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From Miliband to Corbyn

British Labour Struggles to Reinvent Itself

The Labour governments of Tony Blair and Gordon Brown promoted financial deregulation, bailed out the banks, and abetted US military aggression. Faced with global distempers they endorsed NATO and the IMF and ignored the crisis of the Ukanian state. The Conservatives endorsed these policies in opposition and government in the years after 2010. Approaches that seemed successful at first gradually unraveled, destroying trust in politicians and pushing party leaders to search for greater legitimacy. Labour Party members were all given an equal say in choosing the leader. After Labour's defeat in 2015 the new method of choosing its leader unexpectedly allowed a radical socialist, Jeremy Corbyn, to emerge victorious in the leadership contest which followed in September 2015.

Surprises for the Conservatives soon followed. In a move motivated by internal party management David Cameron, the Conservative leader, offered 'Euro-sceptic' Conservative Members of Parliament the promise of an 'in/out' referendum on British membership of the European Union. The Tory leader delayed at first but eventually made good on his referendum pledge in June 2016. The result was a historic defeat for his 'Remain' grouping. The Leave victory was narrow – 52 per cent to 48 per cent – but, as set up, enough to remove Britain from the European Union after four decades of membership. It did not take long to show just how disruptive this defeat was to the United Kingdom and its ruling class. Göran Therborn has always insisted that class interests are a poor guide to class behaviour and this is a spectacular case in point (Therborn 1978). What I aim to do in what follows is to re-examine the causes and consequences

of these two unexpected outcomes – Labour’s left turn and the UK’s vote to break with the EU – focusing on Labour to begin with and then turning to the awesome train-wreck that is today’s UK politics, its competing narratives and contradictory structures.

The Corbyn opportunity

Following Labour’s general election defeat in May 2015 the membership of Britain’s Labour Party elected as its Leader Jeremy Corbyn, a man branded a dangerous socialist and pacifist. The national press warned that Labour was now unelectable but was nevertheless panicked by the thought of Corbyn as Premier.

The new leader was certainly a break with the past. Previous Labour governments helped to found NATO and acted as cheerleaders for US foreign policy. In the era of Tony Blair ‘New Labour’ repudiated the welfare state and embraced the market. With election of Corbyn the party’s members and supporters opted for a fresh start. For the first time the leader was elected by the OMOV principle – ‘One Member One Vote’ rather than fancy franchises which gave Members of Parliament and trade union bosses the determining say. The new system helped to produce a surge in membership, lending the result even greater significance. Labour became the country’s largest party and Jeremy Corby emerged as the winner with more votes than his opponents put together. He was now the official Leader of Her Majesty’s Opposition, with an office, staff, chauffeured limo and the right to question the Prime Minister every week that parliament is in session.

Corbyn, the new leader, was not a demagogue but a softly-spoken and quite charming individual who is thoughtful in utterance and studiously polite to opponents. His convincing victory – he won quarter of a million votes out of just over 400 000 – was a striking repudiation of Tony Blair and ‘New Labour’, with its foreign wars and ‘Tory lite’ domestic policies. The 66 year old Corbyn was faithful to the old time religion of Labourite socialism but also a contemporary figure who rides a bicycle, tends a garden allotment and insists that half of his Shadow Cabinet are women.

Corbyn ran a well-organized campaign that made adroit use of social media and came up with interesting new ideas once or twice a week. It was impressive to see how the Corbyn campaign withstood repeated attacks from the Labour ‘grandees’ and the mass media. There were scurrilous attempts to portray this tireless peace campaigner as a stooge of terrorists. Repeated broadsides from Blair and Lord Mandelson seemed only to convince Corbyn supporters that they were making the right choice.

To compare Corbyn with Donald Trump, as some have done, is egregiously wrong but his message and persona have certain undeniable parallels with Bernie Sanders, with the difference that he has been more sharply critical of Western military policy and that he eventually won the leadership of his party. Corbyn’s support, like that of Sanders, came from popular hostility to the banks and austerity. Like Sanders, Corbyn is trying to reform an existing political apparatus rather than to set up a new political vehicle as Syriza has done in Greece or Podemos in Spain. Putting new wine in an old bottle is not recommended.

The next British general election is scheduled for 2020 and the new prime minister would find it difficult and risky to bring it forward. The electorate is still very unimpressed by the political class and will expect some progress on Brexit before another poll. Labour in opposition has the opportunity to remake itself – over years not weeks or months. Jeremy Corbyn needed time to reform his party, to elaborate a coherent develop a transformative programme or to reach out to potential allies. He had real legitimacy because of the size of his win and because it was owed in part to a massive influx of new party members and supporters, young and old, who crowded to his rallies and greeted him with the cry ‘Jez We Can!’

But any hope that the Labour party in parliament, the PLP, would welcome change was soon dispelled. From the outset the Blairite hard core of the PLP defied the new leader’s mandate, some of them refusing to take posts in the Shadow Cabinet, others demanding a series of debilitating compromises on key issues of domestic, foreign and defence policy. Within less than a year Corbyn faced a leadership challenge. It was a sign of Corbyn’s comparative success that his chal-

lengers chose not to focus criticism on his policies, instead claiming that he lacked the personal charisma needed to beat the Tories.

Britain's famously unwritten constitution gives little recognition to party organization outside parliament. In prior epochs the Labour Leader and Shadow Cabinet were chosen by the MPs alone, or by an electoral college in which the votes of party members were swamped by affiliated trade unions. The leader was *ex officio* chairman of the National Executive and was expected to have the final say in how the party's policies were to be presented in parliament. The party conference and its so-called 'Policy Forums' were still not selected by means of OMOV. But with Corbyn's election and an influx of about two hundred thousand new members, the PLP began to assert its autonomy and to frustrate Corbyn in every way it could.

Corbyn has been a dogged exponent of socialist politics within an unwelcoming party context so was well prepared – perhaps too well prepared – for factional trench warfare. I say possibly too well-prepared because some of his supporters were over-focused on tactical issues and lacked a long-term perspective. Given the outsider's unexpected victory some gaps were understandable. In his first months as leader Corbyn contented himself with compromises which he thought strengthened position and promoted party renewal. In the months from his election to the EU referendum in June 2016 Corbyn won some small-scale victories against the government and Labour did better than expected in the May 2016 local elections. In four bye elections caused by the death or resignation of MPs the Labour candidates increased the party's vote and showed a swing that, if repeated nationwide, would put Corbyn in Downing Street. In the Commons the Opposition leader put the prime minister on the defensive over steel plant closures and cuts to the pensions of the disabled. Nevertheless Corbyn's parliamentary enemies were a constant distraction, waiting for the opportunity to strike. That came in June 2016 following the shocking defeat of Remain in the referendum on EU membership. Half the members of the Shadow Cabinet resigned claiming that Corby's half-hearted support for Remain was responsible the Leave victory and he should resign too. Corbyn had spoken at over a hundred Remain meetings but refused to share a

platform with Cameron and did not hide his criticisms of the EU Commission and of the ill-prepared consultation itself.

Surprisingly neither Cameron nor Corbyn addressed a structural flaw in the process, namely that the different components of the ‘United Kingdom’ might give different answers to the question – as they did. While England and Wales voted Remain, Scotland and Northern Ireland voted Leave. It also became clear that the government had failed to make contingency plans for a Leave win.

But before examining the crisis unleashed by the victory of Brexit, and the struggle between Corbyn and his opponents, I will sketch the run-up to Corbyn’s victory and the help which he received from his predecessor, as Leader, Edward Miliband.

Labour in opposition in 2010–15

Labour’s roller coaster began with the election of 2010, an even worse defeat – after twelve years in power – than 2015. On that occasion Gordon Brown, co-founder of ‘New Labour’, resigned as Leader leaving two brothers, David and Edward Miliband, to slug it out for the top spot. David Miliband was the chosen candidate of Tony Blair’s wing of ‘New Labour’ while Edward Miliband, his younger brother, decided that the shift to a new generation needed to register the debacle of the Iraq war and of the Labour government’s disastrous love affair with the financial sector, before, during and after the 2008 crash. Edward Miliband’s critique was muted – he was himself a former close associate of, and adviser to, Gordon Brown, Blair’s partner and successor.

Edward Miliband won the 2010 leadership contest by a wafer thin margin. The spectacle of two brothers battling it out for the top job was lent added piquancy by the fact that their father, Ralph Miliband, had been Britain’s leading political scientist, a Marxist, and author of a highly critical study of the Labour Party, entitled *Parliamentary Socialism* (1961). Ralph died in 1994 but the political evolution of his two sons seems like the continuation of an argument in which mutual respect did not prevent deep differences. At all events Edward’s decision to challenge his brother, with the

pain that this was bound to entail, could only be justified if some major principle was at stake. The younger Miliband's claim was that Labour needed to distance itself from 'New Labour'. In his first years as leader Ed Miliband made some real headway but the attempt faltered and eventually failed.

The younger Miliband's successes and failures are still worth studying because Miliband at least began the work of furnishing Labour with a different narrative. He spoke about the ravages of 'predatory capitalism' and introduced a momentous new method of electing the party leader – one which at last empowered each member with an equal vote. These changes gave Corbyn and his supporters the opportunity they needed.

Ed Miliband's had some success in escaping the limits of Opposition and in formulating new lines of attack on the Conservative-led coalition government. Renewal began while he was leader, with a surge in party membership. Labour seemed competitive but it all went horribly wrong in the run up to the election. Nobody is more passé than a recently defeated politician, with close colleagues queuing up to disavow him. Miliband made many mistakes but he also strove to wrench his party away from the disastrous New Labour model, a daunting and difficult task. Miliband could not shake off the grip of rightwing leadership cabal, that was dedicated to Blair's foreign policy and Brown's subservience to the banks. By immediately resigning as Leader on the day of defeat Miliband plunged Labour into a contest held using the new, more democratic system, and at a time when the right had no convincing candidate to propose.

While Miliband was no doubt as surprised as anyone else by the scope of the Corbyn insurgency his own actions as leader helped to produce it, partly, to be sure, in reaction to his timidity and mistakes, but also in some more positive ways too, including a leadership contest that was awkward and unpredictable, as democracy often is. As well as acquiring an unexpected new leader Labour doubled its membership and registered supporters to make it Britain's largest political party. I will start with Ed Miliband's legacy, and the results of the election, before exploring the Corbyn phenomenon and the state of UK politics.

Miliband's early coups

Miliband and Corbyn, we should be aware, inherited a difficult role. The enmity of the tabloids is one thing but the hostility of their own colleagues was even more damaging. Miliband was far less radical than Corbyn but still had endless trouble with the PLP (Parliamentary Labour Party) which was still dominated by Blairites and Brownites who were alarmed when Miliband modestly challenged consensus politics.

Most of the time British Oppositions find themselves responding to the government, and to events. Miliband in his first two or three years sometimes managed to set an agenda which his opponents could not ignore. In 2011 he supported a back-bench attempt to rein in the Murdoch empire by reducing and separating its TV and press holdings. News International was mired in the phone-hacking scandal. By supporting this back-bench initiative Ed broke with the rotten New Labour tradition of toadying to Murdoch. Cameron was thereby also forced to drop his opposition to the measure or be exposed as a servile Murdoch minion. Miliband had not initiated the campaign but he had backed it at the critical moment. Such defeats for Murdoch are few and far between.

Ed Miliband scored a different sort of success when he used his leader's speech at the Labour Party's 2011 conference to attack the energy companies for exorbitant price rises. They aggravated what he called the 'cost of living crisis'. He urged the government to introduce an electricity price freeze. By now many millions were suffering from the government's swinging austerity programme, with average take-home pay lagging inflation down to the most recent times. Miliband's phrase established an effective and enduring concept and talking point. And for what it was worth the opinion polls registered a modest but steady Labour lead.

Ed Miliband also reached for a broader theme when he drew a sharp contrast between 'predatory capitalism' and 'productive' capitalism, with hedge funds in the former category, and responsible and regulated suppliers of needed products and services in the later. He called for taxes on the wealthy and the removal of the hedge funds'

exemption from stamp duty. These measures would furnish timely resources for the NHS. *The Economist* later explained that it could not endorse Labour despite its valuable support for EU membership. The reason? ‘Labour’s leader wants to remake British capitalism in favour of a fairer society’ (*The Economist*, 2 May 2015).

Ed Miliband’s concept of ‘predatory capitalism’ was somewhat reminiscent of his father’s notion of ‘class war conservatism’ (as outlined by Ralph Miliband in his book of that name, recently reissued by Verso: Miliband 2015 [1983]). The concepts are different but complementary. The former targets wasteful and unsustainable practices as well as economic exploitation. On the other hand the elder Miliband would warn that capitalism would find spaces – such as tax havens – hidden from the regulators. Nevertheless both approaches highlight the dangers of capitalism unleashed.

By 2013 there was a vociferous transatlantic campaign in favour of Western military intervention to overthrow Assad, the Syrian dictator. Ed Miliband was wary of a cause backed by so many of the authors of the Iraq War. Some back-bench Conservatives and Liberal Democrats were equally concerned. The Labour leader was prepared to listen to the government’s case but, to the surprise of friend and foe alike, he eventually urged all his Ps to oppose a motion licensing military action. The government motion was defeated and this had immediate repercussions in Washington. The White House had been agitating for an invasion to oust Assad but now changed its tune, and declined to ask Congress for backing for such a move. The vote in the British parliament had helped the doves check the hawks. For a British opposition leader to have such an impact is rare indeed. In this case it allowed for diplomacy (concerted with Moscow) to destroy Syria’s chemical weapons. According to an editorial in the *Financial Times* of 2 July 2015 David Cameron regarded this defeat as the worst moment of his premiership.

The Labour leader’s string of coups led the Commons Press Lobby to award him the title of Parliamentarian of the Year in 2013. Coalition leaders were sore but it was fellow Labourites who were most alarmed. Former Labour Cabinet ministers began musing in public that Ed was disloyal to our allies and flirting with populism.

We may wonder whether veiled or coded Blairite threats in public, were supplemented by more brutal warnings in private.

Miliband appeases

Miliband knew how important it was to enter the election with a united party. He was determined to avoid the public divisions that had done so much damage to Labour in the eighties and the Conservatives in the nineties. Ed Miliband was anyway proud of the civility that he always strove to promote, notwithstanding the fact that the Shadow Cabinet was composed almost exclusively of former Blairites or Brownites. We will surely learn more when the memoirs are written, but the Labour leader did not startle with any new coups and he reached for more emollient language as the election hove into sight. The Labour Leader's stance on Syria was to prove quite exceptional. He had earlier backed Western airstrikes on Libya and the ouster of Gaddafi. Also endorsed were British engagement – and disengagement – in Afghanistan; in 2014 Miliband backed US and British airstrikes in Iraq which caused much mayhem without defeating ISIS. Nevertheless Cameron remained furious at his defeat over the Syria motion and continued to press lifting the ban, albeit that the enemy has changed – it was now ISIS, not Assad. Indeed Assad was now an ally.

Miliband's domestic options were sometimes equally compromising. Scottish Labour, a bastion of machine politics, was allowed a virtually free hand, after complaints that it was treated as a branch office. Such a belated move did nothing to ward off the verdict of the Scottish voters. The SNP urged the scrapping of the Trident nuclear submarine programme. The Lib Dems' stance signalled a willingness to negotiate when it mooted a reduction of the number of nuclear subs from four to three.

Ending the whole programme would release huge funds – £90 billion over ten years – to spend elsewhere. But Miliband was adamantly opposed. Labour's internal policy-police were content. Unilateral nuclear disarmament had long been a signature issue for the Labour Left. But the leader's stance against it was virtually uncon-

tested. There were a few courageous mavericks in the PLP, like Jeremy Corbyn, but not a visible and vocal leftwing grass roots movement such as had animated Labour in the days of Nye Bevan, Michael Foot or Tony Benn. Without its leftwing Labour was a bird that could not fly. Absent the assertive presence of such a Left Miliband had little hope of taking on the rightwing majority of the PLP even if he had wished to do so. The party's policy director, Jon Cruddas, later complained that its policy-making process came to a shuddering halt, two years before the election was to take place.

We now know that Labour's membership was restless and growing, and would very probably have approved a more radical course. But back then, in what I now think of as BCE (Before the Corbyn Era), Miliband was still in awe of the 'New Labour' coterie and its threats.

The Blairites might, for the moment, hold their fire but the same was not true of the press which mercilessly seized on any unfortunate photo and minor stumble to ridicule and diminish the Labour leader. The poll lead narrowed a bit but it seemed that, at least in England, everything was still to play for.

In Scotland the prediction that the SNP would sweep the board led Scottish Labour to retreat into its Unionist bunker and to ignore the deep-seated crisis of the UK state. The Labour leadership concentrated its fire on the SNP and let off the Conservatives with warnings that they were alienating Scottish opinion. The Conservatives certainly fear that loss of Scotland would threaten to unravel the UK and diminish its claim to be a great power. But Conservatives, lacking support there for a generation, are not as alarmed as Labour by the threat of secession.

The Voters' complex verdict

On election night it was revealed that a late surge to the Tories had wiped out Labour's notional lead and given the Conservatives an absolute majority of seats. The Conservatives would be able to form a government by themselves. Since legitimacy is at stake the parties' share of the vote is also relevant. The Conservatives had attracted 37

per cent of the total vote, while Labour had only 30 per cent. Labour had lost in 48 constituencies it had previously held and retained only one MP in Scotland. The SNP had won 50 per cent of the vote in Scotland, and gained 56 out of 59 seats. The Liberal Democrats had been reduced from 57 to just 8 seats, with only one in Scotland, and a share of the total vote that fell from 22 per cent to 8 per cent. Meanwhile 1.1 million Green votes, 4.2 per cent of the total, earned them only one seat. An even more grotesquely disproportionate result for the UKIP saw it awarded one seat – though it had received 3.9 million votes.

Looked at as a verdict on the Coalition the results showed a retreat with Conservative gains being more than offset by larger Liberal Democrat losses. Contrary to the impression given by many commentators the Conservative share rose by only 0.8 per cent of the total vote, from 10.7 million votes in 2010 to 11.3 million in 2015. The Lib Dems had fallen from 6.7 million votes in 2010 to 2.4 million votes in 2015, losing 15.2 per cent of the total and with a net loss of 49 seats overall. Labour saw its vote rise from 8.7 million votes to 9.3 million. In England alone it attracted a million more votes than in 2010, and saw its share of the total vote rise by 3.6 per cent. Compared with its terrible result in 2010 Labour's recovery this year was too weak, leaving others – especially the SNP and UKIP – to harvest voter disaffection. UKIP, the rightwing populist party, received nearly 13 per cent of the total vote, boosting its share by 10.7 per cent of the total vote compared with 2010.

The complexity of this picture has not been sufficiently recognized. This was a terrible result for Labour because of Scotland and because, overall, it attracted 2 million fewer votes than the Conservatives and suffered a net loss of 26 seats. But the Lib Dem loss of more than 4 million votes and the UKIP gain of more than 3.5 million also weigh heavily in the overall result. In an awesome massacre of votes, millions of Lib Dem, Green and UKIP supporters laid down their ballots to enable the Conservatives to rule and Labour to survive. It would be wrong, of course, to conclude that over three million voters switched from the Lib Dems to UKIP. The constituency pattern suggests considerable 'churn' quite apart from the fact that over

five years those eligible to vote change. Exit polls enable some broad shifts to be plotted, one of them being what seems to be the changing options of former Lib Dem voters. Much of Labour's increased vote stemmed from this source, but there was also a significant shift to the Conservatives.

The Conservative campaign on the ground focused its effort on seizing Liberal Democrat seats with a ruthlessness towards yesterday's allies that illustrates part of what Ralph Miliband meant by 'class war Conservatism'. The relative success of this policy became apparent when the Conservatives won 20 per cent of those who had voted for the Lib Dems in 2010, compared with 24 per cent who opted for Labour and 11 per cent who went to the Greens. Overall the Lib Dems lost two thirds of their former share of the vote. Labour scored well with those aged 18 to 34, especially young women, winning 43 per cent of their votes. Unfortunately less than a half of younger voters turned out to cast their ballot. The over-65s, by contrast, attained a 78 per cent turnout and only 25 per cent voted Labour. The Labour share could have been raised a little if the party had paid more attention to addressing the escalating crisis of elder care.

The swelling of the UKIP vote meant that there had been a major contraction of the middle ground in English politics. While Thatcher's Conservatives never won more than 44 per cent of the total vote the two rightwing parties have now won just under 49 per cent of all votes. However these parties are not a bloc, but rivals and antagonists. They have been at one another's throats and are not potential coalition partners. The Conservative party is par excellence the party of respectable, English, bourgeois hegemony while UKIP is a populist break-away, promising rejection of the EU and cuts to welfare. Ralph Miliband argued in *Capitalist Democracy in Britain* (1982) that 'first-past-the-post' promotes a concentration of power in the hands of the potentially hegemonic bourgeois fraction. This is well-illustrated by the Conservative victory and the unhappy fate of UKIP, with its solitary MP and 3.9 million votes. The humiliation of Nigel Farage, the UKIP leader, failing for the seventh time to win a Westminster seat, provoked infighting and recriminations that further weaken the party. Following Leave's unexpected victory in the

Brexit poll Farage resigned as leader of UKIP, as already noted. This was not the first time that he had used a resignation to signal unhappiness but still reflected the party's ongoing malaise.

The overcrowded centre

Labour's dismal result was the cue for a chorus of senior Labourites to declare that the party had lurched to the Left and that, as Blair himself put it, British elections are won in the centre ground. Though widely echoed this verdict reflected an ostrich-like inability to see the wider pattern of UK politics which can no longer be read as a two horse race. Labour suffered historic rejection in Scotland because it had sacrificed the welfare state to the warfare state. In England the anti-centrist UKIP took support from Labour well as the Conservatives, portraying the centre parties' subordination to the EU as the source of all the country's woes. UKIP's support comes disproportionately from the swathes of England which have been left behind. UKIP is a party of the radical right, not the centre. Big business generally decline to back it – a few anti-EU City financiers take a different view, and help it pay its bills. The party caters to anti-immigrant feeling, with racial undertones. However, on other issues, it attacks several of the many undemocratic features of the EU and UK.

The Liberal Democrats are a genuinely centrist party and they tanked. Their collapse was many voters' withering response to that party's coalition with the Tories and backing for austerity. This fatal misstep reversed more than a decade during which the Lib Dems had built support by outflanking Labour on the Left, favouring a rise in income tax, opposing the Iraq war and urging electoral reform. If Labour had won most of those who deserted the Lib Dems it would have won the election. As it was, Labour only achieved this in London and elsewhere Lib Dem votes went to the SNP and UKIP, with only a trickle going to Labour and that some even went to the Conservatives on the principle that its better to engage the organ grinder than his monkey.

Labour in 2015 was haunted by a past that it refused to confront. Writing in 1983, Ralph Miliband had this to say about the then Labour

leadership: ‘The Labour Party is deeply embroiled in its own troubles. Its leaders are greatly handicapped by their own record in office, and by the fact that Conservative ministers, when challenged over their policies, are able to say “You did it first”, to which it is not much of rejoinder to say “yes, but not so hard”’ (Miliband 2015 [1983]: 284). If this hit home in the 1980s it was bang on target in 2010–15.

Labour’s key failure

The key issue that sank Labour was, once again, its own record in office. Ed Miliband had been elected Leader because he took his distance from New Labour and its record but this was an unpopular theme with the Shadow Cabinet. The Brownites – and Gordon Brown himself – were utterly opposed to any serious criticism of the economic stewardship of the Blair/Brown governments, with its notorious claim to be ‘relaxed’ about galloping inequality and its empty boast to have ended the cycle of boom and bust. Since it was difficult to praise the measures that fostered the bubble economy the result was an awkward silence. Cameron and colleagues swooped on Labour’s embarrassment to allege that the crisis was the result of the government’s profligate public spending. In reality, of course, the mountainous debts which brought on the financial crisis stemmed from the private sector while the post-crisis spending was essential to prevent an even sharper downturn. Nevertheless Tory spokesmen got away with talking about ‘Labour’s recession’ as if the melt-downs of Wall Street and the City were a mere side-show compared with the blunders of the British government.

Martin Wolf in the *Financial Times* and Paul Krugman in the *New York Times* wrote piece after piece arguing that it was the indebtedness and speculations of financial institutions that brought on the crisis and bailout. The UK national debt ran at around 37 per cent of GDP in 2006 and, by itself, was no cause for concern. But if all forms of debt are considered – including that of banks, companies and households – then the total ran to five times GDP and was very alarming. The bailout of the banks meant that net government debt doubled to reach 80 per cent of GDP in 2008. Wolfgang Streeck, the

director of the Max Planck Institute for the Study of Societies, later confirmed that it was the private sector, not public spending, which set the scene for the financial crisis (see Streeck 2014).

Wolf and Krugman also insisted that austerity was making matters worse and weakening the recovery. Neither Ed Miliband nor Ed Balls, the Shadow Chancellor, took up the arguments laid out by these leading economists. Balls avoided any criticism whatever of the Blair/Brown governments (of which, of course, he had been a prominent member).

Labour bore much responsibility because it positively facilitated the orgy of financialization, which did so much damage to the UK and US economies. The notorious Private Finance Initiatives (PFI) concealed some debt off-balance-sheet. But this is a different proposition from claiming that state spending caused the crisis. Allowing this big lie to gain widespread credence was a decisive defeat for Labour before the campaign had even begun. For their part the Conservatives had also favoured de-regulation but, as Ralph had warned, Labour was not well-placed to point this out.

A signature stance of New Labour in the approach to the 1997 election had been a promise to adhere to the Conservatives' spending plans for the next two years. Ed Balls chose to repeat this assurance in 2012–15. Such a self-denying ordinance made nonsense of Labour's claim to offer voters an urgent alternative.

In Ed Miliband's case the failure to take up the cudgels may have reflected a wish not to lecture the voters and appear academic. Would the general voting public understand a grown-up discussion of economics? Would it be suicidal to attempt to explain the Keynesian argument? Miliband and Balls are not the only social democrats to decline the attempt. In contrast to this timidity Pablo Iglesias, the leader of Podemos in Spain, has gained credibility by bringing the voters into the real debate.

Ralph Miliband was no economist but he always respected the need for robust economic reasoning. When we formed the 'Independent Left Corresponding Society', an informal advisory group for Tony Benn, in the mid-1980s – Jeremy Corbyn was a member – Ralph suggested that we invite the Oxford economist Andrew Glyn to take

part. Glyn was commissioned to set out what would be needed to reduce unemployment by a million jobs a year. Andrew had worked for the Treasury and his pamphlet made use of the Treasury model of the British economy. More generally Ralph was convinced that de-industrialisation and out-sourcing were reaching dangerous levels and endorsed the 'Bennite' Left's work on an 'Alternative Economic Strategy' (AES).

Much economic writing on Britain since the 1960s has emphasized relative decline, de-industrialisation, and growing inequality. The radical reconstruction of the Thatcher years and the hectic growth of the City financial complex in the mid and late nineties seemed temporarily to challenge the decline thesis. The dot-com bubble of 1999 and after, and the crisis of 2007–08 punctured the prevailing euphoria. Following the crisis nearly a decade of stagnant productivity gave the relative decline thesis renewed currency. Shortly after the 2015 election the Bank of England reported that stationary productivity since 2007 meant the average household was 17 per cent – £5 000 a year – worse off in consequence. Stagnant productivity was accompanied by relatively low unemployment (at 5.5 per cent).

The weak recovery in 2014–15 was due to feeble consumer demand and a housing bubble. It created many new jobs but most of these were in low-income self-employment or in the unskilled service sector. Employers maximized their flexibility by offering 'zero hours' contracts, that is contracts that bound the employee to be ready and willing to work but gave them no guarantee of paid employment. Young people still found it difficult to find proper jobs. They were burdened with debt and even those who had paying jobs could not afford to buy a home of their own.

While London and the South East flourished, with a housing boom and buoyant stock market, the rest of the UK festered. The 17.4 million votes for 'Leave' in the 2016 EU referendum, against the 16.1 million who voted to 'Remain' was, among other things, a reflection of the 'Two Nations' divide. In the run-up to the referendum the UK was running a ballooning current account deficit and abysmal levels of investment. In the aftermath of the poll the value of the pound sunk by over 11 per cent in week, with £1 worth

just \$1.28, a historic low. The markets suddenly began to notice that despite the boasts of Cameron and Osborne the UK had a vulnerable house price bubble and high levels of debt.

With the benefit of hindsight the Alternative Economic Strategy (AES) was right both to oppose the dominance of finance capital and to focus on wealth-creation as well as redistribution. It is an error to suppose that only the private sector generates wealth and to ignore what Mariana Mazzucato calls, in the title of her recent book, *The Entrepreneurial State* (2013). The German economy's relative buoyancy reflects investment in R&D, using such institutions as the Fraunhofer Institute with its 18 000 researchers and budget of 1.8 billion euros. While the Keynesians have an important case to make concerning the weakness of demand, and the cheapness of capital, the voters' fear of public debt is not completely irrational. It is certainly wise to channel much public spending to investment – on infrastructure, higher education, new anti-biotics, green technology and other R&D – rather than to household consumption. Jeremy Corbyn placed his own economic proposals in the tradition of the AES, with the setting up of a National Investment Bank. John McDonnell, whom he chose as Shadow Chancellor, was involved in both the AES and the Left Corresponding Society meetings. (McDonnell explained the need for more effective corporate taxation and the role of a public Investment Bank in an Op Ed article in the *Guardian* on 15 August 2015.)

While drawing on economic expertise Ralph Miliband spoke of the need to make socialism the 'common sense of the age' and was well-aware that socialist 'experts' had something to learn from working people which would improve their plans. The popular belief that there can be no gain without pain may be too indiscriminate but any socializing plan will need to include an element of sacrifice – so long as it for a worthwhile objective. Investing in skills and in research offers the hope of raising productivity as well as supplying a demand-side boost.

It is claimed that the language of the Left is obsolete. As I noted above Edward Miliband found it impossible to drag the Labour Party to the Left because the party no longer had a vocal Leftwing which

could articulate and support such a move. Yet a party appeared in this election that spoke incessantly about the need for a 'long term economic plan' and the need for a party that would reflect the interests of 'working people'. That party was, of course, none other than David Cameron's. Flouting Labour's caution Cameron used factory meetings to inform employees that they deserved higher pay and that this would strengthen the recovery. No-one on the Labour side responded to these provocations, beyond a lame claim that Labour had 'a better plan'.

The party that really did have elements of 'a better plan' was the Greens. Over recent years that the Greens have developed a radical, detailed and wide-ranging economic plan. The 90-page Green manifesto drew extensively on this making it a more substantial document than any offered by the major parties. However it is not always clear how its different parts work together. Natalie Bennett, the Green party leader often did a reasonable job of explaining her party's ideas but had the misfortune, on one critical occasion, to have a 'brain fade' when asked to explain an aspect of the party's monetary policy. The contest between party leaders in a British general election has a gladiatorial character which is merciless when it encounters human frailty. The Greens should have found a qualified economic spokesperson to present this aspect of their programme. Nevertheless their success in building support shows that voters are beginning to recognize the party and to appreciate that it really does have the makings of an alternative vision.

A visionary prospectus

Ralph Miliband had urged the Labour leadership of the mid-1980s that they lacked a connecting vision to bring coherence to the grab-bag of promises and improvements which they put forward at election time. Nowadays these are called 'retail offers' and they are tested out on focus groups and small scale polls, with little awareness that context and narrative are essential to coherence and effectiveness. Ralph urged that each measure should be conceived as part of a long term plan for a different society. To ask for such an approach today

may seem like crying for the moon. Yet it was not long ago that an English film-maker, Danny Boyle, was commissioned to present a historical panorama to be performed on the opening night of the 2012 Olympic games. The resulting panorama of popular struggles for the vote, social justice, universal free health-care, access to education, technological progress and nuclear disarmament won widespread acclaim and showed that it is still possible to imagine the peoples of the British Isles as protagonists of their own fate rather than as consumers of pre-digested titbits of political pabulum.

Cameron's Cabinet was stuffed with millionaires and old Etonians. A former Cameron aide, Steve Hilton, warned that hedge funds and spread betting concerns were buying privilege. He warned: 'Democracy is in crisis. It seems to serve people no longer, but rather vested interests. Of all the bad that they do, perhaps their worst impact is the hold that they have on our governments. It seems today that political legitimacy stems not from votes but from money.'

The title of this appeal was 'Citizen's Arise!' and it was appeared in Murdoch's *Sunday Times* on the 17th of May. Obviously such rhetoric must be taken with more than a pinch of salt. But it is sad that Labour was no longer able to strike such a chord. (Hilton became a strategist for the Leave grouping in the 2016 EU Referendum.)

The Conservative side also produced Ferdinand Mount's, *The New Few: Or, a Very British Oligarchy* (2012). In this book Mount, a former adviser to Tory premiers, praised Ed Miliband for raising the need to tackle runaway inequality. But Ed's colleagues did not agree, as they made quite clear in their postelection recriminations. On the Labour side Owen Jones offered a valuable and informative critique in a best-selling book, *The Establishment* (2014), but the ammunition he offered was largely ignored by Labour.

The Scottish challenge and Charter 88

I have so far only briefly mentioned the Scottish dimension of the 2015 election, namely the virtually clean sweep made by the Scottish National Party, with its radical social democratic offer. In the months leading up to the poll the SNP had not just recovered from their

defeat in the Independence referendum, but had more than doubled its membership to 80 000. Labour's immediate response to the revival and advance of the SNP was querulous and hostile. When Labour suffers from defeat at the hands of the Conservatives it is prone to an almost excessive self-criticism but the defeat in Scotland prompted little self-questioning.

Labour, Conservatives and Lib Dems had formed a common front against the SNP in the run-up to the referendum in 2014, offering more devolution on the eve of the poll, which they won by 55 to 45 per cent. Cameron's immediate reaction to the defeat was to blurt out that any further devolution to the Scottish parliament would need to be balanced by allowing only English MPs to vote on 'English questions' in the British parliament. This sparked controversy because it would exclude Scottish MPs from vital votes. Most government bills have budgetary implications so how could they be deemed 'English questions'? The Unionist parties concentrated their fire on issues where they disagreed, with muted criticism of one another's Scottish policies. Or so it seemed.

With only three or four days to go the Conservatives launched the political equivalent of a submarine attack on Labour and SNP. A barrage of messages on Facebook and Twitter warned that Labour would sign up to any SNP demand to get the keys to Downing Street. Miliband had explicitly rule out any 'deal' with the SNP in the BBC's *Question Time* debate the previous week. The Conservative message was that a vote for Labour was a vote for chaos and capitulation. The sneak attack occurred so late that Labour had no time for a proper response. Another win for 'Class War Conservatism', showing how a governing party can tap into a deep well of fear and *ressentiment*.

Labour did not have to be wrong-footed on Scotland. It is worth remembering that Labour and the SNP have not always been at war. There was a time, in the late 1980s and early 1990s, when Labour, under the leadership of John Smith, made common cause with the SNP. While this never became a formal pact, an informal multi-party alliance in Scotland helped to isolate the Conservatives and to elaborate a wide-ranging programme of democratization. Labour, the

Liberals and the SNP banded together to demand a Scottish Parliament and to confine the Conservatives to one Scottish constituency.

This highly effective axis of opposition was much more than a deal struck by party chiefs. It was carried forward by a popular movement for democratization that targeted the bureaucratic and remote 'ukanian' regime at Westminster, with its arcane rituals and its arbitrary first-past-the-post rules. Civil society bodies, the churches, artistic groups and campaigns for social justice came together at the Scottish Constitutional Convention of 1989. The Conservatives were beaten in Scotland in 1992 and ideas advanced that paved the way to the Conservatives' massive UK-wide defeat in 1997.

The Scottish movement had reflected and promoted a diverse debate on Scotland's future from such writers as Tom Nairn, Neal Ascherson, Bob Purdy and Magnus Linklater. The Scottish movement also inspired a new spirit of democratic aspiration in England and Wales, with the Charter 88 manifesto being the most notable result. Charter 88 was an eclectic movement united by its commitment to the democratization of the UK state. Though not party-political in character it challenged a Conservative regime that was visibly destroying all hope of social progress and respect for civil liberties. The Charter called for a written constitution, electoral reform, abolition of the House of Lords, a Human Rights Act, a Freedom of Information Act and a referendum on a Scottish parliament.

The Charter was the brain child of Stuart Weir, editor of the *New Statesman*, and Anthony Barnett, a former editor of *New Left Review* and the first Director of Charter 88. Behind the scenes Liberal Democrats and Labourites anxious to see their parties form a common front played a role. The influence of Tom Nairn and Raymond Williams was easy to spot. Ralph Miliband endorsed the Charter, though with private reservations (should nuclear disarmament be added? What about social demands?).

These leading lights of the New Left converged in their critique of the UK state as a monstrous obstacle to a flourishing British democracy. The archaism and deference embodied in the monarchy and House of Lords, the arcane customs of the Commons, the distortions of first-past-the-post, and the overcentralization of political life

and the civil service, all figured in this critique. Nairn's *The Break-up of Britain* (1977) and *The Enchanted Glass* (1988), Williams' recipe for reform in *Resources of Hope* (1989), and Miliband's *Capitalist Democracy in Britain* (1982) had quite different starting points but a common terminus on the terrain of the Charter. Edward Thompson's *Writing by Candlelight* (1980) shared several of these themes, though he seems never to have signed the Charter.

For obvious reasons Göran Therborn did not sign (he is Swedish) though his stress on democratic renewal is very similar in orientation and was set out in the lengthy concluding section to his book *What Does the Ruling Class Do When it Rules?* (1978), a work which also influenced the elder Miliband.

Tens of thousands of Britons – eventually hundreds of thousands – signed Charter 88, reflecting concern for the state of democracy in a country that had prided itself on being the ‘mother of parliaments’. Magna Carta, the agitation of the Chartists, and Charter 77 in Czechoslovakia, were hailed as kindred movements. The Charter's aims remain largely unattained – on May 10th 2015 a delegation of MPs from the SNP, Greens and UKIP presented a petition of over 400 000 signatories supporting proportional representation. In some areas, notably those linked to the web and all aspects of electronic communication the Charter's policies need updating, but in the spirit of its original principles. The Brexit vote intensifies the crisis of the UK state and underscores the need for a new Charter.

When Tony Blair came to power in 1997 he did so on a manifesto that gestured towards both electoral reform and the Scottish parliament. The Scots got their referendum on the parliament but the latter-day English Chartists were denied proportional representation. Proportional representation invariably appears pointless to the parties which are flattered and favoured by first-past-the-post. Scottish MPs – whether Labour, Lib Dem or SNP – had the numbers to ensure that the Scottish parliament came into being, and that it was elected by a proportional system. But Scottish Labour lacked the foresight – and democratic instinct – to abandon first-past-the-post for the Westminster parliament too. They sowed the wind and reaped the whirlwind. In May 2015 Scottish Labour had just one MP despite winning over a third of Scottish votes.

The leader of the SNP, Nicola Sturgeon, is the First Minister of Scotland and not a member of the Westminster parliament. She lost no time in June 2016 in announcing that a referendum on Scottish independence was again on the table. Over 60 per cent of Scots had voted for Remain but they were about to lose EU membership because of the English vote. But when and how a second vote on Independence will be held is not clear, and will require the cooperation of the Westminster parliament. The SNP's critical positions on austerity, The PLP Trident and foreign policy will not immediately prevail they could help revivify a wearisome public discourse, so long confined by the narrow limits of what Tariq Ali calls *The Extreme Centre* (2015).

As the long-time leader of the 'Stop the War Coalition' Jeremy Corbyn's anti-imperialism and anti-militarism greatly appealed to many Labour members and supporters – and was the source of the bile shown against him by pundits and reporters. Throughout the campaign he was dogged by the accusation that at a meeting he had chaired in the House of Commons he had publicly greeted delegates from Hamas and Hezbollah as 'friends'. Corbyn did not apologize for this and pointed out that Tony Blair had met with Hamas leaders much more often than he had himself. The event Corbyn was chairing was an inter-parliamentary group. In the old days participants might have been addressed as 'comrades', or 'colleagues', or 'brothers and sisters'. The choice of 'friends' was perfectly in keeping with the 'people to people' diplomacy that Corbyn had practiced so long and that chimes in with the Quaker strand of British peace movements. The 'international community' is determined to monopolize the diplomatic space. It denigrates the efforts of peace campaigners and instead reposes its trust in the hands of such paragons of peace-making as its long-time 'special envoy', Tony Blair.

In the course of the campaign Corbyn had been pressed whether he would agree to sending British troops to fight ISIS. He explained that he would not approve of such an action and that Western troops lacked the local legitimacy, knowledge and skills that would allow them to be effective.

‘The lunatics are taking over the asylum!’

Ed Miliband’s most important legacy may prove to be the changes he secured to the rules governing Labour leadership elections. The special voting rights given to MPs and the trade unions were abolished in favour of ‘one member, one vote’. Moreover the party’s supporters were invited to register as such, paying a £3 fee and receiving the right to vote in the leadership election. Members of affiliated unions had to be in good standing but did not need an extra payment. The party reported that 250 000 new members and supporters had signed up to mid August 2015, bringing the party’s total in all categories to well over half a million.

The opening stages of the Labour leadership contest appeared very narrow with no leftwing contender (candidates needed the support of 35 MPs to qualify). Friendly commentators described all the initial contenders as ‘Blairite’. However at the last moment Jeremy Corbyn announced that he had the necessary support to enter the contest. He had received the formal sponsorship of MPs who did not share his politics but believed that it would damage Labour to offer such a narrow choice. Ed Miliband’s former aide Simon Fletcher was one of those who helped to organize support for Corbyn and run his campaign. Fletcher was previously chief of staff to the Ken Livingstone when he was London Mayor.

The contest was swiftly transformed as Corbyn garnered the most constituency sponsorships (161) and scored well in straw polls of potential voters. Corbyn was Tony Benn’s right-hand-man in the 80s and 90s, and, from 2002 chair of the Stop the War Coalition. Even opponents concede that he is likeable and modest. During his three decades in parliament he has voted against the Labour whips’ instructions 500 times. At the time of the MP’s expenses scandal a few years back Corbyn’s claims were the lowest of any member. As an MP he managed to combine the best of politics and anti-politics.

Party members and supporters found Corbyn a breath of fresh air compared with the bland New Labour jargon of the other candidates. At hustings he spoke his mind and urged a rise in higher rate income tax, levies on wealth, the end of student tuition fees, nation-

alization of the railways and opposition to military intervention in the Middle East. He spoke on these topics without the politician's usual evasiveness. Commentators explained the surge of support for Corbyn by observing that Labour – almost moribund in 2010 – had begun its radicalization and rejuvenation during the Miliband years. Ed Miliband should be given some credit for this but frustration at his excessive moderation was also a factor. Corbyn's opposition to Trident renewal expresses what Ralph Miliband called 'nuclear pacifism'. It frees up large sums for social expenditure and offers a bridge to the Greens, the SNP and even the Lib Dems.

The arrangements for the leadership contest had been approved by all when first introduced but as the polls began to point to an outright Corbyn win they were blamed for allowing alien 'entryists' and political enemies to infiltrate the party and sway the vote. But Corbyn's lead was so large – many tens of thousands of votes – that it was ridiculous to claim that tiny far left groups and hostile pranksters could have contrived it. The enrolment of new supporters and members was so large that at one point it overwhelmed the computers, but the insistence that applicants register with a valid bank card, and that voting slips were only sent to validated addresses, made fraudulent registration on any scale very unlikely. The real problem panicking the pundits was that the wrong candidate was winning and that this would destroy the Labour Party. Tony Blair, Alistair Campbell, Peter Mandelson, Polly Toynbee, Phillip Stephens, and David Runciman had their differences but all were agreed on one point – Labour's most successful recruitment drive in its history was an utter disaster. The extreme centre had always decried Bennites as the 'loony Left'. They were thought to be an almost extinct species long before 2015. But now, they feared, they had returned en masse and the lunatics were taking over the asylum.

Parliamentary pretension and the dead souls

The central doctrine of historic Labour was to vest all authority in the parliamentary party and to see the party's membership as deferring to the PLP, because of the latter's greater wisdom, experience

and proximity to government. The party leadership could always, or nearly always, rely on the trade union 'block vote' to come to the leader's aid whenever the constituencies declined an acquiescent role. The leaders of trade unions affiliated to Labour could claim votes equivalent to their entire membership and then vote them as a block when selecting candidates or policies. A few might go through the motions of consulting their members but the aggregation of the votes still meant that the votes of Conservative-voting union members were wielded by the trade union leaders. Tom Nairn memorably compared the trade union barons, casting a few million votes each, to the land developers in Gogol's *Dead Souls*. The later exploited a land grant system that allotted land in proportion to the number of serfs they could bring. The developers purchased the papers of dead serf and used these 'dead souls' to claim more land prior to registering the serf's death. The trade unions could inflate the size of their block vote simply paying subs for nominal members.

Ralph Miliband explained in the opening sentence of *Parliamentary Socialism* (1961): 'Of political parties claiming socialism to be their aim, the Labour Party has always been one of the most dogmatic – not about socialism, but about the parliamentary system.' Britain's parliamentary system is still embedded in pre-democratic institutions, notably the monarchy, Privy Council, and House of Lords, and non-democratic practices, such as first-past-the-post. Individual MPs are assimilated to the notional sovereignty of the 'Queen-in-Parliament' and swear allegiance to that and not to an extra-parliamentary entity, a party with members, who select leaders and policies. However the privileges of the PLP were clipped in the 1980s when, under Bennite pressure, an electoral college was set up for leadership elections with separate representation, roughly a third each, for MPs, trade unions and constituencies.

Under Blair the members had even less say, with the party's conference degenerating into a simple rally. The 'one member one vote' principle challenges all that. Corbyn was intent of giving real power to the constituencies and party conference. Whatever their failings, and they were many, the pre-'New Labour' party conferences still had life and debate. What is now needed is a veritable re-launch of

the party, starting with a proper conference. Corbyn seems to realize this. But the party's impatient MPs decided in June 2016 that another leadership elections was needed because the first had picked the wrong candidate. But the protagonists of this new contest had no new ideas and no wider vision of a UK-wide progressive alliance against inequality, austerity, militarism and neo-liberalism. Their ostensible criticism of Corbyn was that he lacked the charisma to beat Theresa May, though their real yearning was for the lost world of Ukania, with its two party system, Atlantic alliance and Labour establishment niche.

The Brexit watershed

The unexpected triumph of the Leave side in the 2016 'in/out' referendum on EU membership provoked the immediate resignation of its architect, David Cameron. He explained that he was not the man to carry out a policy he had opposed. More to the point, he had fallen into an elephant trap of his own devising. With a long history of pandering to xenophobia and the Euro-sceptics he was not a convincing champion of 'Remain'. As the scale of the threat to the UK's living standards and territorial integrity became clear, they supplied further reason for him to go as soon as a new leader could be found. The referendum had posed a false choice. When the Scots campaigned for independence they had a coherent set of institutions ready to implement independence. 'Leave' had little more than bland assurances that British business would soon find friendly partners as Britain withdrew to the EU. Hostility to Brussels and to immigrants served in place of practical alternatives.

In the immediate aftermath of the poll there was a spike in racist graffiti and physical attacks on those deemed to be foreigners. The other EU states made it clear that the Brits should expect no special favours, while the market conveyed its own belief in the declining value of British assets as sterling sagged.

The Leave camp had cunningly crafted slogans emphasizing the need to 'restore control' over borders and government, but little of substance concerning trade outlets, investment in infrastructure or

the continued funding of research, much of which had been ensured by EU budgets. Remain had limp slogans and was too confident of winning – it failed to mobilize its potential support, especially among younger voters. The eventual result was a great shock to many Remain-leaning voters because it stripped from them their European identity, a taken-for-granted membership of a European ‘imagined community’. Within a week of the result the ‘I Love EU’ movement mounted a demonstration of 30 000 young people, led by comedians and rock musicians protesting the rejection of the EU and the rise in racism. Only 36 per cent of voters aged 18–24 had voted, compared with 83 per cent of over-65s. Of the young people who did vote 73 per cent supported Remain while 27 per cent voted Leave, according to Lord Ashcroft’s polling organization.

The Conservative government had failed to register that its pursuit of austerity had discredited its rhetoric of inclusion. Leave racked up majorities in areas where factories and pits had closed, and in seaside towns who had lost their fishing fleet and sold their EU quota, and were no longer visited by English holiday makers. Corbyn had tried to take a pro-EU-membership message to such places but it was an uphill struggle, as both main parties were responsible for their plight and the EU had failed them too.

Cameron’s resignation was unavoidable because he could not head a Brexit government. He had called the referendum for the wrong reasons, and without adequate preparation, and the majority had defied him. More surprisingly, the two most prominent Tory Brexiteers – Boris Johnson and Michael Gove – fell out with one another and had to abandon their leadership bids. Instead the new Tory leader was Theresa May, who had supported Remain in a low-key manner and then successfully positioned herself to be the unity candidate. She appointed a three man ministerial team to negotiate Brexit. All were Leave supporters, giving them the task of implementing the policy they had advocated so vociferously.

In her first declarations as a Candidate and as prime minister she confirmed that ‘Brexit means Brexit’ and that her government would faithfully implement withdrawal. But she chose to devote most of her remarks to addressing the alienation of working people,

to a takeover culture that ignored the interests of employees and to a culture of privilege which exclude the great majority of the sons and daughters of the working class from higher education. She promised measures to address such ills. For example there should be representatives of employees on the boards of large companies. Addressing the camera she declared that ‘you’ would be at the center of her governments plans and concerns. She was here addressing UKIP and Labour supporters rather than the Tory shires and suburbs. But all was not sweetness and light.

In her first days as party leader Theresa May declined to reassure migrants already in the UK that there was no question of expelling them. After an uproar in which even Farage of UKIP attacked her callous stance, May corrected herself, with her supporters explaining that her threat was just a ‘negotiating’ ploy designed to protect British expats resident in the Union.

The smooth Conservative transition reflected a traditional Tory instinct for power and contrasted with the PLP’s treachery and confusion. But Britain’s political class and its counsellors were well aware that Leave’s victory handed them a series of conundrums. How could Britain retain access to the EU’s Single Market without allowing the free movement of labour? Could the UK swiftly strike deals with the US and other major markets, when such negotiations are lengthy and require concessions? And now that Scotland had voted Remain by a larger margin than the UK had voted Leave, could the SNP be denied their second referendum on independence? These challenges had to be met in real time with an exposed economy. There were few foreign investors attracted by the chance to be part of the punt on Brexit. The Eurozone still has many difficulties – the debts of Italy’s banks for example – but its governments know they must hang together if they are not to hang separately. The UK, on the other hand, faced fragmentation as Scotland goes its own way and as Northern Ireland and Wales consider their options. Scotland voted 62 per cent Remain, Northern Ireland 56 per cent Remain and Wales 47.5 per cent Remain. Both Brexit and – were it to happen – Scottish Independence, suggest a new settlement for Northern Ireland, clearing the way for the United Kingdom of England and Wales. (Some

Irish politicians have mused over the possibility of IONA, or Islands of the North Atlantic, a loose federation that would replace the UK and aim for membership in a democratized EU.)

While the Conservatives may once again face divisions over Europe, the referendum did greater immediate damage to the Labour Opposition than it did to the government, thanks to the PLP. The parliamentary challenge to Corbyn's leadership, prevented Labour from exploiting Tory divisions.

The 'extreme centre' rallied to support EU membership but so did many young people who were repelled by the xenophobia and racism that infected Leave's rhetoric, whether covertly or openly. The margin of victory – 52 per cent for Leave, 48 per cent for Remain – was awkward for all concerned. Asking for an immediate re-vote would flout the popular will. But if the results of Brexit are disappointing or dire then in a year or two the case for Remain or Rejoin could gain traction. This could even happen before negotiations on Brexit are concluded. A parliament with a considerable majority who support Remain will have to vote on how best to implement Leave. Even many Brexiteers believed it best to delay starting the formal process of withdrawal by invoking the EU's article 50. In fact there could be a succession of trip-wires preventing parliamentary approval of the negotiated withdrawal, supposing that to be achieved.

Beset by renewed crisis and with Britain gone the EU may develop more effective measures. However torrent of events will not abate to make life easier for English politicians. The Eurozone countries might take effective steps for greater integration and social protection. In recent years the leaders of the EU and the Eurozone turned away from the 'social Europe' of Jacques Delors and covered themselves in ignominy in their handling of the Greek crisis in 2014–15. The ugly spectacle of the EU bullying the Greek government in 2014 while enforcing counterproductive austerity – and 'odious debts' – reduced support for Remain.

Jeremy Corbyn offered critical support for the Remain Campaign leading to the incredible claim that he was responsible for Remain's defeat. The Ashcroft poll estimated that it was Conservatives who had given Leave its winning margin: 'A majority of those who backed the

Conservatives in 2015 voted to leave the EU (58 per cent) ... Nearly two thirds of Labour and SNP voters (63 per cent and 64 per cent), seven in ten Liberal Democrats and three quarters of Greens, voted to remain.’ If the Conservative Remain campaign had been as effective as Labour’s appeal to its voters, Brexit would have foundered.

But the emotional shock of defeat was such that Corbyn’s opponents felt that the time had come to oust a leader whom they had always detested. Half the Shadow Cabinet resigned in the days after the vote. A letter of ‘no confidence’ in Corbyn was signed by 172 MPs, with 40 backing the embattled leader. Corbyn declared that he was ready to run for the leadership against anyone his opponents might nominate. In July 2016 the PLP considered candidates willing to stand as a challenger to Corbyn and chose Owen Smith. Smith began by promising that he would fight to stop Britain leaving the EU after all, or to rejoin if Brexit could not be stopped. But he was persuaded by supporters not to foreground this promise until some way was found to square it with respect for the popular will.

Corbyn’s critical support to EU membership retained its value after the defeat of Remain since it pointed to areas where reform of the EU is urgently needed. While the EU often intervenes in a reactionary manner to enforce a type of free market capitalism it declines to intervene in many ways that would be justified and necessary to address climate change, to attack inequality or to challenge corporate power. Voters of varying political allegiance will be repulsed by the reactionary record of today’s EU – the obsession with austerity, the imposition of fiscal despotism, the bullying of weaker members, the notorious ‘democratic deficit’ and so forth. Many supporters of Jeremy Corbyn could be attracted to a critical stance towards the EU but will shun many of the former Brexit leaders, with their tolerance for xenophobic and racist ‘dog whistles’.

In the Scottish referendum the ‘Radical Independence’ grouping ran their own campaign and had considerable impact. The British referendum saw no such grouping. The Greens, the trade unions and the supporters of Jeremy Corbyn failed to coalesce into a coherent entity capable of taking on Cameron and UKIP. On the basis of its existing positions the Green Party might have been critical of

the EU since it regards most existing EU institutions as ‘fundamentally flawed’. But in effect, like Labour, it supported Remain without being able to raise its own issues and proposals. The victory of Leave gives these political currents another opportunity to find European allies and to challenge the reactionary workings of the latter-day EU.

Disarray in the UK

Teresa May has to defuse the time bombs bequeathed to her by her predecessor. The Conservatives have staved off a split in their own party by re-awakening the threat to the United Kingdom. The details of Brexit will remain a concern and source of renewed strife in and between the parties. There are also other issues.

Cameron also offered a further response of devolution which was at once too modest for the SNP while being considerable enough to unsettle the UK’s arcane and famously unwritten constitution and to threaten to create two classes of MP at Westminster, with the Scottish members being excluded from votes on English legislation. The distinction here is a very difficult one to make since most laws have knock-on effects, for example because they have budgetary implications. Some urge the need for a Constitutional Convention to address the consequences of devolution for other parts of the UK. If the break up of Britain gathers momentum then there will be an opportunity for the various opposition parties to advance their own programmes of democratization and reform. On July 14 2016 the Constitutional Reform Group, an alliance with members from all parties called for, as the *New Statesman* put it, a ‘bold restructuring ... replacing the existing Union with a system of fully devolved government in the four nations of the UK, with each given sovereignty over its affairs’ (‘Can Theresa May save the UK?’, *New Statesman*, 14 July 2016).

The Corbyn movement will improve its chances of defeating the Conservatives if it reaches out to other oppositional social and political movements and organizations. Politically the UK opposition is highly fragmented. The support these fragments attract underlined the narrowness of the recovery claimed by the Conservative govern-

ment and the declining ability of the political elite to contain the estrangement this has generated.

Prior to the referendum Northern Ireland had long been con- signed to an anomalous backwater where the English parties don't even run candidates. The July poll saw Northern Ireland vote for Remain. In recent years the border between the Republic of Ireland and Northern Ireland has been of little consequence, but that will change when Brexit is implemented. Anything which enhances this border will worry the Nationalist population and encourage Union- ists. It could even threaten the Good Friday agreement. If Scotland moves to independence the Ukranian structures which define North- ern Ireland will become increasingly untenable.

On the mainland Conservative hegemony must reckon with what Ralph Miliband termed 'de-subordination' and political alien- ation and whose more recent manifestations of civic unrest have been described as the appearance of 'new masses' by Göran Therborn (2014). In one way or another those who voted SNP, Green, Plaid Cymru and Sinn Féin were all voting against Cameron's Great Britain. These parties are already natural allies. In their different ways Labour and UKIP voters also express popular disaffection, with both engaged in a struggle for party survival.

Corbyn's election as leader was a sign that the party was again in contention and not the Zombie bequeathed by New Labour. The post-Brexit campaign to oust Corbyn was the work of parliamen- tarians not the party's grass roots. Those who demanded Corbyn's resignation argued that the MPs had been chosen by the electorate while Corbyn was simply the choice of the members. This argument overlooks the fact that the MPs had won because they stood for Labour and without that party endorsement they would not have been elected. The MPs who moved against Corbyn were attempt- ing to make the party leader responsible to the PLP once again. If Corbyn is defeated in the election in late September 2016 this will be a bitter blow that will hand the initiative back to the PLP.

Corbyn's victory and its vicissitudes signal the emergence of a new Labour Left. While less experienced than past Lefts, it faces a disoriented and discredited parliamentary rump whose strength at

Westminster is at variance with its support in the country. The PLP began by constraining and weakening Corbyn but ended – inadvertently – by doing quite the opposite. As the attacks multiplied Corbyn became calm but forceful in defiance.

When picking his Shadow Cabinet team Corbyn had only found it possible to appoint two or three close allies, notably John McDonnell as Shadow Chancellor, giving him some grip on economic policy. (McDonnell is a former financial director to the Greater London Council. His entry for ‘Hobbies’ in *Who’s Who* lists, not entirely in jest, ‘plotting the overthrow of capitalism’.) Corbyn could have been bolder in his original choice of Shadow Foreign Secretary, choosing Diane Abbott, someone much closer to his foreign policy stance, rather than Hilary Benn, the moderate son of Tony Benn. But over time Corby improved this body until it blossomed into a veritable latter-day Committee of Public Safety.

Following the mass killings in Paris in November 2015 by avowed supporters of ISIS the British press once again pressed for a lifting of the ban on British air attacks on targets in Syria. David Cameron decided that the time had come to return the issue on which he had been defeated by Edward Miliband in 2013. Aware of the volatile state of public opinion he promised that he was only requesting permission to bomb Syria from the air and that there would be no British ‘boots on the ground’. The press reported that Corbyn was in a minority inside his own Shadow Cabinet and that if he tried to impose party discipline he would invite humiliation. Corbyn did allow a ‘free vote’ but the results were not as expected. Sixteen members of the Shadow Cabinet – a two-thirds majority – voted against the government resolution. Altogether 66 out of 210 Labour MPs voted for the government or abstained. Cameron won the vote without any need for Labour support. The Conservative side were demonstrably delighted by a rhetorically powerful speech from Hilary Benn in which Labour’s Shadow Foreign Secretary praised the Government’s action and went so far as to compare it with the valiant anti-fascist efforts of the International Brigade in Spain in the 1930s. However the *Financial Times* registered ‘disappointment’ with the debate since no one had explained how British aerial bom-

bardment of ISIS in Syria formed part of a viable strategy for defeating the terrorist group. US and French airpower was more than adequate and had run out of useful targets. The option for massive air assaults without sufficient ground support maximized ‘collateral damage’, with towns like Kobane, Falluja and Ramadi being ‘saved’ by being razed to the ground. For some reason the Arab League offer of a 40 000 strong ‘Arab Intervention force’ at its Cairo meeting in March 2015 was declined.

Corbyn is a veteran of Labour trench warfare and may have reckoned his first eight months a success. His aim was to survive, to inflict some tactical defeats on the government and to re-shuffle his shadow ministerial team. He seemed to be making some headway but the EU referendum result led to a full-dress coup attempt which allowed Corbyn to completely overhaul his Shadow Cabinet with fellow spirits whom he should have appointed in the first place.

Corbyn has a small but coherent leadership team built around former members of the Campaign group of MPs and former members of the London municipal administration. The leftwing *Guardian* columnist Seumas Milne became his press secretary. The Campaign group had only ten members prior to the leadership election, though its numbers seem to be growing. The Syria vote showed that Corbyn could, on a good day, receive the support of two thirds of the PLP on a key issue, less than might have been hoped but considerably more than might have been feared. The fact that this was a ‘free vote’ makes it all the more significant as an expression of support. The new leadership and the new membership together could make Labour once again a force in English politics but only if recognizes that the political landscape has changed and Labour will have to adjust to that fact.

In different ways the Greens, the SNP, Plaid Cymru (Welsh nationalists), and Sinn Féin (Irish republicans) have carved out their own territory and will not be going away. Ed Miliband failed because he allowed the Blairites to blackmail and threaten him and because he failed to register the crisis of the UK state. Corbyn has the chance to do much better. To give him his due Edward Miliband did situate current woes within a crisis of capitalism and that remains an

achievement. The new Shadow Chancellor is, like Corbyn himself, well to the Left of anyone who has previously occupied this post.

The Greens remain serious rivals but also potential partners. The Greens' economic programme does not use the word 'socialist' but has a progressive and transitional character. They also avoid the word 'capitalism', which is a mistake since they thereby fail to identify the systemic forces at work in the economy. Green parties elsewhere in Europe have a very mixed record, with the 'realos' serving as stooges of the extreme centre. The English Greens have these discouraging examples to learn from. They also have a good opportunity to join forces with the trade-union left, and the new Labour leadership, on Trident, austerity and infrastructure investment.

Corbyn's campaign set him several key tests. He has opposed the government's support for a new project of Western intervention and will continue making the case against Trident in England. One of Cameron's last acts was to secure a Commons motion backing a new submarine programme. Corbyn's opponents lent their support. But other aspects of the programme will be supplied by the US, the weapon's complex equipment is officially and implausibly claimed to be 'independent'. Possession of Trident did not prevent Putin's encroachments, nor the activities of ISIS. The weapon appeals to the macho instincts of some British politicians and its scrapping is long overdue. But Hilary Benn, the former Shadow Foreign Secretary, is a supporter of Trident, as is Tom Watson, the deputy leader, and a number of the trade unions, who worry at the loss of jobs that might be entailed (though Corbyn offers public contracts that would ease the problem). An encouraging sign on the latter issue was a vote to reject Trident at the Scottish Labour conference in late October. Scottish Labour is a bastion of moderation on most issues but on this they respond to Scottish public opinion. It is likely that the new membership in England will expect to have their say on the vital issue and will not allow it to be buried in the 'conference arrangements committee'.

Corbyn will also have to show again that he can rally resistance to cuts to welfare, education and health. October also witnessed growing opposition to the government in this area. A key measure

in George Osborne's budget was a plan to reduce sharply the tax credits paid to late low income workers. As noted above Corbyn voted against this measure when it was first presented to the Commons. His opponents voted in favour or abstained, to show how responsible they were. Subsequently Corbyn repeatedly targeted this measure, bring it up at Prime Minister's Question Time. Conservative back-benchers were quoted as warning Cameron at an internal party meeting that penalizing the low paid was dangerous and made a mockery of the party's promises to hard-working families.

On 26th October 2015 the House of Lords voted down the measure and the government admitted that its details would have to be reconsidered. This rebuff for Cameron and his Chancellor could scarcely have been on a more significant issue. (There is also poetic justice in the Lords' defeat because Cameron and Osborne have long promised reform of the upper chamber without ever delivering it.)

One of the most distinctive Corbyn/McDonnell proposals has been to advocate a programme of 'peoples-QE' (quantitative easing) whereby the Treasury would print money to finance a public investment bank to fund badly-needed infrastructure investment. This would not fund welfare spending and would be carefully calibrated to have a counter-cyclical impact. But threats of a new recession, and low interest rates, make this a very timely proposition.

John McDonnell pledges that, as Chancellor, he would introduce new taxes on wealth and financial transactions. A useful funding source could be Ed Miliband's pre-election promise to take away the privileged exemption from stamp duty enjoyed by hedge funds and spread-betting outfits. Tory support for this privilege is muted because these unpopular financial concerns are major donors to the Conservative party. A radicalized Labour opposition should be able to reach out to a broader common front against austerity, against the UK state's democratic deficit at home, and against military action abroad.

One of Corbyn's central planks was a call for the re-nationalization of the railways, an idea that is endorsed by many commuters because of the relentless price gauging of the franchise operators, coupled with a poor record of investing in infrastructure. Polls show

70 per cent back a return to public ownership. In August the BBC aired a TV programme on the British railways by Ian Hislop, editor of the *Private Eye*, a satirical journal. Hislop's account of the malaise of a national institution under commercial ownership dwelt on rail's importance to sustaining communities and its salience in English literature and history. Corbyn had expressed a readiness to re-open rail lines that have been closed.

Corbyn's Labour should be prepared to seek alliances with the Greens and SNP rather than treat them as rivals or enemies. They should also be prepared for a wider, democratic overhaul of the United Kingdom and support the idea of a Constitutional Convention to address electoral reform, further measures of devolution and the future shape of the British Isles. Jeremy Corbyn has a long history of campaigning for a diversity of progressive causes and is one of the least 'tribal' of Labour politicians. The appearance of a new Labour Left should signal an era in which Labour re-learns how to fly (but reason to fear that it is still tethered to parliamentarism will be noted below).

One of Ed Miliband's worst mistakes was to rule out in as advance any agreement with the SNP. Corbyn's support for cancellation of Trident, and his willingness to negotiate with the SNP over further democratization and to resistance to austerity, mean that his election as Labour Leader would represent a radical challenge to the UK state. Blair and Brown understand this but it was already too late when they woke up to the threat. The moderate mass of Labour MPs will complain but, with the new members breathing down their necks, are not yet in the mood to split. The trade unions which help to finance the party and individual MPs will urge loyalty to the new leader.

Ralph Miliband used to warn against the disabling effects of an excess of realism. He did not like Vico's slogan 'Pessimism of the Intelligence, Optimism of the Will', because it gave pessimism too much importance and neglected the ability of politics to identify and, as it were, 'bring into existence' latent social forces. No clearer example of this could be given than the sudden emergence of the Corbyn insurgency out of a blue sky. The Labour Party membership

should certainly avoid euphoria and attend to the real condition of the United Kingdom, but they should not aim too low or paralyze themselves with structural pessimism concerning what they can achieve as the old order crumbles before our eyes.

The potential threat to democracy does not only, or even mainly, come from the Conservatives since Britain's whole political class feels menaced by the Corbyn insurgency, hence the panicky tone of centre left and centre right spokesmen and columnists. On August 31st Paul Collier, an Oxford political scientist, explained that a Corbyn win was intolerable in an article in the *Financial Times* entitled 'The Labour Party is too big to fail – just like banks'. Labour was a 'systemically important party', which had been put at risk when the Labour MPs had failed to perform their allotted task as censors with the power to exclude dangerous candidates before the voting takes place. Given this failure, he argued, another check would have to be found. In his view the solution was to open the franchise for party leader even wider: 'The only realistic option is for the selection of the leaders of systemically important parties to be opened to the entire electorate.' We may suppose that the very partial mass media and vociferous interest groups would continue their tireless reporting and commentating.

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