

The British general election (2010) and the political consciousness of the market-state

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As I write this essay, spring 2010, the British Conservative Party has secured the election of David Cameron as Prime Minister, albeit in a coalition with the centre-left Liberal Democratic Party. The Conservatives, since the election of David Cameron as party leader in 2005, made a huge effort to ‘decontaminate’ the Tory brand and make it palatable to an increasingly diverse and pluralistic British electorate. Cameron’s victory nonetheless represents much more than a successful exercise in public relations. It is indeed the latest corollary to a pervasive phenomenon which has slowly crept into the mainstream political consciousness: the silent but solid entrenchment of a softer looking conservatism, operating outside the circle of tribal politics and encapsulating the hopes and, in particular, the fears of the electorate.

The demise of the Cold War, which evolved gradually since the early 1970s, brought with it a significant intellectual, moral and socio-economic transformation of the international order. This transformation entailed the end of the political and economic symbiosis between the liberal capitalist democracies and communism, originating in the Great Depression and consolidated after the end of World War Two. The riddance of this symbiosis gave rise to a gradual entrenchment of conservative democracy, understood as the unwitting rejection of the remnants of the social democratic consensus by large segments of the population which, paradoxically, still benefit from it.

Establishment of the symbiosis

The two post-war decades saw a ‘golden age’ in economic terms which encouraged the average individual to focus, like never before in human history, on the acquisition of material items and the maximisation of financial prosperity. In Britain, as in much of Western Europe, World War Two had created a ‘conscription of wealth’, a societal levelling and the onset of a collectivist consensus. These developments were accelerated by the wartime interaction between liberal democracy and the socialist credo and the impending threat of a nuclear exchange between the two ideological blocs in the post-war era. In Western Europe, the welfare State created citizens out of subjects, economically enfranchised through access to housing, education and healthcare as well as jobs

in the enlarged public sector. The rise of prosperity-for-the-many (epitomised in Prime Minister Harold Macmillan's remark made in 1957 that people «[...] never had it so good»)¹ was emulative, at least to a significant degree, of the successes in economic planning which catapulted the Soviet Union from being a backward and agrarian country to achieving industrial superpower status in the space of two decades. This symbiosis revolved around the replication of the overall method of economic planning as an engine of growth after the devastation caused by the war. In addition, this symbiosis served to tame the excesses of untrammelled capitalism and established a strong commitment to raising living standards through government intervention. This symbiosis perpetuated the Cold War, since it created societal rules which to a certain extent resembled those of the Soviet bloc and therefore legitimized communism as a rational, viable socio-economic alternative.

Maurice Cowling, a pioneer of the British neoconservative movement, argued that 'post-war socialism' was created when Clement Attlee, Ernest Bevin and Herbert Morrison took on post-war reconstruction after Chamberlain's collapse in 1940². The nationalization of industry and banking as well as the establishment of a comprehensive welfare State from cradle to grave under the Attlee premiership (1945-51) consolidated the social democratic consensus in Britain, a trend carried forward and expanded by Winston Churchill, Anthony Eden, Harold Macmillan, Alec Douglas-Home and Ted Heath – all of them Conservative Prime Ministers – during the next two decades.

The ever-present nightmare of persistent economic depression, widespread political instability and abject poverty prompted a rethink of the role of the State even before the war. In *The Middle Way*, published in 1938, Macmillan spoke of how the new order would be underpinned with a sentiment of «[...] freedom of enterprise, but with public controls»³. None of the principal political parties in post-war Britain actually discouraged the pursuit of individualism and embedding of capitalism. Beyond the implementation of major policies focused on the country's reconstruction, market capitalism was given relatively free reign. However, the role of the State as an enabling entity came to be acknowledged as a key component of the social contract between the political class and the electorate. As Anthony Crosland, Labour MP and socialist theorist stated, there was a «fundamental convergence in our thoughts and aims [...] the internal political debate in these countries is becoming increasingly technical in character [...] and less involved with broad issues, which are slowly disappearing»⁴.

¹ Harold Macmillan, *Speech 20/7/1957*, http://news.bbc.co.uk/onthisday/hi/dates/stories/july/20/newsid_3728000/3728225.stm.

² Maurice Cowling, *The impact of Hitler*, London and New York, Cambridge University Press, 1975.

³ Harold Macmillan, *The middle way*, London, Macmillan and Co, 1939.

⁴ C.A.R. Crosland, *The conservative enemy*, London, Jonathan Cape, 1962.

This view was replicated throughout the West. In the United States, from the onset of the Great Depression, government intervention in the economic process never went away. The New Deal policies, federal government initiatives like the interstate highways system under President Eisenhower, passage of the Civil Rights Act in 1964 and the 'great society' vision of President Johnson, are all indicative of this symbiosis; not to mention the establishment of the welfare State and the nationalisation of banking and industry in Western Europe, in many cases implemented under conservative leadership.

End of the symbiosis and the rise of conservative democracy

In 1992 Francis Fukuyama wrote that the triumph of «liberal democracy» represented, at least in its Anglo-Saxon variant, «the emergence of a kind [...] of cold calculation at the expense of earlier moral and cultural horizons»⁵. From that perspective, the «struggle for recognition», inherent in human nature, was to give way to the less pernicious «struggle for desire». While Fukuyama accepts the incomplete nature of the project, he proclaims, notwithstanding some well-placed qualifications, that «liberal democracy» is indeed the final port of call for mankind. Fukuyama's endist formula invites some amendment. The «last man», struggling to fulfil her/his desires, is now caught between a rock and a hard place, that is between the teleological promise of «liberal democracy» and the incompleteness (and regression) of its substantive purpose. We need to understand how this phenomenon is currently brought to bear on the political culture of the West in general, and Britain in particular. But first, a brief historical charting is in order.

The end of the symbiosis between liberal democratic capitalism and the socialist credo was propitiated by the rise of Economic Man and, in the international political system at large, by the emerging strategic advantage of the West *vis-à-vis* the Soviet Union from the 1970s onwards. The onset of economic stagnation and rising inflation meant that the civil and political freedoms enjoyed by Western societies had to be reframed within the context of greater deregulation of the economy and less social protection for the majority. The reorientation of the socio-economic process towards the supply-side, the abandonment of full employment as government policy, lower taxation, the dismantling of industry and a redirection of the economy towards the financial sector, initiated by Thatcher and Reagan during the 1980s, delegitimized socialism as a viable political alternative.

Without the ideological threat of successful communism (by the 1970s the Soviet Union was experiencing diminished growth rates) the State would redefine its role, not so much as the guarantor of the welfare of its citizens but as the

⁵ Francis Fukuyama, *The end of history and the last man*, Toronto and New York, Free Press, 1992, p. 214.

facilitator of a new paradigm. In the early 1980s Cia director William Casey had already identified the growing nexus between the national security of the United States, and the evolution of the world economy and the growing importance of technology⁶. So big government's task was to facilitate the switch from a production-based economy to a socio-economic system which relied on the financial sector for its prosperity and a growing interaction with the wider world; particularly China, opened up by President Nixon and herself under a transformative process set in motion through the economic reforms of Deng Xiaoping. Big government did not go away under Reagan and Thatcher. During the 1980s the United States managed to quadruple the size of its public debt. The start of the transition towards a market-state consensus is best summarised by Naomi Klein in *The Shock Doctrine*, who outlines the «corporatist» nature of the emerging paradigm, whose main characteristics are «[...] huge transfers of public wealth to private hands, often accompanied by exploding debt, an ever-widening chasm between the dazzling rich and the disposable poor and an aggressive nationalism which justifies bottomless spending on security»⁷.

The dawn of the post-industrial economy and the denationalization of the public space began to create a decoupling of the citizens from the state: if the state abandons its duty to protect the welfare of the majority, the same majority rejects it. The denationalisation of politics-with its most eloquent example in the increasing electoral apathy and the loathing of the political class- has the effect of further entrenching the idea of conservative democracy, since the public sphere is not seen as an enabling instrument for personal advancement. This situation has its most extreme example in the United States, where the socio-economic system, notwithstanding the rehabilitative legislation introduced by President Obama, prevents vast numbers of its citizens from having access to the basic necessities of life, such as healthcare and education at all levels. In this particular case, the moral and intellectual entrenchment of Conservative Democracy is eloquently manifested in the growth of grassroots movements like the Tea Party movement, with its ardent dedication to prevent (or reverse) entitlement to those public goods.

The symbiosis between liberal democracy and socialism created an unexpected outcome. During the 1960s Herbert Marcuse wrote extensively about the declining revolutionary potential of Western societies. Marcuse argued that the advanced industrial societies of the West created «false necessities», integrating individuals into the system of production and consumption via the mass media, advertising and industrial organisation, giving rise to the «one-dimensional man», devoid of the capacity for critical and

⁶ P. Schweizer, *The fall of the Berlin wall; reassessing the causes and consequences of the end of the Cold War*, Stanford, Hoover Institution Press, 2000.

⁷ Naomi Klein, *The shock doctrine. The rise of disaster capitalism*, London, Penguin Books, 2007, p. 15.

oppositional thinking⁸. But that was partly because this symbiosis created predictable outcomes, taken for granted by the newly enfranchised, which would ultimately turn against them. The tidal wave of government intervention which lifted the working poor from the pre-war slums, seemed to collide with the aspirations induced by the ever expanding opportunities provided by the market. Since abject destitution (abolished by the State) was a bygone concept, economic aspiration would become the only possible challenge to strive for.

The symbiosis-paradox

In order to understand the reasons for the entrenchment of conservative democracy, we need to elucidate the symbiosis-paradox which unfolded before the demise of the Cold War. This 'symbiosis-paradox' revolved (at least in Britain) around the dichotomy between safety and aspiration and the neglect of self-interest. Margaret Thatcher accurately portrayed the highly contradictory worldview of conservative democracy when she portrayed the social democratic experiment in Britain as «a miserable failure» (since it did not prevent the relative decline of the country *vis-à-vis* its main industrial competitors in terms of economic growth), only to later refer to the transformative outcomes which State intervention had produced in her own life, giving her the chance to escape her provincial backwater of Grantham via a grammar school education and an undergraduate degree from Oxford; provided, by her own admission, «free (or nearly free) of charge»⁹.

Indeed, conservative democracy (a term originally coined by the Earl of Derby during the parliamentary debates over the enlargement of the electoral franchise in Britain in the mid XIX century) enjoyed the fruits reaped by years of work during the symbiosis era: State-sanctioned economic enfranchisement, which elevated the working poor into the middle ranks of society, thanks to the enlargement of the public sector and the benefit entitlements paid for through redistributive taxation. Taking these for granted and wanting more, large segments of the aspirational working class adopted the discourse of conservative democracy because leftist progressivism was perceived as a hindrance towards greater riches. The cooption of working class elements by Reagan and Thatcher gave rise to a new phenomenology: of a «one-dimensional man» going against her/his own interests: free (or affordable) education at all levels, access to social housing, universal healthcare, jobs in the public sector and all the benefits to be accrued from the take-up of her/his taxes.

This seems to be tantamount to a blatant neglect of self-interest. Economic destitution is back in Britain and Europe to unprecedented levels since the end of World War Two. The most significant outcome of the symbiosis-paradox is that

⁸ Herbert Marcuse, *One-dimensional man. Studies in the ideology of advanced industrial societies*, London, Routledge, 1991, Chapter 1.

⁹ Margaret Thatcher, *The Downing Street years*, New York, Harper Collins, 1993.

the acceptance of the inadequacies of conservative democracy becomes a necessary element in the interaction between the political class-which shapes the dominant paradigm-and the electorate, which determines its preferences within a prefixed set of choices. In essence, the rhetoric is imbued with a sense of impotence as to what the State can and should do for the betterment of society. Not only does the electorate accept the failure of conservative democracy in terms of economic outcomes but it also appears to be willing to downgrade the terms of the social contract between its representatives and itself.

The pretence of progressiveness

The most crucial factor in the unstoppable rise of conservative democracy is, from an explanatory standpoint, its progressive pretence. According to the market-state credo (outlined by Philip Bobbitt in *The shield of Achilles*) the role of the State is not to protect the citizen's welfare-the nation-state's main legitimising element-but to maximise her/his opportunities by extending the role of the markets in the production and allocation of goods and services¹⁰. Conservative democracy – the political expression of the market-state – allows for political freedoms to be protected or enhanced through collective action (as seen in the strengthening of affirmative action pertaining to the inclusion of racial, religious and sexual minorities) but frowns upon social and economic rights being safeguarded or enhanced in the same manner.

The inevitable consequence of the gradual phasing – in of the market-state is the spread of economic destitution, brought about by the fierce competitive environment that this type of system produces. Conservative democracy's palliative to the widening of the gap between rich and poor and the effective narrowing of aspirational opportunities for the majority, is to redeploy the forces of social capital, inducing the replacement of economic collectivism in favour a progressive-sounding social communitarianism, detached from the radius of action of the State, as seen in Cameron's 'big society' thinking¹¹. This is intimately linked to the urgency of dealing with the 'social disruption' generated by the culture of entitlements – in retreat in the United States but still prevalent in Western Europe – which originates from the widespread feeling of 'unfairness' in having to subsidise single-parenthood or voluntary worklessness, but extending (for that remains its main target) into minimising choice for go-getters, as in the case of the prohibitively expensive college tuition fees in the United States and the forthcoming liberalisation demanded by the top British universities.

Exponents of the social capital theory expect adjustments to occur in society in response to the change in the system of allocation of resources, eventually

¹⁰ Philip Bobbitt, *The shield of Achilles. War, peace and the course of history*, London, Allen Lane, 2002, p. 229.

¹¹ *Cameron promises power for the 'man and woman on the street'*, «The Guardian», 19/07/2010.

legitimizing the inevitable minimisation of choice¹². For that to happen, the political class cannot peddle change as a series of tragic choices to be made in the context of an ecumenicalist realignment of the international order. Instead, the re-engineering of the role of the State has to be marketed to the electorate not as a retreat from its meliorist purpose but as plethora of life-enhancing potentialities. The rise of the New Conservatives under David Cameron constitutes a renewed effort to rebrand conservative democracy as a 'progressive' force. The New Conservatives target the masses with a message of change and renewal in the same way that Reagan and Thatcher broadcast the Edenic promise of free market economics in the 1980s, while at the same time exercising the same kind of sanctimonious honesty about future cuts in social spending. In this context, motivational rhetoric becomes the sweetener of the consent process. We can safely expect cutbacks in public sector jobs and social provisions affecting the very same people who voted Cameron's New Conservatives into office. But as long as change, renewal and unflinching optimism (conveyed in an instinctual manner) are reinforced, the end result does not seem to matter very much. Or maybe it does. But it might be that it produces quite a different outcome from that which the conservative democracy voters bargained for.

¹² Francis Fukuyama, *The great disruption: human nature and the reconstitution of social order*, New York, Free Press, 1999, p. 271-9. See also, Amitai Etzioni (ed.), *Rights and the common good. The communitarian perspective*, New York, St Martin's Press, 1995.

La Fondation Jean Monnet pour l'Europe

La Fondation Jean Monnet pour l'Europe a été créée en 1978 par Jean Monnet, Père de l'Europe communautaire. Il lui a donné, avec son nom, l'ensemble de ses archives, bientôt rejointes par celles de Robert Schuman et d'autres bâtisseurs. Ces archives constituent les racines historiques de l'Union européenne. Jean Monnet lui a enfin confié la mission

- d'organiser cette mémoire pour la rendre accessible aux étudiants, aux enseignants, aux chercheurs, aux responsables d'institutions publiques et d'activités privées ainsi qu'aux citoyens intéressés, afin de contribuer par la connaissance du passé, à l'éclairage du présent et à la préparation de l'avenir;
- de faire rayonner cette mémoire à l'échelle de l'ensemble de l'Europe et des continents et pays d'outre-mer. Les moyens utilisés à cette fin sont l'édition de Cahiers rouges, des colloques, des expositions, Internet et, récemment, des émissions de télévision allant des chaînes locales aux grands mass médias.



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