs runs a clearing-house for requests for information. It advises other parts of Whitehall on awkward cases. Critics suggest it blocks the release of sensitive information.
Representative assemblies, elections, and civil rights have been the main planks of New Labour’s constitutional innovations. But New Labour began with a measure that does not belong in any of these three categories. No sooner was Blair’s first Government formed, than Gordon Brown announced that the Bank of England would have operational independence in the setting of interest rates. The Bank of England Act, 1998 established a Monetary Policy Committee, chaired by the Bank’s governor, with a remit to maintain price stability and, within that context, to support the government’s economic policy. The Committee has responsibility for setting interest rates to meet a target for inflation, which the government set at two and a half percent. If inflation diverges from the target by more than one percent, the Bank’s governor has to explain the discrepancy in an open letter to the Chancellor. Significantly, the Committee’s eight members are unelected appointees. They consist of a roughly equal mix of Bank officials and economic experts appointed by the government but confirmed only after hearings in front of the Treasury Select Committee.

It is hard to conceive of the Bank of England Act as an extension of democracy. New Labour appears, rather, to have been acting on empirical theories developed within the social sciences. New Labour acted in part on a long-standing argument of left-wing social scientists: Labour governments inevitably fail because the City reacts to them in a way that leads to a run on the pound. New Labour also acted in part on more recent economic theories that presented macroeconomic stability and low inflation as necessary contexts for supply-side regeneration. We might get an even better understanding of the conceptual underpinnings of New Labour’s reforms, then, if we consider traditions of social science.
Traditions of Social Science

New Labour’s major constitutional reforms reveal a debt to the liberal and Fabian traditions of socialism with their representative concept of democracy. Nonetheless, we should not assume that New Labour has been unconcerned with the public sector and its relationship to civil society. To the contrary, New Labour has made numerous attempts to reform state and society. It has promoted, in particular, joined-up government and social inclusion. How might democratic theory help us to make sense of these broader attempts to reform the British state? Once again we can relate reforms to concepts of democracy found in the traditions that have inspired New Labour. The relevant traditions are now ones that arose out of the social sciences rather than political philosophy and socialist theory.

There is a clear intellectual history behind New Labour’s use of social science to reform the state. For a start, the dominance within the Labour Party of a representative concept of democracy allowed authority to be ascribed to the kind of expertise social science purports to offer. The representative concept of democracy allowed that the administration of government could be handed over to experts provided only that the experts were accountable to an elected assembly. In addition, the rise of theories of democracy that purported to be neutral, value-free, and scientific allowed social scientists to claim to proffer the relevant type of expertise. No doubt intellectuals will offer advice to anyone willing to read their writings or listen to them talking. But the claim to be offering neutral scientific advice, independent of political values, is in a sense peculiarly associated with the rise of functionalist, elitist, and institutionalist theories of democracy.
in the early part of the twentieth century. Finally, the elite of New Labour turned to these traditions of social science in an attempt to respond to issues highlighted by the New Right. They turned, in particular, to the new institutionalism to respond to issues of efficiency, and to communitarianism to respond to issues of legitimacy. Hence New Labour’s public sector reforms embody the institutionalist idea that networks are more efficient than hierarchies and the communitarian one that dialogue and consensus can build legitimacy.

The new institutionalism gave New Labour an alternative to neoliberal accounts of the perceived crisis of the state. Neoliberals argued that the state was overloaded and excessively bureaucratic. The solutions were marketization and new public management. New institutionalists proposed different solutions – networks and joined-up government. The institutionalists rejected the New Right’s use of neo-classical economics and rational choice theory to analyse the state. They replaced analyses based on atomised individuals and market co-ordination with ones based on embedded individuals and networks. Often they did so to preserve approaches to social science that focus on rules and structures rather than the micro-level of individual action. The new institutionalism attracted New Labour because it thereby offered an alternative to the ideas informing the New Right. New institutionalists typically implied that networks are the form of organisation best suited to our nature as social or embedded individuals. On the one hand, institutionalists use the concept of a ‘network’ to describe the inevitable nature of all organisations given that individuals are embedded in social contexts: hierarchies and markets are networks. The concepts of ‘embeddedness’ and ‘network’ suggest that action is always structured by social relationships. They give institutionalists a critique of
rational choice theory. On the other hand, institutionalists typically suggest that networks are better suited to many tasks than are bureaucracies or markets. The concept of ‘embeddedness’ suggests that the state should rely on networks not markets, trust not competition, and diplomacy not the new public management.21

Institutionalists accept neoliberal arguments about the inflexible and unresponsive nature of bureaucracy. But, instead of promoting markets, they appeal to networks as a flexible and responsive alternative. Institutionalists argue that economic efficiency and success derive from stable relationships characterised by participation, partnership, and trust. Bureaucracies can provide a setting for trust and stability. But institutionalists often suggest that the time for bureaucracy has passed. Bureaucracies were appropriate for the routinized patterns of behaviour that dominated Fordist societies with their emphasis on mass production in large-scale factories. They are ill-suited to delivering the innovation and entrepreneurship that states have to foster if they are to compete effectively in the new knowledge-driven global economy.22 The new economy requires flexibility, responsiveness, and innovation. It requires networks.

Communitarianism reproduces the functionalist argument that social order depends on the creation of a consensus over the legitimacy of the political institutions governing it.23 Functionalists sometimes classified organizations as coercive, remunerative, or normative according to the main mechanisms by which they maintained social control and the corresponding functions they fulfilled for their members. Coercive organizations have to ensure compliance through force since the people within them tend to resist them. Remunerative organizations get individuals to conform to their norms by paying them so to do. Normative organizations manufacture conformity out of the
feelings of obligation and commonality of their members, who join in order to pursue goals they believe to be morally worthwhile. Communitarians draw on this typology to suggest that democratic states are normative organizations. Democracies have to create appropriate feelings of obligation and commonality among their citizens if they are to maintain a stable social order. Legitimacy is an issue of effective government. Indeed, communitarians worry that declining rates of participation undermine the quality and the legitimacy of elite decisions and political institutions. They hope that consulting actors beyond professional politicians and civil servants will make elite policies more acceptable to those whom they target. Communitarianism thus approaches participation from a top-down perspective. It is dominated by the imperative of preserving established elites and institutions from vulnerabilities associated with poor performance.

The idea of Blair or Dewar studying Amitai Etzioni or Robert Putnam might seem even less plausible than their reading Locke or Rousseau. Sceptics might argue also that the esoteric beliefs of social scientists are not ones politicians are likely to adopt through processes of socialisation. But the sceptics overstate the case. They underestimate the role ascribed to expertise in British politics, and especially in the Fabian tradition. When Putnam visited Britain in April 2001, he was invited to give an address attended by Blair. Elaine Kamark, a special adviser to President Clinton, introduced Blair, and also Brown, to the ideas of Etzioni, who had himself served as a Senior Advisor to the White House. Besides, the main routes through which communitarian and institutionalist ideas reached New Labour were academic advisers and think-tanks. So, institutionalists from the academy and Demos formulated the White Paper on Modernising Governance.
New Labour and the Public Sector

Perhaps we should not be surprised that New Labour has drawn on the expertise offered by communitarians and institutionalists. Communitarianism and the new institutionalism are, after all, the main forms of social science that have sought to rebut the challenge of rational choice theory and so arguably the New Right. However, it is perhaps because New Labour has drawn on communitarianism and the new institutionalism that its public sector reforms remain tied to quests for legitimacy and efficiency. These reforms exhibit little interest in extending participation or pluralism save in so far as doing so serves functionalist ends.

New Labour has reformed the state and the public sector, including health and education, in ways that reflect an institutionalist faith in the benefits of networks and a communitarian one in civil society. It wants joined-up government and social inclusion. The search for joined-up government begins in Whitehall and Westminster. The Cabinet Office has housed a number of new units, such as the Social Exclusion Unit, the purpose of which is to tackle issues that cut across departmental boundaries. The Women’s Unit and the Anti-Drugs Coordination Unit were established in 1997 to coordinate activity on their respective topics.24 A Performance and Innovation Unit was established in October 1998 to drive up the quality of departmental work, not least on big projects that required collaboration across government. New Labour also pursues joined-up government by means of task forces. These task-forces are among the most distinctive feature of its style of governance. During Blair’s first hundred days alone, the government established over forty task forces, advisory groups, and policy reviews.25
Beyond Whitehall, the government has introduced initiatives to create flexible frameworks for cooperation. The Invest to Save Budget (ISB) scheme provided extra funding to projects in which two or more public bodies collaborate to deliver more efficient services. Typical ISB projects included ‘one-stop shops’ that give users access to multiple services at one location. The Single Gateway scheme provides access at one location to services offered by the Benefits Agency, the Child Support Agency, the Employment Service, and the benefits departments of Local Authorities. Sure Start and the Single Regeneration Budget are yet other examples of ‘cross-cutting’ initiatives that seek to transcend administrative boundaries. The government is moving further in this direction, creating Integrated Service Teams to explore ways of improving collaboration between service providers.

Networks have gone some way toward replacing the internal market in the National Health Service (NHS). The government has created a new statutory duty for NHS Trusts to work in partnership with other NHS organisations. All the actors involved in the delivery of health care services – General Practitioners, NHS Trusts, and Local Authorities – are meant to collaborate to develop integrated systems of care based on Health Improvement Programmes. These Health Improvement Programmes specify standards for health care that have been agreed upon by all the relevant actors in consultation with one another. Joined-up government and negotiation, as well perhaps as, markets and competitive contracts are now the perceived means of promoting quality and efficiency within the NHS.

New Labour’s advocacy of networks extends from joined-up government within the public sector to partnerships between public and private organisations. It actively
encourages ‘Partnership Networks’ between local authorities and the private sector. Perhaps the most important links to the private sector arise from the government’s resurrection and expansion of Private Finance Initiatives (PFIs), or, as they are called now, Public Private Partnerships (PPPs). These schemes enable the private sector to invest in capital projects in the public sector and then to lease the new entities back to the state. Under the Conservatives, PFIs often maintained a clear division between public and private sector bodies: private companies planned, designed, and constructed buildings or roads and then sold them to the public sector organisations that provided the relevant service. Under New Labour, PPPs have become a means of encouraging public and private organisations to form deeper partnerships. The partnerships involve collaboration at all stages of a joint venture. And the private sector brings management and expertise as well as finance. The overall scale of PPPs under New Labour is vast. During Blair’s first term in office, some one hundred and fifty contracts were signed, covering four prisons, five hospitals, and five hundred and twenty schools. Their total value was over £12bn.28

The Government speaks of individuals relating to one another through trust, negotiation, and agreement within networks. The contrast is with the competition and contracts that characterise markets. New Labour hopes that networks, especially those at the local level, will encompass front-line service providers and citizens. In the NHS, it has set up a National Taskforce on Staff Involvement.29 The members of the Taskforce include nurses, doctors, and a hospital porter. More generally, New Labour modified the Citizen’s Charter of earlier Conservative governments to establish Service First. The Service First charter programme encourages ‘Quality Networks’ composed of local groups, the members of which should come from all areas and levels of the public sector.
‘Quality Networks’ are intended to contribute to the development and dissemination of principles of best practice, the sharing of troubleshooting skills, and the building of new partnerships between appropriate organisations. The government thus aims to encourage public services to work together to ensure that services are effective and co-ordinated. This shift from the Citizen’s Charter to Service First appears even more significant when we locate it alongside the introduction of Public Service Agreements (PSAs).30 These publish performance levels and demand measurable improvements from all central government departments and agencies. Each organisation specifies its general aims and objectives, the resources available to it, its performance targets, and information about how it intends to increase its operational efficiency.

Citizens participate in this brave new world of networks not only as ‘clients’ but also through increased avenues for consultation and involvement in the planning and delivery of services. Service providers are now more or less required to consult and to involve users. The government recommends a wide array of methods for meeting this requirement – interviews, focus groups, citizen juries, and citizen panels. Citizen juries consist of a small number of lay people who scrutinise specific proposals. They hear evidence from experts and interested parties over several days and then report their conclusions. Citizen panels consist of a larger representative sample of the population. They discuss specific proposals and also develop broader ideas about future services. The flagship citizen panel in Kirklees, West Yorkshire consists of a thousand local residents who three times a year receive surveys from the local authority and the local health authority. New Labour has even established an omnibus People’s Panel made up of five thousand members, representing a cross-section of the population, who are consulted
about a range of issues, including transport, local democracy, new technology, and care in the community.

The promotion of networks allows New Labour to embrace novel styles of service delivery. But it also fragments parts of the public sector and it leaves the state with fewer means of direct control. The government thus can appear janus-faced in its simultaneous promotion of local initiatives and its reassertion of central control through inspection and regulation. Alongside the creation of decentralised Action Zones for Health and Education, we have new organisations designed to impose the will of the centre. These organizations include the National Institute for Clinical Excellence (NICE), the Commission for Health Improvement, the Office for Standards in Education and the hit-squads that take over failing schools. More generally, the remit of the Regulatory Impact Unit, formerly known as the Better Regulation Taskforce, has been extended from the private to the public sector. It has introduced a programme of public sector regulatory efficiency. This programme applies the principles that the government believes to be constitutive of good regulation – transparency, accountability, targeting, consistency, and proportionality – to domains such as healthcare, education, social services, and the police.

New Labour seeks to retain central control not only through inspection and regulation, but also, when deemed necessary, through direct intervention. The government developed schemes of ‘earned autonomy’ that distinguish ‘green’ and ‘red’ local authorities or agencies. ‘Green’ organisations are given increased powers and are even allowed to test new ways of delivering services. ‘Red’ organisations can be subject to government intervention to remedy their failings and they may even be taken over by the centre.
New Labour has adopted a regime of regulation to reassert the centre’s control of public services. It seeks thereby to guarantee standards of quality and efficiency. This new regime of inspection and regulation once again reveals the government’s faith in networks. The regulators themselves are meant to operate through networks characterised by trust – or at least they are unless direct intervention is deemed necessary. In personal care, the government wants networks to counter a fragmented system in which regulation had been piecemeal and divided.\(^{31}\) New regional Commissions for Care Standards (CCSs) regulate care services in line with national standards developed by the government in consultation with relevant groups and individuals. The CCSs are independent of government. They consist of representatives from local government, health authorities, service providers, and service users. A General Social Care Council regulates the training of social workers, helps to set standards of good conduct, and recommends principles of best practice for all who work in social services.

A similar invocation of networks characterises New Labour’s regime of regulation in the NHS.\(^{32}\) The government hopes to overcome problems of fragmentation and control – including unacceptable variations in the standards of health service – by building networks in which the deliverers of services can compare their performance and share principles of best practice. NICE regulates frontline healthcare. It aims to ensure high and consistent standards of clinical practice throughout the NHS. NICE draws on networks of health professionals, academics, economists, and representatives of patients. The networks operate alongside NHS organisations at all levels, including local providers of care, regional bodies, and national groups such as the Department of Health. A National Framework for Assessing Performance monitors the quality of services against
the criteria of improvement of health, fair access, effective delivery of appropriate care, efficiency, the experiences of patients and carers, and outcomes for health. Each of these criteria has detailed performance indicators: for example, fair access refers to the socio-economic and demographic characteristics of patients, the mean time from diagnosis to operation, and patients’ evaluations of their experiences. National Service Frameworks specify national standards for specific types of service: for example, the Calman-Hine Cancer Service Framework defines the arrangements that are deemed appropriate to high quality and comprehensive cancer care. A Commission for Health Improvement provides independent scrutiny of healthcare providers such as NHS Trusts. It monitors the implementation of the National Service Frameworks and the guidance provided by NICE. It has the power to investigate and to intervene when performance is deemed unsatisfactory.

What Does it Mean?

New Labour has made some dramatic reforms to the British constitution and the public sector more generally. To exhibit New Labour’s debt to a representative concept of democracy and communitarianism and the new institutionalism is not to deny the extent of the reforms. It is to draw attention to the limits of the reforms: they do not break out of the liberal and functionalist themes of so much British socialism. It is also to draw attention to other possible reforms that were rejected or not even considered, reforms inspired by the participatory and pluralist strands within British socialism. Again, to locate New Labour’s reforms within particular traditions is not to deny the extent of the reforms. The reforms could well be New Labour’s greatest legacy. They have already
reshaped Britain, and they have opened the door to futures that the government probably neither intended nor would have wanted. Britain has been altered for good, and the processes of change are still very much playing themselves out. To locate New Labour’s reforms within particular traditions is, however, to cast new light on familiar questions. How can we make sense of the content of the reforms? What prospects do the reforms open up for Britain?

Let us look first at debates about the content of the reforms. One debate concerns the programmatic nature of the reforms. Many observers think that the reforms lack consistency. They take Lord Irvine to have admitted as much, and Lord Falconer to have done his best to impose a retrospective consistency upon a hodge-podge of reforms. In this view, for instance, the schemes for territorial governments have diverse sources in the different demands of particular territories. Other observers imply that New Labour has developed a fairly coherent constitutional agenda. They imply that Lord Irvine almost said as much, and Lord Falconer then made it crystal clear. In this view, for instance, the schemes for territorial government appear as components of an admittedly vague plan for multi-level governance throughout the UK. To some extent the debate between these two views is a false one. Whether or not we find coherence, depends above all at the level of abstraction at which we look for it. Equally, to recognise New Labour’s debt to particular concepts of democracy is to cast new light on this debate. Even if New Labour did not set out with a consistent programme, the major constitutional reforms are loosely coherent in their shared debt to a liberal, representative concept of democracy. The wider reforms of the public sector are similarly loosely coherent in their shared debt to communitarian and new institutionalist thinking. And these two groups of reform loosely fit together in that a
A second debate about the content of the reforms concerns their compatibility with New Labour’s style of government. Critics label New Labour control freaks, and they point to tensions between the constitutional reforms and the desire of the centre to retain control. There is endless talk of a Blair presidency as power is meant to be concentrated within 10 Downing Street and the Cabinet Office. The idea of a Blair presidency of a Bonapartist order fuses several issues. It suggests that Blair himself combines the charisma and ease of a rock star with remarkable tactical reach. It highlights the ways in which his government has tried to strengthen the control of the prime minister and his staff over policy and its presentation. And it suggests that Blair is the most powerful prime minister in living memory. Few would deny that the changes at Number 10 and the Cabinet Office have a centralizing thrust. As soon as he was elected, Blair surrounded himself with a network of special advisors. The numbers of special advisors rose from eight under John Major to twenty-seven under Blair. Total staff employed at Number 10 rose from 107 under Major to 200 under Blair. At first, the new central institutions focused on improving communications, with Alisdair Campbell heading the Strategic Communications Unit. Later the emphasis fell on policy advice. Number 10 does not shrink from attempts – often comically inept attempts – to influence outcomes in the national parliaments and in London. Nor does the government as a whole shrink from interfering in decentralised public services. However, the tension between the constitutional reforms and centralisation appears somewhat different once we recognise New Labour’s debt to particular concepts of democracy. Consider the main
constitutional reforms. The tension here is one between, on one hand, the multi-levels of government created by any programme of devolution, and, on the other, a belief in the expertise offered by social science. Consider now the reforms of the public sector. The tension here is one between, on one hand, a clear-cut commitment to certain outcomes, and, on the other, the expertise of the communitarians and the new institutionalists, according to which the outcomes are best achieved through increased citizen participation and a proliferation of networks. Neither tension is simply one of style. Both tensions reflect the limitations of the traditions on which New Labour has tacitly relied. What does government do when it follows the experts but does not get the predicted outcomes? It pulls on leavers in an attempt to exert direct control over outcomes. But the leavers are now rubber ones. The attempts to control fail.

A third debate about the content of the reforms is that about how radical they are. Tories and Whigs lament the radical nature of the reforms. They deride New Labour for undertaking an immoderate and wholesale onslaught upon the constitution. If there is need for reform – and they often suggest there is not – then they would have it be more gradual and more in accord with the grain of a constitution that has served so well to date. In contrast, other critics reprove New Labour for timidity. Typically they would have the government adopt a codified constitution. The contrast between these two sets of critics is again a false one. Their respective views clearly tell us more about their own political ideas than they do about how radical the reforms are. But to recognise New Labour’s debt to particular concepts of democracy is, here too, to cast new light on a debate. The Tories and Whigs protest too much. No doubt the reforms unsettle the idea of the UK as a unitary state. But this idea was always something of a myth. Besides, the
reforms clearly go with the grain of one of the most well established traditions in British politics; they have their origins in the liberal, representative concept of democracy. This concept of democracy is, of course, perfectly compatible with a codified constitution. Hence the critics who advocate codification are perhaps not that far from New Labour. Is it a little too neat to say that they voice a radical liberalism that believes in abstract principles while New Labour enacts a Whiggish liberalism that looks more to guidelines drawn out from existing practices? Perhaps it is. Even so, New Labour and its radical critics clearly share underlying assumptions associated with a liberal, representative concept of democracy. The radical imagination would range further afield.

The radical imagination might look to various sources for inspiration, including New Labour itself, the European Union (EU), and perhaps civil society. Let us look now, at the future trajectory of the reforms. Some observers suggest that the 2005 Labour Party manifesto broke new ground, –or at least that the manifesto allows for the enactment of some of the radical aspects of the old proposals. The manifesto suggested that new powers would be given to regional governments within England. It reiterated New Labour’s belief in a review on the question of proportional representation. There was a clear commitment to a Commission on Human Rights. And there was some discussion of increasing citizen participation. It is not necessary to deny the extent of these proposals to ask whether they differ significantly from what has gone before. The manifesto offers the same emphases drawn from a representative concept of democracy – devolved assemblies and powers for territorial regions, experiments with different electoral systems, and the legalisation of civic rights. The manifesto also shows a continuing sensitivity to the issues of efficiency and legitimacy as conceived by the new
institutionalists and the communitarians. The low levels of turnout for the 2001 election might have added to such sensitivity, but they can scarcely be said to be there cause.

A second debate about the prospects for the reforms concerns the continuing impact of the EU. Britain’s accession to the European Community (as it then was) in 1972 left it subject to a higher law: changes in European law may bring about changes in Britain’s constitution. Nonetheless, it is unlikely that the European Union will be a source of changes that differ significantly from those made by New Labour. On the contrary, the impact of the European Union has typically been through the legalisation and judicial review of various human rights. Nor is that all. The European Commission appears to subscribe to many of the communitarian and institutionalist ideas that lurk behind New Labour’s reforms of the public sector. The Commission released a White Paper on European Governance in 2001.\textsuperscript{36} The White Paper defines its goal as opening-up policy-making to make it more inclusive and accountable, but inclusivity and accountability appear to be desirable because they will lead to more effective policies and lend them greater legitimacy. We might ask: what will happen if the inclusivity does not lead to the desired increase in effectiveness? Will the Commission, like New Labour, find itself simultaneously devolving power and seeking to specify and control outcomes?

A third debate about the prospects for the reforms concerns their inner momentum. Once power has been devolved, it is hard to control not only outcomes but also processes. Perhaps the legislative assemblies and administrative bodies created by New Labour will take the reforms in directions the government neither intended nor would welcome. There have been some highly visible examples of their doing so. Londoners dared to elect Ken Livingstone. Rhodri Morgan eventually won through in
Wales. There also have been other, less well publicised examples of New Labour losing control. It was arguably dissatisfaction in Wales itself that did most to instigate the Richard Commission’s proposals to move from the original devolution model (in which the National Assembly fused executive and parliamentary aspects) to arrangements closer to the Westminster model – a recommendation the Government has accepted.\(^{37}\) Again, the governments of Scotland and Wales have clearly defined their health care policies in contrast to those promoted by New Labour in England. The prospects of diverse public policies is one of the most exciting to emerge from New Labour’s reforms. The new political authorities just might forge a pathway to participatory and pluralist alternatives to a representative concept of democracy filled out by the expertise of the social sciences. But if they are to do so, they will have to break with the dominant traditions in the Labour Party and indeed British politics.

**What is the alternative?**

New Labour’s attempts to reform the British state embody a representative theory of democracy together with themes taken from communitarianism and the new institutionalism. The prospects for a radical alternative look bleak. Nonetheless, participatory and pluralist traditions within the Labour Party continue to inspire hope for an alternative.\(^{38}\) It is today a daunting task to retain faith in participatory and pluralist ideals – to distinguish them from liberal representative ones and yet to meet the obvious objections to them. Tentative suggestions will no more establish clear water between participation and representation than they will reassure all those who worry that pluralism leads to elitism. Maybe we are dealing with fuzzy boundaries, not sharp dichotomies.
Certainly participatory and pluralist themes find several echoes in New Labour’s reforms, notably in devolution and in the advocacy of partnerships between the public sector and the voluntary and private sectors.

Participatory and pluralist democrats might rethink the representative concept of democracy that informs New Labour’s constitutional reforms. They might attempt to extend democratic practices to various associations of producers, consumers, and others. Whereas New Labour has adopted a programme of constitutional reform composed of devolution to national legislatures and doses of electoral reform, an alternative might establish new forums in which citizens can deliberate, formulate policies, and connect with the state. Whereas New Labour typically relies on indirect representation within the institutions of the state, an alternative might assign aspects of governance to democratic associations other than the state. Whereas New Labour promotes partnerships in which the state plays an active role, regulating and controlling outcomes, an alternative might hand over aspects of government to associations other than the state. Whereas New Labour’s partnerships aim to deliver services more effectively with little concern for the inner workings of the organisations with which the state cooperates, an alternative might be committed to extending democratic principles to groups within civil society. This alternative would lead, for instance, to a greater concern with the democratic nature of the Labour Party itself.

Participatory and pluralist democrats also might rethink the institutionalist and communitarian measures with which New Labour has sought to reform the public sector. They might subdue expertise in favour of attempts to form and implement public policies in ways that encourage the participation of citizens. This alternative too finds echoes in
New Labour’s reforms, notably the idea that networks should involve relevant stakeholders. But again there are important differences. New Labour appears to be wedded to a representative democracy in which public policy is implemented by managerial elite who are subject to direction and supervision by political elite who in turn are accountable to the popular will through elections. But an alternative might promote deliberation throughout the policy-making process including the stage of implementation. New Labour seems to assume that administration can be a purely neutral or technical matter of implementing the will of the legislature. But an alternative might allow for the involvement of citizens throughout the processes by which administrative agencies actively interpret and define the will of the legislature.

New Labour has reformed the constitution in a way that remains tacitly inspired by a liberal representative concept of democracy and a faith in the expertise offered by social science. Other socialists will continue to want citizens to promote greater pluralism and participation. They will rediscover a democratic utopianism.


8 As my aim is to try to provide a critique of the reforms by showing how they embody a particular tradition and its concept of democracy, I will not provide a detailed account of their content. General overviews, from different points in time, include R. Blackburn and
R. Plant, eds., Constitutional Reform: The Labour Government’s Constitutional Reform Agenda (London: Longmans, 1999); and F. Forman, Constitutional Change in the United Kingdom (London: Routledge, 2002). Any reader who wants to stay abreast of the reforms could use the resources provided by the Constitution Unit, School of Public Policy, University College, London (http://www.ucl.ac.uk/constitution-unit). The Unit’s publications, available through its website, include a quarterly newsletter (Monitor), and also a record (Constitutional Update) that provides an authoritative overview based on the newsletter. Alas, there is no similar body monitoring the administrative reforms to which we will turn later.

Several commentators have traced New Labour’s constitutional reforms to movements such as Charter 88 and the particular dilemmas posed for Labour by the long period of Conservative dominance from 1979 to 1997. I would agree, adding only that the New Labour reacted to these dilemmas and drew on such movements in a manner that exhibits the influence upon it of the dominant traditions within the Party. In my view, then, it is one thing – and right – to say that Labour’s debt to liberal constitutionalism means that it has paid little attention to constitutional reform, and it is something else entirely – and wrong – to imply either that because the reforms are liberal in nature they are somehow outside of the history of the Labour Party or that Labour has not included dissenting voices calling for more radical constitutional refor. For the argument that Labour has rarely shown much interest in constitutional reform see B. Jones and M. Keating, Labour and the British State (Oxford: Oxford University Press, 1985). For the argument that the reforms thus come from a nineteenth century liberalism alien to the history of the Labour


Referendums (Scotland and Wales) Act 1997.

Scotland Act 1998; Government of Wales Act 1998; Greater London Authority Act 1998. I have left Northern Ireland to one side on the grounds that the involvement of the Irish government makes it a different kind of case.


It could be argued, moreover, that these administrative reforms exhibit a colonising and centralising tendency at odds with the liberal and decentralizing rhetoric that surrounds them as well as the other constitutional reforms we have already considered: see V. Lowndes, “Between Rhetoric and Reality: Does the 2001 White Paper Reverse the Centralising Trend in Britain?”, *Local Government Studies* 28 (2002), 135-147; and M. Moran, *The British Regulatory State: High Modernism and Hyper Innovation* (Oxford: Oxford University Press, 2003). Some commentators have long argued that the rise of the new governance required a more radical democratic project than that found in the New Labour’s constitutional reforms. See in particular J. Morison, “The Case against Constitutional Reform”, *Journal of Law and Society* 25 (1998), 510-35.


For the link between networks and innovation see W. Powell, K. Koput, & L. Smith-Doerr, “Interorganizational Collaboration and the Locus of Innovation: Networks of Learning in Biotechnology”, Administrative Science Quarterly 41 (1996), 116-145; and


24 Although the latter two were moved to the Cabinet Office in 1998, they, like all these units, rarely seem to stay still. At the time of writing, the Social Exclusion Unit is attached to the Office of the Deputy Prime Minister, while the Women’s Unit is in the Department of Trade and Industry.

25 New Statesman, 1 August 1997


29 Cm 4310, Modernising Government.

31 Cm 4169, Modernising Social Services.


33 The idea that the reforms would develop a momentum of their own was suggested very early on by, for example, A. Barnett, This Time: Our Constitutional Revolution (London: Vintage, 1997).


38 It is, I believe, important to distinguish between a socialist alternative based on critique, pluralism, and participation, and a socialist alternative based on an apparent expertise into the workings of capitalism, globalisation, and the parliamentary left under such conditions. The former would surely involve some kind of suspicion of the latter’s
claims to expertise and the objectifications on which such claims depend. For an admirable account of New Labour’s constitutional reforms that, it seems to me, unfortunately drifts into the later see M. Evans, *Constitution-making and the Labour Party* (Basingstoke: Palgrave Macmillan, 2003). It seems to me, indeed, that critiques based on the workings of capitalism and globalisation are likely to lead to a downplaying of democratic issues in favour of attempts to reassert the state’s role and expertise in the provision of welfare. See the cautious note struck by K. Morgan, “The New Territorial Politics: Rivalry and Justice in Post-Devolution Britain”, *Regional Studies* 35 (2001), 343-48. Indeed I would suggest that what is at stake here is the balance of “social justice” and “democratic self-rule” within a “social democratic” tradition that has leaned, in my view, too much toward the former.