

# **BRITAIN ON THE BRINK**

## **A Socialist Analysis and Strategy for the Next Labour Government**

(a draft discussion paper \*)

Britain stands on the brink of one of the most revolutionary periods in its history. The election in 2015 of Jeremy Corbyn as leader of the Labour Party and the ongoing transformation of the Party offers the British people hope for radical change. Hope for a new society free of the hardship, damage and war that declining capitalism now offers. But with great opportunities come dangers too. The purpose of this document is to analyse the situation in Britain and from this assess likely developments in the coming decade. And to begin to present a positive programmatic and organisational strategy with which to achieve the democratic socialist transformation of Britain that is now on the horizon. As such, it does not claim to be an exhaustive platform missing as it does sections on the environment, international questions and so forth. Instead, it focuses on some of the key issues that are currently under-discussed or not thought through.

### **The Situation in Britain Today**

The economic weakness that was exposed in Britain by the banking collapse of 2007-2008, and the damage to working peoples' lives caused by the Great Recession that followed, still remain with us. The anaemic rate of recovery has still not taken production back to the period before the crisis. Worse still, the high levels of debt that preceded the crisis, far from being resolved, are on course to get even worse than before. In 2007 unsecured consumer debt – mainly on credit cards, store cards, loans and overdrafts – reached 45% of household income. By 2021 this is forecast to rise to 47% of household income. Clearly, no lessons have been learned from the crisis.

Meanwhile, mortgage debt, despite very low levels of interest, has been rising for five years - according to a survey by Shelter one family in three are just one month's wage packet away from losing their homes. And student loan debt has doubled in the same period. This picture is worse when one takes into account the arrears that people face on their rents, taxes and other payments.

Once again, capitalism is creating a situation of mass insecurity. Another downturn would bring a repeated bout of terrible hardship for working people as they struggle to get over the last one.

The situation is even more foreboding when we look at the situation of Britain's national debt which has soared since the crisis. While it was already at the high level of 37% of GDP in 2007, it is now on course to reach 88%! The British government is currently paying around a £1 billion a week just to cover the interest on its debts.

Meanwhile, the weak recovery since 2008 has not seen the expected rise in productivity as companies fail to invest. In fact, according to the Government's Office for Budget Responsibility compared to the pre-crisis trends there has been a fall of 20% in investment in Britain. And hidden within the figures is a whole layer of zombie companies which continue to survive on the basis of virtually 0% interest rates.

Britain's low rate of growth compared to the rest of Europe, never mind compared to the US and even more China, means that there is no prospect of it solving its central economic problems before facing the next downturn.

### Long term fall in living standards

Real living standards for the majority of working people in Britain have been falling steadily since the 1980s. Evidence of this was plain to see with the spread of moneylenders and £1 shops to virtually every high street in the UK.

This process of impoverishment was partially offset by an explosion of personal credit as people sought to ease their cash flow woes by borrowing to cover tightening wallets. But, the financial crisis of 2007-8 brought this to a shuddering halt. Since then, Conservative-led governments have taken drastic measures to cut the value of wages and welfare benefits, and transfer wealth to their super-rich backers.

The result has been the biggest fall in living standards witnessed since the 1930s. And things are not about to get better. As the figures in the latest government budget report analysed by the Resolution Foundation show, the incomes of the majority are set to fall fast until the end of the Conservatives term in office in 1922.

### The Rise of Corbyn and the Labour Left

All this formed the background to the spectacular rise in 2015 of the Labour Left under Jeremy Corbyn. The explosion of support for Corbyn's campaign for the leadership of the Labour Party reflected the steadily rising level of discontent that had been ignored by past Labour leadership.

The turnout of thousands of people at many of Jeremy Corbyn's campaign events were the biggest political meetings since the great Chartist gatherings of the 1840s. Even more impressive was the fact that people were coming to meetings for an internal election within a political party rather than for a wider general election for the government of the UK. What that showed was that in Britain's antiquated first-past-the-post electoral system, only Labour could offer ordinary people the avenue to express their anger against the damage that being done to them by the rich and powerful.

### The Impact of Social Media

Equally significant to the mass meetings was the key role played by social media in helping the Corbyn surge. In the past the capitalist anti-left media held a monopoly on communication. In such a situation, the unceasing attacks launched by them against Corbyn including labelling him as a supporter of Irish and Islamic terrorism, would have been difficult to overcome. But how times have changed. The emergence of online social media has decisively altered the rules of the game. While the mainstream media remains powerful it is no longer the only player in town. Social media has given a voice to the mass of people. And what a difference that has made to the political debate!

Another innovation in the 2015 Labour leadership campaign was the televising of the leadership election debates. Labour Party members and the wider public could for the first time hear the arguments of the left on an equal footing to the unconvincing and out of touch voices of the establishment as represented by the three other candidates.

Jeremy Corbyn's anti-austerity message resonated not only with the labour movement which was looking for a more radical response to the crisis and the cuts. It also appealed to a younger generation which had been hit hard by college tuition fees and astronomic rents.

As the campaign progressed it more and more inspired the existing Labour Party members many of whom had joined under Miliband hoping for a more radical alternative. Instead of the cynical and opportunist appeal of 'media-friendly' Labour leaders to the centre-ground, they yearned for an authentic, principled leadership that was willing to give voice to the suffering of the people and brave enough to stand up against the system.

Such an approach naturally drew back to the Party a significant layer of ex-Party members who had left in disgust with the neo-liberal leaderships of Kinnock, Blair and Brown.

It also attracted young people who could only see a hopeless, dead-end future at the brutal mercies of the market.

The final result of the 2015 Labour leadership election campaign not only showed that Corbyn had won by a massive majority over the other three candidates combined, but that he had won a decisive majority among all sections of the Party including a big majority of the existing party members and in the unions. This shows that his victory was not to be explained by changes in the leadership electoral system as many have since claimed – even under the old electoral college where Labour MPs had a big vote, Corbyn would still have won.

How then do we explain Corbyn's victory and all that has flowed from it?

First of all, we have to ask if the eruption of the Corbyn movement was as totally unexpected as has been asserted since. Was it really a fluke or a freak event that no-one could have predicted?

Such superficial assessments of what is happening inside the British Labour Party don't stand up to close inspection. Looked at dialectically, such big events don't come out of nowhere. Even if the processes that precede it are relatively hidden, there is always a build up to a social explosion. So too with the Corbyn movement.

### Labour's History

In order to really understand the tremendous developments that are taking place inside the Labour Party we have to

look at the historical pattern of Labour in opposition. **It is a generally unrecognised fact that Labour has always moved to the left when it has lost office. Even more so in times of economic crisis.**

It happened from 1925 to 1928 in the wake of the fall of the first Labour Government. In this period, the left-wing radical George Lansbury was elected Chairman of the Party and the National Left-wing Movement gained widespread support within the Party.

It happened from 1932 to 1937 after the fall of the 1929-31 Labour government. As a result the left came to dominate Labour Conferences and the party adopted a radical programme that challenged capitalism and spoke about the need to replace it with a socialist society.

It happened again from 1951 to 1957 after the fall of the Attlee post-war Labour government. Thus, we saw a large scale left movement develop under Nye Bevan and other Tribune MPs.

It happened from 1971 onwards after the fall of the 1964-70 Wilson Labour government. In this period the left won majority support among the Labour Party's membership and in many unions which was reflected in their increasing control of Labour's National Executive Committee and Conference, and its growing strength in the Parliamentary Labour Party.

Last but not least, it happened in the 1979-1983 period after the fall of the 1974-79 Wilson-Callaghan Labour Government. In this period the party became even more radical, adopting far-reaching policies that began to question capitalism; democratising key aspects of the party rules to allow for rank and file members to participate in the election of the Party leader, and for automatic reselection of existing Labour members of parliament. And despite the left itself being divided the Party came close to electing the radical socialist, Tony Benn, as its leader.

#### The Situation After the 2010 Election

Given the repeated internal swings to the left after the defeat of past Labour Governments, it should have come as a surprise to no-one that there would be a significant shift to the left within the Labour Party after it lost the 2010 election. This was clearly reflected in the immediate election of Ed Miliband as the new leader over his Blairite brother. This was followed by clear signs that the Labour membership were moving to the Left.

The massive movement behind Jeremy Corbyn that came five years later did not fall from an open sky. There were indications of the coming storm for all without blinkered eyes to see. For example, here is a passage written in early 2011 to members of the Labour Representation Committee. It clearly anticipated the development of events:

*"It is important for us in the Labour Representation Committee to see 2010 as a major turning point in the struggle between right and left within the Labour Party. The possibility of a big revival in the fortunes of the Labour Left has at last arrived and we should be in the forefront of this movement.*

*... The changing mood was quickly reflected in the recruitment of 45,000 members to the Labour Party during and since the General Election in May.*

*It was also in evidence at this autumn's Labour Party Conference. While Ed Miliband as the new Leader does not represent a significant change in ideology in the Labour leadership, his election was certainly achieved directly against the Party and Blairite machine. As such, this was the first time in nearly 30 years that the march to the right of the party had been brought to an abrupt halt. The media were right when they immediately announced after his election that New Labour was dead and we have entered a new era in the Labour Party.*

*In the teeth of the new ConDem's vicious onslaught on jobs, benefit payments and public services, it is inevitable that workers will turn back to the Labour Party. And that Labour will move to the Left. Labour has always become radicalised in opposition. It happened in 1925, in 1931, in 1951, in 1970 and in 1979. This reflects the natural inclination of British workers to turn to their traditional organisations in times of crisis.*

*Of course, there have been significant changes in Britain over the last 30 years, not least in the massive decline of industry and the weakening of the trade union movement. But the fundamental tendencies of the British labour movement still remain in force."*

Pat Byrne February 2011 (see the full 4-page document [here](#))

Of course, if one superficially judged the Labour Party in terms of the political makeup of the Parliamentary Labour Party or the Labour staff, it might have appeared that Labour during the 2010-2015 period was still overwhelmingly dominated by right-wing thinking.

But in reality the majority of Labour members and supporters were steadily moving away from neo-liberal policies under the pressure of cuts in living standards and austerity. This steady shift to the left in the Labour base is well documented by Alex Nunns in his excellent book 'The Candidate'.

However, the changing mood among Labour members and affiliated trade unionists was masked by the artificial control still maintained by the Labour machine which continued to impose right-wing parliamentary candidates on resentful constituency parties. But such a situation was not likely to continue forever.

If it had not been Corbyn in 2015, then the dam would eventually have broken under the pressure of the floodwaters building up.

As evidence of this, let's remember that the radicalisation of the left in Britain over the last seven years has not been a unique development. Similar developments have been taking place in other countries and for similar reasons.

The massive movement behind Bernie Sanders radical platform in the United States in the 2016 campaign for the Democratic Party's presidential nomination, demonstrated many of the same features of the Corbyn campaign. The massive crowds and the enthusiastic response of the youth and union members to Bernie's anti neo-liberal platform was almost a mirror image of what was happening in the British Labour Party. Of course, the US Democratic Party is a very different beast than the British Labour Party but the voicing of popular discontent and response to radical policies was the same.

Recently, we have also seen big swings to the left among large sections of the public in France and Spain, including among a majority of members and supporters of the French and Spanish socialist parties.

All this demonstrates that this mass radicalisation in the public and in the mainstream parties is not just a British phenomenon. Clearly, it is an organic response to a growing crisis in the lives of working people internationally.

#### Counter-Revolution by the Labour Right

Instead of respecting Jeremy Corbyn's overwhelming election as leader, or recognising that it represented an important change of mood among the electorate, the Labour right and centre dismissed it a temporary aberration. As a product of a "summer of madness" as one expressed it. From the day after Corbyn's Labour leadership election victory the Labour right set out to mount a counter-revolution and remove him as leader. Utilising their control of the Labour Party staff and their dominance of the Parliamentary Labour Party, they plotted to overthrow Corbyn at the first opportunity. In this they were backed 100% by the mainstream media, the whole political establishment and their super-rich backers.

A key encouragement to Corbyn's opponents was the internal Labour Party rule that gave the Labour Members of Parliament not only a monopoly over who could be nominated as Labour Party leader, but also the right to trigger a re-election at any time if only 50 Labour MPs supported such a move. Some people warned of the dangers of this situation a few days before Jeremy Corbyn was elected and put forward practical steps to remove the danger. Unfortunately, Jeremy Corbyn's team gave no heed to the warning and reaped the result:

#### ***"The Threat of Revolt Against Jeremy by Labour MPs***

*The ridiculous system that allows a relatively small group of Labour MPs to force a leadership contest even when there is no big support for it, is a force for instability and damage within the Labour Party. It was used by the Blairites to undermine the previous Labour Leader, Ed Miliband, which makes all their calls to vote for Jeremy's rivals in order to save the Party from splitting apart all the more ironic.*

*Now, the threat from some Labour MPs of triggering a new leadership election is being held over Jeremy Corbyn's head like the Sword of Damocles. Jeremy needs to ignore such threats and instead take steps to end this ridiculous rule. The exclusive and antiquated power to trigger a fresh leadership contest must be taken away from the Parliamentary Labour Party and put into the hands of an agreed percentage of those in the original electorate. The right of recall is an important democratic principle but this right can only be exercised by those who were entitled to vote in the first place, not just by a select group of Labour MPs...*

#### **Labour Party Conference**

*A few weeks after the announcement on September 12th of the leadership election result, the normal Labour Party Conference will be held. Our first step needs to be the carrying of an Emergency Motion at this conference calling for a 2-day Special Party Conference to be held in spring 2016. The purposes of this Special Conference should include:*

*+ To decide on an anti-austerity platform against the Conservative Government. To this end, in the six months before the*

*Special Conference a big campaign of political discussion needs to be organised throughout the labour movement with meetings open to all party members.*

+ *To replace the rule on triggering a Labour leadership now exclusively held by Labour MPs into one based on right of recall for the whole of the leadership electorate.*" (quoted from [‘How a Victory for Jeremy can be Turned into the Transformation of the British Labour Party’ 2 Sept 2015](#))

### Coup Against Corbyn Proceeds

At first, the opposition to Corbyn thought they could make their move to unseat him in the wake of some parliamentary by-elections. But Labour under Corbyn's new leadership surprised them by doing well in the by-elections, returning Labour members to parliament with good majorities. This ran counter to the assumptions and narrative of the counter-revolutionaries whose propaganda heavily focused on the supposed unpopularity of Corbyn and the Left's views among the public.

Then they planned to make their move against Corbyn after the local government elections in the spring of 2016. Once again, the results did not fit in with their pessimistic forecasts. Instead, it appeared that Corbyn's Labour Party was holding its own despite the onslaught of the media, aided and abetted by his Labour opponents. Indeed, in the opinion polls Labour was catching up with the Conservatives, even moving ahead of them in one survey. This was achieved in spite of Labour MPs heckling their new leader in parliament in full view of the public, as well as constantly conspiring with the capitalist media to condemn him at every opportunity.

Finally, their opportunity appeared to come in June with the dramatic announcement of the result of the referendum on whether Britain should stay in the European Union. When a majority of those voting in the referendum chose to leave the EU it caused a massive shock to the British establishment. In the stunned post-referendum environment Corbyn's Labour opponents quickly rushed to blame him for the result when responsibility for it lay squarely at the door of David Cameron, the Conservative Prime Minister. Cameron had called the referendum as a gamble designed to avoid an internal Conservative Party dispute. He thought that the vote was going to be a foregone conclusion and his arrogant campaign reflected this. He assumed that with the overwhelming backing of the establishment voters would meekly follow the advice of their 'betters'. But all that his campaign demonstrated was how out of touch the British political class was with the angry mood in the many parts of Britain.

Last but not least, so confident had Cameron been in winning the referendum he had idiotically excluded the two groups who would be most affected by the vote and who were the most pro-EU: the three million EU citizens living in Britain and the millions of British citizens living in European Union countries. Including them would have swung the vote decisively the other way.

### Labour Shadow Cabinet Resigns

The first step in the post EU referendum coup against Corbyn was for his opponents to arrange for most of Labour's Shadow Cabinet to resign in a blitz of prearranged media publicity. The idea was to get him to voluntarily step down as Labour leader. The resignation of a majority of a leader's shadow cabinet was unprecedented in British political history and they hoped that this dramatic move would convince Corbyn to go. This was a colossal miscalculation. Not only was Corbyn unwilling to bow to this undemocratic manoeuvre but it was in due course to play into his hands.

The old Labour Right would never have given up positions of power in an internal struggle like this. But the modern crop of Labour right and centre MPs with their easy rise through leadership patronage were not 'street smart'. They had none of the long experience of in-fighting within the labour movement of their older forebears. Thus, they didn't realise the incredible opportunity for the Left that they were opening up by resigning their posts. Corbyn had no option but to fill the empty positions within the Shadow Cabinet with younger left-wing MPs. For the first time in Labour's history, left-wingers now held the positions of Shadow Chancellor of the Exchequer, Shadow Home Secretary, Shadow Justice Minister, Shadow Foreign Minister, and even Shadow Defence Minister! It was only a matter of time before these relatively inexperienced shadow ministers would become seen as stars in the labour movement and well known to the public. And so it has happened.

The next step in the coup against Corbyn was to get the Parliamentary Labour Party to meet and pass an overwhelming motion of no confidence against the leader. This was done in an appalling meeting between 200 plus Labour Members of Parliament and the leader. The meeting was more like a bear garden full of insults and chants for him to resign. With this loss of support from his own members of parliament, the leaders of the coup assumed he

would have no choice but to go. Once again their expectations were confounded. Corbyn refused to step down, rightfully pointing out that he had been democratically elected by millions of Labour members and affiliated trade unionists, and that the 230 or so Labour MP's had no right to remove him. Corbyn proved on this occasion that beneath his affable exterior was an inner core of steel.

#### A New Labour Leadership Election

Having failed to force his resignation, the coup plotters turned to their fall-back plan which was to trigger a new Labour leadership election, but without Jeremy Corbyn on the ballot paper! To this end, they sought to use their supporters in the Labour machine and on the National Executive Committee to exclude Jeremy from the election rerun. Such an astoundingly anti-democratic move came close to succeeding but fortunately, by a narrow majority, the NEC voted for Jeremy's name to be put on the rerun ballot paper.

However, the Labour opponents to Corbyn did succeed in moving to prevent a major section of the new members of the Party who had joined since Jeremy's election from participating in the rerun. And to also make it difficult for wider Party supporters to participate by increasing the fee fivefold.

To round up their strategy, the coup leaders prevailed on their various factions of the Parliamentary Labour Party to unite around one candidate Owen Smith, rather than divide their forces between three which has caused significant problems in the first leadership election. Quickly recognising the now overwhelmingly radical mood of the labour movement Smith sought to don himself with Jeremy's policy mantle and even to try and out-radical Corbyn himself.

Despite all of these efforts the rerun Labour leadership election campaign, far from defeating Jeremy Corbyn and the platform he stood for, greatly strengthened it. Jeremy's mass meetings all over Britain were bigger than ever, with ten thousand turning out on the streets in Liverpool, a well-publicised example. In contrast, his opponent's small meetings sometimes had more journalists than supporters.

The 62% majority that Corbyn received in the rerun was an even better than the previous year. If the hundreds of thousands of Corbyn's supporters had not been excluded from voting this majority would no doubt have been in the 80s. The outcome was a devastating setback to the Labour Right and Centre. This was reflected at the Labour Conference in Liverpool that immediately followed the election result. Corbyn's opponents were forced to accept defeat and to recognise that there was effectively no chance of unseating him before the next parliamentary election. An election that was to come much earlier than they or anyone else thought.

#### The 2017 General Election

In April 2017 the Conservative Government despite already having an overall majority in parliament, called a snap General Election three years early. Their public excuse was that they needed a fresh mandate to strengthen their hand in negotiations with the European Union in order to get the best deal possible for Britain as it left the EU. The reality was very different. The Conservatives under Theresa May had already come to realise in their early negotiations with Brussels that the final deal for BREXIT was not going to satisfy anyone, especially their anti-EU right-wing, not to speak of the big section of the population against leaving the EU. The deadline for the end of Brexit was 2019, just a year before the General Elections due in 2020. The prospect of going into an election with a deal that was unpopular with almost everyone was a nightmare scenario for the Conservatives.

To avoid such a situation was the real reason why the Conservatives called the snap election. In doing so they were conscious of the massive 21% Conservative lead over the Labour opposition in the opinion polls. Under Britain's five year rule for elections an election victory for the Conservatives in 2017 would leave them in power until 2022 when they hoped that tempers following the Brexit deal in 2019 would have had time to cool and memories to fade.

Of course, the opportunity that a snap election also seemed to offer of greatly increasing their majority over Labour and dealing them a shattering blow, was an important bonus that appealed to them.

But politics is a risky business and even the best laid plans can come to nought.

The key mistake that Theresa May made in calling this early election was that she forgot that in General Elections the public get the chance to hear two sides to the debate. In the period leading up to the opening of the General Election campaign there had been an unprecedented propaganda war against Jeremy Corbyn and Labour from the capitalist mainstream media including on the television channels. However, in Britain once a General Election is called strict rules come into force that require television and radio to give equal time to the main political parties. For the first

time, the broadcasters were forced to let the public hear Jeremy's side of the argument. And to their great surprise millions started to understand that Labour stood up for them and that Jeremy Corbyn's policies were what they wanted.

The Conservatives called the election on the subject of implementing Brexit, an issue which favoured their reactionary, racist agenda. But Jeremy Corbyn correctly refused to be hemmed in by this framework and shifted the election onto the bread and butter issues that were making life more and more difficult for the mass of the population. Issues such as welfare cuts, housing, health, education, and falling living standards. He sought to expose the dramatic rise in inequality and the links that the Conservatives had to the rich tax dodgers. To encapsulate Labour's message their election slogan "Labour is for the many, not the few" was hammered home again and again. In this way, the election gave Corbyn the chance to directly communicate with the population and to connect with their anger and resentment, and channel it in a positive direction.

This process was further cemented by the publication of Labour's radical manifesto which struck a deep chord with the majority of the electorate. Ironically, the draft manifesto was leaked in advance of the final meeting to approve it, a meeting at which anti-Corbyn forces wanted to dilute and weaken its policies. Unfortunately for them, there was a hugely favourable reaction to the draft Manifesto and its most radical pledges, with 70% support among the public. Thus their hands were tied with most of the manifesto wording having to be included in the final version.

To make matters even worse for the Conservatives, Theresa May decided to run a campaign in which she wanted to take no chances. With this in mind she only held small, carefully selected meetings organised on a tightly scripted agenda. Jeremy Corbyn's campaign could hardly have been different. He criss-crossed Britain holding mass outdoor meetings at which he could use the old-fashioned word-of-mouth medium to get across his policies to the biggest numbers. The contrast every night on television between a starved Theresa May holding subdued meetings with small groups of officials and selected electors, and Jeremy Corbyn addressing thousands of cheering supporters began to make more and more people begin to believe that far from Labour under Corbyn being a hopeless cause, it was now the voice of the majority.

Into the election also came the new power of social media. Overwhelmingly, online grassroots commentators came out enthusiastically in favour of Corbyn. Huge numbers of young people who had been apathetic sprang to life as they discovered that Labour were listening to them and pledging to abolish their crippling tuition fees and cap their soaring rents. A wave of support for Labour spread out into unlikely places with a 67-year-old Corbyn being cheered by teenagers at football matches and pop festivals.

#### The General Election Result

The result of the General Election in June 2017 with the loss of the Conservative majority in parliament came as a great shock to the British establishment. The result was contrary to all their expectations and forecasts that the Conservatives were going to win with a landslide and reduce Labour to a rump. A result that they felt would surely deal a fatal blow to Corbyn and the Labour left who would be blamed for the worst Labour disaster since 1931.

To the great consternation of Britain's ruling class the opposite happened. A left-led Labour Party standing on a radical agenda made great advances, winning millions of more votes and 30 extra seats in parliament. Instead, of being routed, Labour had increased its support with the biggest swing since 1945.

For the powers that be, already reeling from the shocks of the near vote for Scottish Independence in 2014 and the vote for Brexit in 2016, the outcome of the General Election in June 2017 confirmed that the British public was angry and looking for radical change. These results have shattered the confidence of the governing elite and exposed the hollowness of their arrogant assumptions and pontifications.

#### A Great Advance but not a Victory

There can be no doubt that the 2017 election result was a great defeat for the Conservatives and the wealthy class that it represents. Above all, it was a vindication for the left-led Labour Party under Jeremy Corbyn. Yet the election result failed to dislodge the Conservatives from the government. Having been beaten into a minority position the Conservatives still remain the largest party in parliament. And from this position have been able to cobble together a governing majority by formally doing a corrupt deal with the reactionary Unionists in Northern Ireland.

But the question must be asked: why was Labour unable to actually win the election, and thus save working people in Britain another five years of misery under the brutal class enemy? Undoubtedly, it would have taken a near miracle for Labour to move from a position 21% behind the Tories to a majority of MPs in parliament in the course of an election campaign lasting just seven weeks. As if to emphasise what could have been done with more time, in the days that followed the final General Election result Labour surged ahead of the Conservatives to lead them by 8% in the opinion polls. This shows that Labour could indeed have won the election if it had had less to catch up on and more time in which to do so.

### Why Was Labour So Far Behind?

The follow up question to ask is why Labour was so far behind in April when the election was called. This is no academic question. As we shall see, it has direct implications for the ongoing situation.

The first and most obvious culprit for Labour's low level of support going into the election campaign lies with the mainstream media. From the moment in 2015 that it became obvious that Corbyn would be a serious contender for Labour's leadership he has faced an unprecedented onslaught from the capitalist media. Britain's media is controlled by a small number of right-wing owners and managers. For example, 50% of the mass circulation newspapers are owned by two right-wing billionaires, Rupert Murdoch and the Barclays. Even the so-called liberal newspapers, the Guardian and the Independent proved to be overwhelmingly hostile to Corbyn. Moreover, the one openly pro-Labour newspaper, the Daily Mirror, constantly attacked and distorted Corbyn's positions.

Television news was hardly any better. The BBC, which outside Britain is viewed as an impartial source of news, is in reality a pro-government mouthpiece for most of the time, controlled by neo-liberal managers who have consistently shut out anti-austerity voices despite these being representative of the views of a majority of the public. How hostile the BBC was in its coverage of Jeremy Corbyn was shown by the fact that Sky News with its 14 million viewers, a channel owned by hard right Rupert Murdoch, was deemed to be fairer to Corbyn than the supposedly neutral BBC.

If we needed confirmation of the massive unfairness of the British media, two major academic studies, one of the newspapers and one of television, found an overwhelming bias against Corbyn. Even in opinion polls a large majority of the public expressed their dissatisfaction with the media's discrimination against the new Labour leader. Of course, such media bias is to be expected from the capitalist media. Only when we have introduced a democratic media will we overcome this problem.

The next candidate to blame for Labour's unpopularity going into the 2017 election campaign was the sabotage that had been committed by the opponents to Corbyn within his own party. Some of Corbyn's own backbenchers had even gone so far as to interrupt his speeches in parliament shouting out insults and calling for him to sit down and shut up. An unknown phenomenon in British history. Such actions were combined with constant interviews in the mainstream media attacking Corbyn and his policies. This all culminated in the coup against him a year before the election.

The predictable result of all this sabotage from within Labour was that the opinion polls which had shown the Party starting to draw level with the Tories then begin to dive. Labour's open divisions and the media onslaught had the effect of undermining Jeremy Corby's credibility and pushing Labour lower and lower in the polls.

### The Role of the Left

But the fault for Labour's unpopularity cannot be entirely laid with his opponents. The Left has also to take some share of responsibility for Labour's falling popularity.

The fantastic and unprecedented level of support for Jeremy Corbyn within the labour movement and among sections of the public demonstrated in the first Labour leadership election needed to be quickly followed up by action to capitalise on it. As the above quoted article urged at the time of Jeremy's first election victory:

*"...it is vital that we now start to think about how all this new energy and enthusiasm can be fulfilled and not allowed to dissipate.*

### ***An Even Bigger Tour***

*For a start, Jeremy needs to quickly recuperate from the rigours of the leadership campaign and organise an even bigger tour of Britain. Speaking at much larger venues and backed up by a blitz of social and mass media, this time Jeremy will be reaching out to the wider public appealing for them to join the Labour Party and to help in transforming it into a mass, participatory and campaigning movement.*

### **Political Education**

*Hand in hand with this, there needs to be a special campaign of political education and discussion organised throughout the Party so that the hundreds of thousands of new members do not find themselves stuck in endless meetings limited to discussing the mechanics of election campaigns, fundraising and so on. The new members will be thirsting for ideas and answers and it should be a central task of the new leadership to provide an innovative structure and culture to achieve this. Not only should we utilise the power of social media to this end but we also need to lay the basis of our own television channel to provide a space for the party and its membership to continuously discuss and learn together with the wider public.*

*Moreover, we need to widen the Labour Party as a movement - Jeremy can use his new position as Labour Leader and campaigner against austerity to reach out to the tens of thousands of community groups and campaigning organisations and appeal for them to get involved.” (quoted from [‘How a Victory for Jeremy can be Turned into the Transformation of the British Labour Party’ 2 Sept 2015](#))*

Above all, the massive amount of new Labour Party members that flooded into the Party, turning Labour into the biggest political party in Western Europe, needed projects that channelled their enthusiasm. The overwhelming support that existed for Corbyn in the trade union movement and in much of civil society demanded to be tapped into. Yes, Jeremy Corbyn was facing opposition from the media and the establishment. And certainly from sections from his own Party. But the mass membership and his wider layers of support was a massive countervailing force just waiting to be mobilised.

To that end, the party needed to begin launching regular single-issue campaigns that took Labour’s programme to every household in the country. And asked for their practical support in opposing what the Conservatives were doing to attack them. For example, Labour members should have been mobilised to organise doorstep petitions with every council and housing association tenant as part of mass protests against the Conservative steps to end their security of tenure. For the millions of private tenants, Labour members should have visited them across Britain and explained how the Party was going to tackle their rising rents, inadequate standards and lack of security.

On housing alone, Labour had the policies and opportunity to break through the wall of hostile media coverage and appeal to tens of millions of citizens, showing how Labour under its new leadership was on their side.

This could have been the model for regular national campaigns on the key issues facing working people: the increasing crisis in the hospitals; the rising costs of powering their homes; the growing insecurity at work; the problem of low wages and inequality.

Likewise, John McDonnell’s anti-austerity programme and his massive new Labour plan to rebuild Britain’s infrastructure and bring jobs to its neglected areas needed to be outlined on the doorstep. This would have shown how much Labour had changed and how far it had broken from the cynical and corrupt establishment. That was exactly what the public were thirsting for.

Instead of this, the old Labour machine was allowed to continue on as before, using party members as election fodder and canvassing households with generic appeals to vote Labour. Instead of finding effective ways to explain how Labour’s specific policies could help the population and to involve them in campaigns against the Tories, we continued with boring and often meaningless routines. As a result, a majority of the new mass of Labour Party members sat on their hands.

More importantly, too few people outside the Party membership came to understand what all the fuss about Jeremy Corbyn meant for them. As the opinion polls began to show, the majority of the population were unaware that Jeremy’s election as Labour leader represented a real break with the establishment, a break that meant that Labour was now on their side against the wealthy and powerful who were ignoring their interests and grinding them down.

### **The Handling of the Media**

Even on the issue of the media, Labour’s new leadership failed to take advantage of its points of support. Instead of organising conferences of sympathetic journalists and social media in order to develop coherent and innovative ways to respond to the media attacks and get Labour’s agenda out to the public, the new Labour leadership retreated into defensive mode. By accepting the artificial limitations of the traditional media and parliamentary circus, they allowed themselves to become isolated and wrong-footed. Even Labour Party press conferences were not opened up to sympathetic social media correspondents, or journalists from union and campaigning magazines.

Similarly, there seemed to be a lack of awareness within Jeremy's team of the importance of effective slogans with which to encapsulate Labour's new policies and ensure that they entered popular consciousness. As a result, Labour's new programme went generally unknown among the public. And on the many occasions when Labour spokespeople did appear on television they were rarely able to counter the far better prepared points of the Conservative Government, or to effectively argue for Labour's new alternative.

Part of the problem was that valuable time was lost in developing new policy. Thus you had a new Labour leadership overwhelmingly elected on a radical platform presiding over an outdated and timid Labour programme. As argued in the quoted article earlier, Corbyn had no time to spare – he urgently needed to call for a special Labour conference at which he could overcome the stiff resistance to his new programme that was coming from the Labour Right and Centre. To put into place the new programme he had been elected on.

The result of this combination of a confused policy platform and inadequate presentation meant that the population didn't really know what Labour under Corbyn stood for. Or understand the true significance of his election as Labour leader.

For all these reasons, Jeremy and the team around him were unable to fully capitalise on his incredible victory in 2015. Instead of moving decisively to take advantage of the democratic majority that elected him, the internal Party opposition was allowed to plot against and undermine him at every turn. The inevitable result was that Labour went into the 2017 General Election far behind the Conservatives. So far behind that we were unable to catch up and overtake the Tories and form the Government of Britain.

#### The Labour Election Machine

Another important factor that made a decisive difference in denying Labour an even better result was the hostile attitude of many sitting Labour MPs to the Party leader and the new Labour Manifesto. In their local campaigns many Labour MPs made a point of avoiding all reference to Jeremy Corbyn which was ironic as he emerged as one of Labour's biggest vote winners. On the doorstep these MPs would openly state that they had nothing to do with the new more radical leadership and programme despite the growing support that was emerging among voters for precisely this leadership and platform.

Even worse was the negative role played by Labour's head office in the election campaign. There are too many reports to mention of resources and personnel only being despatched to support Labour MPs who opposed Corbyn. Indeed, so out of touch was the right-wing Labour machine with the public mood that they wasted precious party resources on defending sitting Labour MPs who ended up drastically increasing their majorities, rather than sending them to the marginal areas where Labour could have won key extra seats. Nowhere was this more obvious than in Scotland which was written off as unwinnable and starved of money and canvassers. Events on election day were to demonstrate what a major misjudgement this had been, with many seats in Scotland and elsewhere coming within a hair's breath of changing hands in Labour's favour.

At the very least, a better and more united campaign by the MPs and the Labour machine behind Corbyn and the Manifesto could have deprived the Conservatives of enough seats to prevent them from forming a government. This would have opened up the prospect of minority Labour government being formed as it had been in similar circumstances in 1974.

#### Effect of Election Advance on the Labour Movement & Society

Whatever the reasons for Labour's failure to win the General Election, there can be no question that the outcome of the election was a major step forward for Labour and for the population.

The election result not only confounded the media and the Labour Right. Even the Left in Corbyn's team were very surprised at how well Labour did on election day. Why the Left should have been so surprised is a mystery. Socialists have always argued that working people would respond to a lead if only it was given to them. That democratic socialist policies would be popular if they were properly explained from a credible platform:

*"The scale of the massive eruption of support for Jeremy is something never seen before in British politics. In contrast to the political pundits who are still writing in terms of the old parliamentary machinations, this insurgency has the potential to change the rules of the game. If Jeremy is elected that will not become the high water mark of the advance of the Left within Labour as the media is predicting. On the contrary, we can expect this tidal wave of support to rise even higher as people*

*from all walks of life respond to the strong lead that a Labour Party under Jeremy Corbyn will be offering.” ([How a Victory for Jeremy can be Turned into the Transformation of the British Labour Party’ 2 Sept 2015](#))*

And so it turned out in the 2017 General Election.

An immediate effect of the 2017 election was that Corbyn’s leadership was immeasurably strengthened inside the Labour Party. Even his most hostile critics in the Party had to publicly admit that they had been wrong in their assumption that Corbyn personally and his policies would be unpopular when put to the test.

The dramatic shift in Corbyn’s favour within the labour movement that followed the election was seen at last year’s Labour Conference. Support for his Labour opponents collapsed, with their Progress organisation becoming a dirty word inside conference and in the fringe meetings – its funding by rich businessmen has already dried up and the organisation has gone into crisis.

For the first time since the beginning of the 1980s, Labour’s Conference was dominated by the Left. This was shown not only in the left majority of Conference delegates but also by the success of the Left in the elections for the Conference Arrangements Committee. This which will allow the Conference to take back control of its agenda and democracy for future Conferences. Similarly, the left won all seats available on the National Constitutional Committee, the committee that oversees the implementation of the rules, suspensions and expulsions, a highly controversial area which Corbyn’s opponents were using to exclude significant numbers of his supporters.

In terms of improving the internal democracy of the Party, the Conference agreed to reduce the number of parliamentary nominations required for a candidate to stand for leader, the rule that had been used for so long to prevent the left for standing in leadership elections. The Conference also agreed to increase the number of membership representatives on the National Executive Committee, the body which runs the Party – a result that made it more likely that the Left would have a majority on the NEC for the first time since the early 1980s.

On another level, the 2017 Brighton Labour Conference was the most left-wing Conference in the history of the Party. Not only was it presided over by the first left-wing Labour leader since Kier Hardy more than a century earlier, but most of the Front Bench Shadow Cabinet Ministers who were making the key note speeches in debates were from the Left too.

The Conference must have been its biggest with 10,000 attending either as delegates or visitors not only to hear the Conference speeches and debates but also to attend the hundreds of radical fringe meetings organised outside the Conference.

**This completes a very brief analysis of the situation we find ourselves in today’s Britain and some relevant historical background to it. With a clearer picture in mind we are now able to consider likely developments in the near and medium future.**

### Perspectives

We need to develop a realistic set of perspectives.

For this we need to ask what a perspective is. To develop a useful perspective one has to stand back from something and look at it from all angles. In terms of society that means standing back from the day to day events and looking for patterns in the history of events and the processes that underlie them. Then we can better understand how such processes are working out in the current situation, and make some intelligent projections for likely outcomes in the future.

A perspective is not a prediction. No-one should try to set themselves up to be some kind of Delphic oracle that can magically predict the future.

A perspective can only be a projection of what is likely to happen based on what we know has happened in the past and what we know is happening now. That is why we need to closely study and learn from history so that we don’t repeat the same mistakes in the future.

A major limitation to the drawing up of perspectives is that there is always a lot we don’t know about the past, and even more so about the present. In the chaos of capitalism, with its myriad of competing entities such a limitation is magnified a thousand fold.

And then there is always the role of chance - unexpected events can easily divert the course of history.

And so perspectives must always be tentative. They can only be forecasts of the most likely outcomes. And they must be continuously reassessed in the light of what actually happens.

One might well then ask, if perspectives are so uncertain, what's the point of trying to develop them in the first place?

Well, having a well-crafted perspective gives us a distinct advantage. It's like the difference between being totally blind, or having the ability to make out the shapes, even dimly, of things ahead of us. Instead of stumbling along in our political activity and constantly falling over objects that we have not even tried to anticipate, we can develop an intelligent perspective through which we can avoid many pitfalls or paths that go nowhere. And thereby follow much more useful avenues of activity.

In this use of forethought over surprise we can gain decisive advantages. Rather than trying to fly by the seat of our pants we can effectively plan our actions and resources. And as we know from the old phrase "planning prevents a piss-poor performance".

That said, **the development of perspectives must always be a sober assessment of likely future developments, and never a projection of what we want to happen.** If we make this mistake perspectives will just end up as an exercise in wishful thinking which is the road to disaster.

A classic example of the difference between realistic perspectives and wishful thinking is the way that many socialists approached the Labour Party in Britain. Instead of analysing how Labour had reacted to losing power in the past, too many on the Left declared that the past was irrelevant and held no lessons in this regard. That everything was different now. That Labour was no longer a workers' party but a bourgeois party that could never be transformed and brought back to its roots.

In doing so they were not only irresponsibly junking the past but they were only judging things on the surface without bothering to look beneath to see what was actually happening at the base of the labour movement. Even when events were beginning to show the swing to the left they ignored them as they didn't fit into their schema. And finally, when the Jeremy Corbyn phenomena burst onto the scene they tried to minimise it or cast doubt that it would last. And thereby they totally underestimated events and failed to respond effectively to them. In this way perspectives as a realistic indication of future developments became replaced with a meaningless outline of what they wanted to happen.

The result was that instead of these socialists helping to transform Labour they fruitlessly wasted their time and effort trying to build up alternatives to it. And as a result they now find themselves on the margins without any influence on the course of events.

## **Perspectives for Britain**

What then are the likely perspectives in Britain?

### The Threat of Brexit

No-one can be entirely sure of how the British economy will perform once it has left the European Union. But the future is not looking too bright. Already Britain is experiencing the slowest level of growth in Europe. On investment and productivity Britain is behind its main competitors.

Britain joined the EU (the European Economic Community as it was then known) in 1975 as a late and reluctant member. It did so because its manufacturers were failing, while its trading position and economy based on the old Commonwealth was in inexorable decline. By joining the European Union it sought to take advantage of access to the more modern industry, technique and markets of the mainland.

Why anyone should think by leaving the European Union with a return to the past position in which Britain's economy was sinking fast would somehow solve its problems, is anyone's guess. The illusion that Britain can somehow turn back the clock and resume its pre-eminent trading position with the Commonwealth nations will not last long in the vastly changed conditions of the 21<sup>st</sup> Century. Africa, for instance, now looks to China. So too does Australia and New Zealand. India is fast emerging as an effective rival to Britain with some of its billionaires taking over important sections of British business. America in a protectionist mode under Trump is not likely to offer any sweetheart deals.

Meanwhile, Britain in the neo-liberal era of the last three or more decades has allowed itself to be stripped of much of its manufacturing base. The British economy is now far too dominated by financial services and the City of London.

And it is precisely this sector that is most vulnerable to the consequences of Britain leaving the EU. The leading financial centres in mainland Europe are licking their lips at the prospect of taking business from London. If this comes to pass it will be a serious blow to Britain's prosperity and power.

Similarly, Britain has attracted considerable investment as a stable, lightly regulated English-speaking base from which to operate in the EU. Following the introduction of the European Single Market in 1993 many international companies set up their European headquarters in Britain. As Britain leaves the EU we can only expect this process to halt and then reverse as multinationals relocate to more convenient EU capitals.

Then the temptation will be for the short-sighted and rapacious British capitalist class once Britain no longer has to abide by EU regulation, to turn Britain even more into a low-wage, unregulated, insecure, rentier economy. With all that will mean for the worsening of incomes and conditions for the mass of the population. Such a bleak prospect will only increase the anger of the electorate.

#### Threat of Another Major International Recession

Within the chaos of capitalism it is extremely difficult to detect patterns and make predictions about its future. One thing we know is that the massive build up of debt that sparked off the devastating recession of 2007-8 has not been resolved. If anything it has worsened.

According to the International Institute of Finance's 2016 statistics, total debt levels, including household, government and corporate, rose over \$70 trillion in the last 10 years to reach the incredible level of \$215 trillion. This is equivalent to 325pc of global GDP.

Not surprisingly, the IMF at the end of last year warned of broad risks to the global economy including low growth, high debt and weak banks. It said the "*sheer size of debt could set the stage for an unprecedented private deleveraging process that could thwart the fragile economic recovery*".

The international financial sector whose treatment of the world economy like a casino sparked off the last crisis, has been able to use its political clout to minimise any serious moves to curtail its gambling practices. The onset of the next downturn is likely to once again call into question the viability of key banks. And if they were "too big to fail" last time around, this time will be even worse - the big banks have utilised the previous crisis and their political connections to ensure that they were able to gobble up their smaller fry and become even bigger.

When such a downturn will come we don't know for sure. Leading socialist economists like Michael Roberts are suggesting that it will begin in 2020. Whatever the date, that such a downturn will come is highly likely. A downturn that will spell disaster for hundreds of millions of working people as they suffer even more cuts to their living standards and conditions.

Such a development coming as it will in the wake of Brexit would be the last nail in the coffin for the British Conservative Government. As such it opens up the prospect of the election of a left-wing Labour government on a landslide.

#### Will There Be An Early Election?

Many are assuming that there will be an early election. All of us on the Labour side could wish for nothing more. But is this a case of wishful thinking, of something that we yearn for rather than a realistic expectation?

Of course, many unforeseen things can happen in society. But is an early election in Britain one of the more likely ones?

Yes, the Conservatives have lost their majority in parliament and have to be propped up by the Ulster Unionists. Yes, we have been able to win some votes in parliament. Yes, we have a severely weakened Conservative leadership, increasingly divided over the EU negotiations and demoralised by Labour's insurgency. Yes, we can hope to pick up some parliamentary seats in bye-elections.

But will this lead to an early election? To answer this question it is logical for us to look for historical precedents.

The nearest comparable position, at least in terms of the current balance of power in parliament, occurred in October 1974. At that time, Labour won almost the same number of seats in parliament as the Conservatives did in 2017. They were in a minority position. Yet, despite not having a formal coalition they managed to govern for the full term of five

years, surviving in office through a long period of world economic crisis, massive cuts in public spending and unpopular wage restraint.

On the other hand, events have their own logic. The Conservative Party will be faced with a series of hard choices arising out of the Brexit negotiations. Prime Minister May is against keeping Britain in a Customs Union with the European Union or staying in the Single Market, but it is not clear that she will be able to carry a majority of parliament with her on both of these issues. However, if Britain continues in the EU Customs Union and/or the Single Market then it may mean that, like Norway, it will be subject to EU rules without any participation in deciding them. Moreover, the EU may insist that Britain allow free movement of EU citizens into the UK as a price for such an arrangement. If the Prime Minister is defeated on any of these central policies she may be forced to resign in favour of another Conservative leader who is willing to negotiate for them with Brussels. But will the Conservative Party be willing to elect a new leader willing to negotiate such a softer Brexit? And if they did, wouldn't it break the uneasy alliance that currently underpins the Conservative Party?

Alternatively, a more hardline pro-Brexiteer appealing to the pro-Brexit majority of Conservative members could be elected leader. But he or she would not be likely to secure a majority in parliament.

If either situation arises then the government could collapse of its own internal dissensions. Indeed, it was to avoid such a scenario that May called the early snap election last year, hoping that a greatly increased Conservative majority would give her the margin with which to steer her way through such difficult choices. Instead, she has been forced to drink from the poisoned chalice from an even weaker minority position.

Whether this would lead to a fresh election or to some sort of reshuffling of the pieces cannot be known. Certainly, Conservative MPs, no matter their differences over Europe, are unlikely to vote for a motion of no confidence in their own government. Irrespective of their own divisions, the Tories are not suicide merchants. They can be expected to do almost anything to put off to the last possible moment the chance of a left-wing Labour Government coming to power. And the law that now governs when elections are held requires that a decisive majority in parliament is required to trigger an early election.

Even if the Democratic Unionist Party was to break their formal agreement with the Conservatives, even this is not guaranteed to force a mid-term election. Not that this is likely. The DUP hardly want to take steps that might help a Corbyn-led government come to power - it should not be forgotten that Jeremy Corbyn, with his long-held sympathies for the cause of Irish unification, stands for everything that the Ulster Unionists abhor.

But, we are clearly going into uncharted waters. If Britain ends up with only a limited break with the European Union no-one should underestimate the fury of the Brexiteers and their right-wing newspaper backers. Then they will be faced with a hard choice between accepting whatever deal comes out of the Brexit negotiations and is accepted by parliament, as the best that can be secured for now, or to completely upset the applecart and thereby possibly allow a Left-led Labour government into power.

Rather than ending up engulfed in fruitless speculation, perhaps the wisest course is while being prepared for the collapse of the Conservatives and the possibility of an early election after the Brexit deal is voted on in parliament, to expect that there will not be an early election and that the Conservatives will cling to power until the last gasp in mid 2022. This would be a better balance in our perspectives than the one currently circulating among many Labour members: that of gearing up for an early election and not even considering the possibility of another four years in opposition.

For instance, the right-wing Labour machine has gleefully seized on the latter assumption in a rush to select Labour's parliamentary candidates before the left-wing transformation of the Party has had a chance to work its way through. Premature selections from this drive by head office have resulted in the choice four years before a possible election of many candidates that are not even behind Corbyn's agenda.

#### Dangers & Opportunities in the Coming Period

If a long delay does occur before the next election it offers Labour some dangers and opportunities.

On the danger side, popular consciousness of Jeremy Corbyn's tremendous result in the 2017 General Election may slowly fade into the past. Corbyn will no longer be seen as a new phenomenon. By mid 2022 he will be 73 years old and image still remains an important phenomenon in politics.

The long period between now and then also will be full of pitfalls which could trip up the Labour leader.

But the next four years present even greater dangers for the Conservative leadership. It is often said that governments lose elections more often than oppositions win them. The Brexit issue alone is a minefield. The Conservatives risk further alienating the growing number of people now opposed to leaving the EU. Simultaneously, they will disappoint many of those who support Brexit - the compromise deal that is likely to emerge will not satisfy the hard-core brexiteers and the right wing media which supports them.

The ideological divides in the Conservative Party are likely to widen and whoever wins the next Conservative leadership election in such a situation may turn out to be popular with the Party membership but very unpopular with the public as a whole. The fact that the elitist snob, Jacob Rees-Mogg, is now seen as the front-runner among the Tory faithful is a dramatic example of the potentially disastrous outcome of a future Conservative leadership election.

Then there are the gathering storm clouds for the British economy, which apart from the next downturn is likely to be badly affected by the loss of foreign investment following Britain's exit from the EU.

Then there is the possibility of major class struggles breaking out as working people become more deeply affected by the continuing attacks by the Conservatives on their living standards and social conditions. Such attacks may not get less as Conservatives are weakened at a parliamentary level. Rather, they can be expected to intensify. Many of the austerity cuts and other reactionary measures already passed have yet to fully come into force. And if it becomes obvious that the Tories are going to lose the next election they can be expected to further privatise and loot the state while they still have a chance.

As time goes on and the hopes of an early election fade large groups of workers and other sections may start to move from the political plane to the extra parliamentary field with strikes and resistance of all kinds. If Labour demonstrates solidarity with such struggles it can greatly extend its level of support.

#### Future for Labour

On the positive side, the next four years offers Labour a vital breathing space in which it can develop a powerful and popular programme. At the same time, it provides time for Labour to move ahead with its transformation into a mass radical democratic and campaigning movement.

When Jeremy was elected some predicted that there would be a Labour split with most of its members of parliament leaving to form a centre left party with Liberal Democrats etc. Those of us active within the Party did not see this as a likely outcome of developments.

As events have demonstrated, there is little if no prospect of a significant split by the Right. Instead, the Labour Right have stayed in the Party and sought to mount a fightback using every dirty trick in the book. Despite all this, the Left have grown stronger and stronger. Once again, this has come as a surprise to many socialists. But why should it have done? Jeremy's election as Labour leader was a genuine reflection of mass anger and resentment at falling living standards among wide layers of the population. Time is on Jeremy's side.

#### **The first element of any perspective for the Labour Party should be one of confidence among the Left.**

Of course it will take time to transform the Party. The right have built up their machine over many decades and we can't expect to change it overnight or in a direct line. Labour is like a supertanker which takes time to shift direction but once it does becomes unstoppable. Yes, there will be setbacks and the process will be very uneven with successes in one area and failures in another. Yet, overall one change will follow another, one advance of the Left will build on another.

Take the example of the swing to the left now taking place in Scotland. For decades, the Scottish Labour Party was an election machine with little membership activity and dominated by a complacent right-wing that took Labour voters for granted. But the shock of the landslide victory of the Scottish Nationalists on one side, and the meteoric rise of the Labour Left in the rest of Britain, has shaken the Scottish Party to its core. Now it has elected a more left-wing executive and a new pro-Corbyn leader.

Now, the Left have succeeded in winning the election for the three new membership places for the National Executive Committee. This gives Corbyn a left-wing majority on the NEC for the first time and opens up the way for the further democratisation of the Party and the transformation of the Party machine.

Later this year, we have the prospect of the Left winning a majority in the Labour Party's National Policy Forum. This combined with a more democratic party conference under the new Conference Arrangements Committee opens up the possibility of moving the Labour Party's policy programme far to the left.

Everything is going in our favour. If we organise our work properly and avoid sectarian and opportunist pitfalls, we have every prospect of democratising the Labour Party from top to bottom and of building a powerful movement for democratic socialism.

### Left Unity

A key element of any perspective / strategy for the Labour Party must be for the building of a united left in order to move forward the transformation of the Party. Whatever criticisms of Momentum's leadership we may have, we have a duty to participate in it and build it for the benefit of the wider movement.

### **A Positive Approach Towards Momentum**

Too many in the labour movement have clearly not understood what Momentum is and how to react to it. For far too long the Left within Labour has not been properly organised. The Left in parliament not working to build the left in the labour membership. The Left in the individual membership not helping to build the Left in the trade unions.

As a result the Labour Left has always been far weaker than it should have been.

For example, when the Left was in the ascendant in the 1970s and early 1980s, the failure of a united Labour Left to emerge in time meant that we were unable to turn our numerical majority among the membership and on the NEC into electing Tony Benn as Party leader and commanding the Party machine.

A more recent example was the period between 2010 and 2015. In this interval, the Labour Left failed to unite and build at all levels to take advantage of the changing mood. In the absence of this, Jeremy's candidature was an unnecessarily touch and go affair, as Alex Nunns clearly outlines in his excellent book 'The Candidate'.

This time around, Momentum offers us a golden opportunity to avoid such historical mistakes. And its emergence so early in the Corbyn movement (unlike its predecessor the 1980 Rank and File Mobilising Committee) gives us enough time to thoroughly transform the party.

Ironically, the Labour Right who base themselves on a thin layer of officials and careerists, have a greater appreciation of the importance of Momentum as an organised Labour Left in the current situation - the Right might have coped with Corbyn as an isolated leader, but they can't deal with a mobilising force such as Momentum.

Momentum, like any broad left movement, must be an inclusive alliance of left-wing Labour members. An alliance which recognises the need to work together in order to democratise the Labour Party, change its policies in a socialist direction, and replace leaders at any level who are not willing to reflect the democratic decisions of the Party. As such, Momentum should properly reflect the various views among the Labour left. Judged from this perspective the existing leadership does actually represent the majority of the current political views of Momentum members, most of whom joined Momentum to support Jeremy Corbyn's leadership, not a socialist revolution.

This left reformist mood among Momentum members can and will change as the struggles within the Labour Party and society intensify. But for now we need to accept and respect this mood and work side by side with the leadership that flows from it.

### Momentum Will Grow and Grow

In our perspective for the Labour Party we must recognise that Momentum will build and grow in spite of the political limitations of its leadership and its inadequate constitution. Momentum already has a large membership with a major public following. It has the support of the leadership of the Party and key trade unions. It has a big monthly income which allows it to maintain a headquarters and staff that enables it to effectively organise and intervene on a national basis. And despite predictions from some socialists that Momentum had no future after the events around the imposition of its flawed constitution, the General Election proved that it is capable of making a positive impact and gaining credibility.

More recently, Momentum has taken a very proactive role in organising to change the balance of power within the Labour Party at national level. They have very effectively mobilised for internal elections for the NEC, the Conference Arrangements Committee, the NCC, and for the election of more representative Conference delegates. Contrary to

the pessimistic warnings of some socialists that the Right were running rings around us, such organising by Momentum has paid off. Already, Progress is in danger of falling apart, being reduced to pathetic appeals to Momentum not to take advantage of its growing majority to remove them from their former positions of power within the movement.

Despite some setbacks in a few areas, Momentum at local level is making many gains. And there is no reason to doubt that this progress will continue to sweep across the party.

Looking externally, Momentum is strongly plugged into social media, the use of apps and cultural events, all of which are helping it to involve wider and wider layers, especially the youth.

With all this in mind, Momentum is likely to grow in membership and power within the movement. While Momentum is not the be all and end all of the labour movement, any socialists who stand aside risk being marginalised and left on the sidelines.

With this in mind, it was a definite mistake for those socialists who were angered by the imposition of the top-down constitution of Momentum earlier last year, to try to organise a breakaway 'grassroots' movement and/or to give up on the organisation. This imposition of a constitution with key democratic flaws is only an early skirmish in the battle for democracy within Momentum. The predictions that are currently being made that the existing Momentum leadership are irremovable, or that Momentum's constitution is unchangeable, may well go the way of the other 'predictions' that have been disproved in the last two years. All sorts of challenges are coming down the road that will test each individual Momentum leader and expose their weaknesses. Through this Momentum members will begin to appreciate the need to elect leaders who are prepared to move from just mobilising behind the Party leadership, and into making Momentum a much broader movement for a democratic socialist society.

Likewise, the 'rank and file' strategy being adopted by some comrades in which they participate in Momentum (and the Labour Party) at local level but boycott its national elections and activities, makes no sense at all. Indeed, it reminds one of the old 'rank and file' SWP approach to trade union work which lost it any credibility within the trade union movement - if you are not prepared to stand for your position at the highest levels but just protest among the rank and file you will get nowhere.

#### Momentum's Constitution

Some have argued that Momentum's constitution is just a piece of paper which the leadership will change whenever they need to ensure their rule. But constitutions are not like that. They are legal documents that develop a life of their own. It was precisely the lawless situation before the constitution was adopted which allowed the current Momentum leadership to ignore the decisions of the ad hoc Steering Group and the ad hoc National Committee, and then abolish them. And to impose a constitution rather than having it voted on. From now on, things will not be so simple and debates on the constitution will inevitably be more concrete and less arbitrary.

Even within the highly top-down, one could say stalinistic constitution imposed last year, there are significant avenues for the left within Momentum to make gains. For example, the Alliance for Workers Liberty, who in reality represent a tiny force within the movement, stood in the internal elections and saw two of their members elected to Momentum's National Coordinating Group from the individual membership. There is no reason why comrades with much greater standing in Momentum could not get elected from this same constituency. Moreover, an important section of the Coordinating Group is set aside for trade union representatives. Through this avenue the Left has a good prospect of getting some of its comrades onto the NCG and utilising the weight and prestige of the unions to strongly influence the direction of the organisation.

There are those who contend that the National Coordinating Group of Momentum is not yet playing an important role and that Momentum is too dominated by its Officers. If that is true it can only be because of the people who have been elected to NCG who are allowing this to happen. The same was often true in recent decades for trade union executives and for Labour's National Executive Committee. But that did not stop us organising to get Left people elected to such bodies and helping to transform them into decision-making committees.

#### Democracy in Momentum

Inside Momentum there is a serious democratic deficit. At the beginning of last year a constitution was imposed on the membership without debate or vote. Instead we were given an ultimatum – accept the constitution or leave

Momentum. The inevitable result of such a hasty, top-down process is that we have ended up with a constitution that has major democratic flaws.

Some people might wonder whether Momentum needs a democratic constitution in the first place. Surely, it is only a temporary campaigning body? A short-term body in which left-wing Labour Party members are coming together to give support to the new leadership of the Labour Party. And to help democratise and energise the Party at all levels. Once this is achieved perhaps Momentum will no longer be needed.

But the transformation of the Labour Party is still only in its early stages. And to achieve it Momentum is rapidly developing as the key force within the Labour Party: the force that is determining who gets elected nationally; which recommends which policy proposals and constitutional amendments are supported by the left at Party Conference, and so forth.

Momentum is also beginning to play the same role at regional and local level. For example, it is starting to be a key body that recommends who will be the local party officials, Labour candidates for parliament and so on. We can have no idea how long this process will take. What is obvious is that with Momentum getting more and more powerful it becomes vital that it be democratically accountable to its growing membership. Otherwise, it can evolve into the means for a few people at national and local level to use the organisation to further their own interests and dominate the Labour Party. If this were to happen, we would have exchanged the top-down centralist structure of the Party under Blair with another dictatorial regime. Instead of Momentum being part of the solution, it would become part of the problem.

So ensuring that Momentum is truly representative of its 30,000 members is not a luxury. Nor is it a diversion from democratising the Labour Party more widely. It is part of the same struggle.

#### Direct Democracy versus Delegate Structures

The constitution that has been imposed on the membership of Momentum and the brief debate that preceded it raise some very important principles. Principles that have implications for the future running not just of Momentum, but all kinds of democratic bodies. For this reason it is important to go into this subject in a little detail.

To begin with, the leadership of Momentum incorrectly posed the debate as a false choice between the new forms of direct democracy offered by online communication, which they favour, and the traditional forms of delegate and representative democracy supported by the Left. Yet, almost everyone on the Left within Momentum was willing to accept a hybrid system involving elements of both systems. The key problem was that the Left did not have a worked out position on the direct democracy aspects that were needed in Momentum and this seriously weakened our case.

In particular, the new constitution introduced into Momentum raises two crucial questions that are posed by this new form of online democracy:

*The Need for Informed Elections:* One of the major mistakes of Momentum's constitution is that it does not allow members to elect the national officers of the organisation. Instead members elect a big relatively obscure National Coordinating Group who then appoint the national officers. This doesn't make any sense. As we saw from the first set of elections for the NCG, members didn't know the people standing. Yes, there were election addresses circulated but these were hardly informative containing for the most part uncontroversial platitudes. As a result most members didn't vote. Hardly a democratic process.

On the other hand, if we were allowed to elect our national officers many members would know who they were and would have participated at much higher levels in an election for them. Indeed, elections for the small number of national officers offer the practical opportunity of holding online debates so that members can see and question who the candidates are for these positions. A key element that interactive online participation offers is the chance for the first time for members to see who the candidates are and hear what they stand for before they cast their vote. In this way they are able to make an informed participatory decision, rather than an uninformed passive one. Surely, that is one of the standout lessons of what happened in the 2015 and 2016 Labour leadership elections. Through the televised debates and regional meetings all members were able to see Jeremy Corbyn in action and compare his policies to other candidates. The result was an overwhelmingly positive one which in addition to ensuring the best candidate was elected, raised consciousness and massively helped build Labour's ranks.

The same could be true for Momentum. Regular open elections for the Chair and National Secretary positions in

Momentum would directly involve the members in debates about the direction of the organisation, raise our level of understanding, and help recruit and build the organisation.

*Combining Direct Election with Delegate Democracy:* The current Momentum constitution did away with the developing regional and national delegate structures within Momentum. Yes, there were some criticisms of the unrepresentative way some of these bodies were operating but that was often a case of having undefined powers in a new organisation. On the other hand, direct online voting should not be seen as a replacement for delegate democracy but an enhancement of it. After all, members will not, nor can they be expected to want to vote on every issue within an organisation. That is a recipe for turning off the membership rather than empowering it. Rather, the membership want to have a say in the most important and controversial decisions and to leave the lesser issues to be sorted out by their officers and elected committees at the relevant levels of the organisation. In other words, for detailed less key decision-making we still need a delegate structure that involves activists from local branches to get together at regional and national level. And naturally, such bodies should have representation in the National Coordinating Group. There is nothing wrong with having a hybrid structure that combines the best elements of both systems. That is the best way to ensure an effective and accountable organisation.

*The Need for National Conferences:* The current Momentum constitution also abolished national delegate conferences and replaced them the idea of membership referendums and national 'training events'. There is a good reason why the labour movement developed the tradition of holding regular national delegate conferences in order to debate policy and hold the leadership to account. Why would Momentum support increased powers for Labour Party Conference and abolish its own?

On the other hand, we don't want or need to recreate the traditional system which relies purely on delegate democracy and tends to leave the mass of the membership out of decision-making. Rather, we should combine the two. So for example, when a major disagreement on policy etc. emerges at a national conference it should then be put to a final decision of the membership with the necessary information being supplied to them including recorded video of the conference debate.

*The Need to Ensure Democratic and Fair Debate:* One of the major dangers of online direct democracy is the potential for manipulation. As we saw from the unfair referendum that preceded the imposition of the new constitution inside Momentum, referenda and online elections can easily be dominated by one side. Tony Blair used this method within the Party to get the results he wanted.

If we are to use online voting it is crucial that online debates within an organisations are fairly conducted allowing the main alternative views to be heard on an equal footing. Similarly, referenda need to offer accurately worded choices not loaded questions. The problem is that no-one trusts elected officers and committees of one faction or another to be fair on such questions.

There is a solution available inside Momentum in the form of the National Members Council which is drawn by random selection from the membership. If we can use such a method, in the form of randomly-selected juries drawn from the population to decide on matters of guilt or innocence, then there should be no reason why we can't use the same method to ensure impartial debates and clean voting.

At the moment, Momentum's National Members Council has no powers and effectively plays little role. We need to give it teeth and this is an obvious key role that it can take on.

The above examples show how Momentum can become a test bed for how to use modern online technology to genuinely involve the members in ongoing and meaningful participation in the running of any organisation. It offers important lessons on how participatory democracy could be implemented across society.

#### Party Policy in Momentum

The current leadership of Momentum are against Momentum discussing party policy issues. Instead, they want the organisation to remain only as a mobilising force behind the Labour leadership's agenda. But this is a totally unrealisable approach. All Party members naturally want to discuss the best way forward, and none more so than those on the left of the Party.

We need to lift this restriction on debate and to this end we need to introduce real policy conferences into Momentum, not just 'training events'.

### Momentum As a Mobilising Force for Labour

Momentum cannot be focused only on internal Labour Party issues. Its role at local, regional and national level should also be on helping to turning the Labour Party towards the wider public. During the next few years of Opposition all kinds of struggles and strikes are likely to break out as working people seek to defend themselves from a voracious Conservative Party seeking to loot the public sector and suck out as much benefit from the economy as they can before they lose governmental power.

Labour needs to link up to all the struggles of working people and civil society. Labour Party and Momentum members should be present at every strike, every demonstration, every protest. Building bridges of solidarity between the Party and the people. Local Labour Parties in particular must reach out to their communities and draw all layers of civil society behind its banner. Let's make Labour a Party of a million members and more.

### Strengthening Labour's Manifesto for the Next Election

The Labour Manifesto for the 2017 General Election was a major improvement over our manifestos in recent decades. And it should not be surprising to us that those radical pledges that were included in that Manifesto proved very popular among the public.

But the 2017 Manifesto had to be drawn up hastily in response to the snap election announced by the Conservative government. As such, it cut right across the wide consultation process that Jeremy Corbyn had announced a few weeks before the election announcement.

Inevitably, the Manifesto had important gaps in it. And on some questions the policies that were put forward need to be radically beefed up.

Moreover, the rush in which the Manifesto had to be produced meant that in many areas it was repetitive and lacking in coherence. Also, the language of the Manifesto needed to be more memorable with clear and impactful slogans that could become embedded in popular consciousness.

A stronger and more clearly worded Manifesto for the next election will be even more popular with the public. If the people begin to really feel that Labour has a worked out programme for ending their insecurity and hardship they will respond with massive enthusiasm and usher us into government with a resounding majority.

Let's use the precious time we now have in order to develop a better Manifesto, stronger, clearer and even more popular.

### Why this Manifesto is so Important

The coming election will be the most important since 1945. With the Labour leadership committed to radically transforming Britain for the first time since the War, we have a unique opportunity of achieving our historical goal of "the irreversible transfer of wealth and power to working people and their families". In other words of creating a real democracy in Britain.

In order to succeed in this we will need the maximum of preparation. The more prepared we are for power the more effective we will be in achieving our aims. The role of the Manifesto in these preparations is key. The more definite and thought out our policies are in opposition the less time it will take in office to implement them.

Just as important, the clearer our public commitments the stronger will be our mandate once elected. And the more difficult it will be for our opponents to justify resisting them. Indeed, the more unambiguous our policies are the less excuse there will be for Labour Ministers to abandon them in the face of the pressure and opposition that will inevitably come from the establishment.

### Democratising the Process of Consultation

The Labour leadership has decided to organise the process of consultation of Labour Party members on Labour's new Manifesto through the Party's Policy Forums. The Policy Forum structure was originally set up as a way of undermining the traditional power Labour Party Conference. But, the Policy Forums do have some potential advantages. While Labour Conference should be the key forum for resolving policy disagreements, it was often not the best way of developing a coherent policy platform.

Unfortunately, the Policy Forums did not perform this function well either. The domination of the Forums by the Labour Right and Centre meant that they allowed the old Party leadership to use the Forums as talking shops, ignoring

them whenever they wanted. However, this year new elections to the Policy Forums may well see us achieve a Left majority within them. Then we shall see if they are able to play a really effective role in developing policies for the Manifesto.

On the other hand, the Policy Forums can and should be only be part of the process of consultation. By their very nature they exclude many of the key stakeholders whose input we need in order to develop realistic and effective programmes for transforming Britain. Nor can they provide the time necessary to develop detailed policies for each sector.

If we seriously want to create the kind of thought-through programmes that can properly assess the problems of each sector, bring forward the investment and development policies that can overcome them, and clarify what public ownership is required, we need to involve all the relevant forces in each sector affected by its decisions. That means Labour taking the initiative to call sector-wide conferences with radical economists and representatives of consumers, professional associations, small business groups, suppliers, campaigning organisation and civil society generally. In this way we can not only draw civil society closer to us but also involve trade unions not yet affiliated to Labour.

In other words, sectoral conferences should include any relevant group that is sympathetic to Labour's intention of identifying the problems of their sector and agreeing on the steps needed to overcome them. Through this Labour's policy making structure – the Policy Forums and Labour Conference – would be able to present its proposals to a wider audience and test out, amend and refine them. This would be a major step forward from the current relatively non-transparent and fractured system of representations to and lobbying of Labour Shadow Cabinet Ministers.

Policies developed in this way can become not just Labour policies but also gain the explicit support of all the groups and interests that have participated in the process. Thus, our policies for each sector can become part of a peoples' programme for transformation of that sector. On a wider level it would turn Labour's Manifesto into a Peoples' Manifesto.

Equally important, such sector conferences will identify the groups that should be involved in the future governance of any public owned companies, and in the sector as a whole. It should lead to the election of representative commissions from each sector to continue the work of developing policies for that sector. This would provide a permanent structure that moves on from the old governmental ministerial top-down system, which even excluded parliamentary involvement, towards a democratic and accountable method for the administration of each section of society. That would be a key step in the development of Labour's alternative model of ownership and control.

#### Participatory Democracy

Key to all of Labour's policies should be to change the way that Britain is run. At the moment we live in a pyramid-style society where all the important policies are made at the top and all key personnel are appointed from above. Whether it be central or local government, big business or public services, ordinary people are excluded from decision-making. Yes, we are allowed to vote every few years, but in between elections we have no say in the implementation of policies vital to our lives.

This leads to alienation and apathy. It opens the way to corruption and exploitation. It encourages passivity and inefficiency.

The old Labour model of public ownership, administration and services brought many benefits. But it also suffered from bureaucracy, inefficiency and remoteness. Why, for example, should government-appointed managers run the National Health Service rather than the representatives of NHS staff, patients and communities? Why should publicly-owned industries exclude their workers, customers etc. from a real role in their governance? This is an obvious recipe for inefficiency and decisions that go against our interests.

In answer to the Conservative charge that Labour wants to return to bureaucratic, top-down, statist management, Labour needs to come forward with a new model for running the economy, the state and society as a whole. A model based on participatory democracy.

In place of the old representative democracy which has so clearly failed us, we need a participatory democracy where we have the right to be directly involved in decision-making. A democracy where workforces, customers, service users, communities and other grassroots interests are entitled to elect representatives at every level of society. Where such groups are not already organised they must be given support to become so. A participatory democracy where we use

online communication to ensure that the decisions in every sector and area are transparent, and when we want open to public debate and public vote.

Such a system would not only be more democratic and fulfilling, but far more efficient.

Labour should not be asking the people to vote for 'them'. To place power in 'their' hands. To do things on 'their' behalf. Rather, we should be asking people to vote for themselves, enabling themselves to take their rightful place in the running of society. To exercise power in their own right and in their own interests.

Instead of a paternalistic approach we need an empowering one. Such an approach would represent a new vision for the running of Britain. And without doubt, it would be immensely popular and inspiring to the public.

#### Investment, Development & Planning

The fundamental problems of Britain's economy and physical infrastructure call for a massive programme of democratically-planned, long-term investment and development. Yet, we live in a capitalist economy where effective public planning is rejected in favour of uncoordinated, short-term private decision-making by the multinational companies that dominate economic life. Planning does take place, and on quite a sophisticated level, but it is carried out within the big companies who utilise it for their short-sighted, elitist and limited goals. What we need is a democratically accountable planning system conducted in the interests of all.

Labour should use its Manifesto to argue politically and ideologically for a move away from the chaos of capitalism towards a democratic socialist, planned economy. An economy in which we are not left to the vagaries of the market but begin to consciously shape our economic destiny.

The Labour programme for revitalising our infrastructure and stimulating economic life across Britain marks a good beginning. But there are serious questions about whether it is really ambitious or detailed enough. The sector-by-sector conferences recommended above can turn Labour's pledges into real plans and concrete targets. In this way, Labour can begin to develop a process of dynamic democratic planning, first in opposition and then in government. Planning that properly takes into account the scale of the problems of Britain's economy and identifies what needs to be done to resolve them in the medium and long term. Dynamic planning that integrates regular feedback on progress and difficulties, and allows for experimentation and the fine-tuning of planning decisions.

China, despite all its bureaucratic and democratic limitations, has dramatically shown the benefits of modern, flexible central planning that utilising its public ownership of the banks and control of the dominant state-owned enterprises has enabled it to develop industry and infrastructure on a scale never seen in human history. The unprecedented success of China in bringing 750 million people out of poverty in just one generation is dramatic evidence of the superiority of publicly directed and funded development. Compare this to the West's record of chaotic growth followed by economic crisis and stagnation.

In Britain, we can go a major step further than China. By involving the public at key stages of the national budget and priorities decision-making process, we can create a highly efficient and accountable planning, investment and development system. And thereby begin to transform Britain and overcome our deep-seated problems. Such a system would need to genuinely involve the regions and localities in a two-way process so that no communities are left behind in Britain's transformation. It would also need to be linked up as part of an international socialist programme to further economic and social development across the world.

#### The Central Role of the Financial Sector

Absolutely central to any democratic plan for the development of the British economy is the role of the huge financial sector. Labour will not succeed if we do not tackle the financial sector. The banks, the insurance industry, the hedge and pension funds – these are the institutions that control the lifeblood of the economy. Without democratic control of these forces we will not be able to solve the economic problems of Britain. If we do not assert control of this sector it will inevitably control us.

Our ultimate aim should be to take the banks and financial institutions into public ownership and run them as a democratic public banking service. Only this will give us the financial levers with which to plan and develop the economy at all levels. Only this will allow us to end the blatant exploitation of the public's money and begin to use it to assist bank customers, small and medium sized businesses to flourish.

Instead of the private banks ripping us off, money laundering, and gambling on foreign currency and derivatives, we need a democratic public banking service dedicated to helping customers and developing the economy.

While it may be difficult for us at this stage to get such a major commitment in the Labour Manifesto, we must begin to argue for this policy and win the support first of the labour movement and then of the wider public.

At the same, we should demand that there be a commitment in the next Manifesto for the creation of a publicly-owned, democratically-run bank. Already, the Labour 2017 Manifesto raised the idea of a publicly-owned Post Bank using post offices for its branch network. It also put forward the creation of a National Investment Bank with regional offshoots. We may still own a majority stake in the Royal Bank of Scotland.

We need to integrate and flesh out these ideas with the aim of creating a major publicly-owned alternative to the 'banksters' that are ruining our economy. In the publicly-owned entity that emerges it is crucial that we involve its staff, customers, small business users etc. in the running of the bank. Also, that it returns its profits in the form of zero bank charges, significantly reduced charges on its credit cards etc. This will ensure its popularity and advertise the new model of public ownership that we want to introduce across society.

We also need to democratise the financial sector as a whole, the pension funds, insurance companies etc. After all, all too often it is our money that they are gambling with. We should also be very mindful of the fact the financial industry controls much of British industry. Public ownership and democratic control of the financial sector will give us key influence over the wider economy and allow us to integrate it into our democratic dynamic planning system.

#### Britain's Housing Crisis

Britain is suffering under a major crisis in its housing sector. With hardly any home building and rocketing rents, tens of millions of British people are suffering, especially the youth. In response to this crisis, Labour's 2017 Manifesto was radical in its rhetoric promising "Secure homes for all". But the actual policies in the Manifesto did not live up to this promise. A range of very welcome reforms were put forward but on the crucial question of public house building Labour's programme is far too timid. Labour only promised to build 100,000 council or housing association homes in the next parliament. That is only 20,000 a year! This, despite the fact that we now have the lowest interest rates in 250 years, low rates that could allow local councils to borrow to build millions of low rent and high quality council homes and repay such loans in record time.

We desperately require a housing sector conference to meet and develop the ambitious programme that is called for. As part of this programme we need to create a publicly-owned, democratically-run construction company that will deliver the affordable housing units we need with the design and facilities decided in consultation between the construction workforce and the would-be tenants. The dramatic failure of Britain's second biggest construction company, Carillion, once again proves the need for a publicly-owned construction company, free from the short-sighted profit-driven aims of shareholders and managers, and answering to tenants, construction workers, locally elected councils and so on.

Such a construction company would play a key role in the proposed Labour Government's reconstruction of Britain's infrastructure, providing value for money and reliable services.

#### Health

Britain's National Health Service is under serious attack from underfunding and privatisation. Labour's Manifesto needs major strengthening in this area – for a return of the NHS to full public ownership. But we don't want to see the continuation of the top-down management system that is introducing these cuts and privatisation. Instead we need a full system of participatory democracy introduced into the service.

Another vital commitment that should be discussed for inclusion in the Manifesto is the setting up of a democratically-run, publicly-owned pharmaceutical and medical equipment company. When the NHS was first created in 1948 it owned a pharmaceutical company but was forced to sell it off in favour of the private sector. Today, a major part of the NHS budget goes in paying exorbitant prices for drugs and medical equipment. A publicly-owned medical company linked to the NHS would not only end the huge over-charging that currently drains the service's budget, and thus release funds for the rest of the service. It would also allow for the financing of urgent and relevant medical research instead of the wasteful me-too drug research currently carried on in the private pharmaceutical industry. Ironically, many of the genuine advances in medical research are actually carried out in publicly-financed areas such as

universities. It is time that the benefits of such research was utilised by a service-oriented democratic public enterprise rather than be creamed off by profit-hungry, multinationals. Drugs and medical equipment should be used to cure the sick not to make a small minority even richer.

### Communications

Currently, Britain's telecommunications and internet services, despite the supposed advantages of competition, are lagging well behind the latest technology and holding back the country. Meanwhile, the customers of these services are being royally overcharged in what is one of Britain's most profitable sectors. Instead of these crippling home and mobile phone and internet bills, we now have the possibility for an entirely free telephone service funded by a low-cost internet service. But such a development would not be in the interests of the profit-driven phone and internet providers. For this reason, Britain urgently needs the launch of a publicly-owned, democratically-run communications company – to introduce cheap superfast internet which would abolish telephone costs while dramatically improving the economy and opening the way to a truly participatory society.

### Food

In Britain, farmers and farmworkers, the food retail workforce and the wider public are being exploited by the supermarket chains and the processed food industry. Through a combination of squeezing the suppliers, paying retail workers inadequate wages, and charging high food prices (masked by bargain offers on a few products) the industry is able to make massive profits. Even worse, the food manufacturers and retailers are increasingly damaging our health with artificial additives and poisonous processes, along with the use of advertising and product placement to encourage unhealthy eating practices. Individual action to overcome this by campaigns to boycott products is a step forward. But only the introduction of democratic public ownership into this industry can begin to reduce food prices while dramatically improving our health.

Linked to this is the need for the development of a co-ordinated string of co-operative cafes and restaurants that can offer cheap and nutritiously-prepared meals as an alternative to the unhealthy and expensive fast-food industry that is increasingly monopolising our high streets and shopping malls.

### For a Publicly-owned Company in Every Sector

Above we have briefly described the key advantages that public ownership could bring to the construction, health, telecommunications and food sectors. A similar case could be made in every sector of the economy.

As socialists, it is our view that the democratic ownership of the big companies that dominate each sector is a vital necessary step in order to solve the problems of society. We need to have a major and ongoing campaign by Labour to explain this to the public. This would provide the bedrock of support for our programme as a whole.

That said, we must recognise that for many, public ownership of big business across the whole economy may be a step they are not yet ready for. In response to this, we need a transitional approach that is able to demonstrate the relevance and benefits of democratic public ownership in a practical way. To this end we need to begin to argue for a publicly-owned, democratically-run company in every sector.

The Conservatives and the prophets of free enterprise argue incessantly for the extension of competition and choice. Let's take them at their word and introduce legislation for the formation of a democratic publicly-owned company in every sector. Let's offer consumers a genuine choice between products and services from our new forms of publicly-owned enterprise and those from the profit-obsessed multinationals. Let's see how big business compares with long-sighted, democratically-run public companies with access to low-cost finance, and direct worker and consumer input into the design, quality and cost of products and services. With publicly-owned companies free from the past shackles that held them back from extending their business into profitable areas of the economy.

There is no need to set up such public companies from scratch. In many cases, there are already considerable activities in different sectors carried on by publicly-funded entities. They just need to be co-ordinated and integrated together in a rational and accountable form. Similarly, there are a host of zombie private companies in each sector which are teetering on the verge of bankruptcy and surviving on the basis of almost zero interest rates and/or public subsidy. There is no reason why such companies can't be integrated into the new public enterprises which would thereby guarantee the continuation of their services and employment but in a reshaped more effective form.

### For Democratic Regulatory Commissions

When Margaret Thatcher privatised the nationalised industries Regulatory Offices were introduced supposedly in

order to ensure competition and good service for the consumer. It hasn't quite worked out like that. Instead, the Regulators have mostly ended up in the pockets of the big companies that dominate their sectors.

It is well overdue for us to democratise the Regulators while extending regulation to every sector. We need Democratic Regulatory Commissions to be set up in each sector. And instead of being staffed by Regulators drawn from the elite and appointed from above, the members of these Regulatory Commissions should be elected and accountable representatives of the relevant interests in each sector including trade unions, consumers, small businesses, campaigning groups etc. plus parliamentary representation. Such Commissions would be given the task of instituting inquiries into the condition of their sectors, identifying where the law is being flouted, holding Ministers to account, issuing enforcement regulations and recommending candidates for public ownership. As we pointed out earlier, in this way we would also be helping to democratise the executive function of government ministries, while expanding the checks and balances needed in a truly democratic system.

#### For a Democratic Media

As we have discussed earlier in this document, Britain clearly does not have a democratic media system. How can we call ourselves a real democracy when the information which people need in order to decide on who to vote for and which policies to support, are in the hands of a few super-rich individuals or government-appointed officials? An urgent priority for a Labour Government is to democratise the whole media sector including the BBC. This is not only a necessary but a highly controversial idea - people may not like the media system we have today but nor do they want to see us end up with a stalinistic system of censorship and control from above.

There already exists a Media Democracy movement in Britain. This movement is moving steadily towards the idea of independent publicly-funded media services. Labour needs to officially plug into this with a view to developing a programme for the democratisation of Britain's media.

#### For Workers' Rights

Labour's 2017 Manifesto demands greatly strengthening on the vital question of workers' rights. We need to establish the constitutional and unconditional right of all workers to withdraw their labour and to go on strike. The neo-liberal governments of the last forty years have introduced one law after another to restrict this basic right. As such Britain is in breach of scores of the rules of the UN's International Labour Organisation.

The result has been the weakening of the bargaining power of working people, with employers taking advantage of their domination of the labour market to drastically lower wages and worsen conditions. Too many workers on contract are artificially classed as self-employed and denied their rights to employment rights and benefits.

Thus we have seen that the share of national income going to workers has consistently fallen as the bosses have successfully ensured that rising profits have gone exclusively to themselves and their shareholders.

We urgently need to reverse this situation. The right of workers to go on strike spontaneously and in solidarity must be restored very early in the life of a new Labour government. Where appropriate self-employed workers must be recognised as the employees they really are.

Directly linked to this is the question of trade union membership. Workers require trade unions in order to redress the balance of power in the workplace. We need to establish the positive right of workers to join a trade union without fear of dismissal or reprisals. And to have that union automatically recognised to negotiate on their behalf.

Towards this end, the Institute of Employment Rights have prepared excellent legislation which Labour should embrace and pledge to enact.

#### For a New Form of Globalisation

The existing form of globalisation has further opened up the world to the multinationals, and helped them to introduce super-exploitation in order to maximise their profits. Setting nation against nation and city against city, big business has been able to bid down wages and conditions, and get governments at all levels to carry out its wishes. In this race to the bottom poverty has spread from the developing countries to the richer states. This is a major reason for the growing discontent in the advanced countries that has led to results like Brexit, the election of Trump and the rise of right and left-wing movements.

Against the right's arguments for nationalism, racism and protectionism, Labour should call for a new kind of globalisation. One that seeks to level up wages and conditions instead of levelling them down. That seeks to build

international trade co-operation rather than damaging competition. That seeks to transfer much of the huge sums wasted in arms production and defence budgets towards development of the poorer sections of the world.

### **Democratising Labour**

Having a great programme for government is vital, but it will be no good if the Labour Party's representatives in parliament are not behind it. Events have shown that too many Labour MPs conveniently forget that they were elected to parliament as Labour candidates not as individuals. Meanwhile, we have not forgotten the incredible level of hostility that most Labour MPs showed towards Jeremy Corbyn, the overwhelmingly elected leader of the Party. And the sabotage that they inflicted on our Party which helped to prevent us winning the last election and forming Britain's government.

While there will be some Labour MPs who are genuinely beginning to come over to Labour's new programme, we know that too many are still firmly wedded to the neo-liberal agenda and are only going along reluctantly with the Party's radical programme because they can't stop it. If we are not careful, once Labour takes office, such MPs will work against Labour's Manifesto programme in parliament. They may be prepared to cross the floor and vote with our opponents against the Manifesto commitments upon which they were elected. In a crisis situation, some of them could even be prepared to break with Labour in parliament and join forces with centre elements from the Conservatives and the Liberal Democrats. We cannot afford such uncertainty. We need parliamentary representatives who believe in Labour's programme, who will campaign for it, and will support it in government when the going gets rough.

To this end, we need to change the current rules that make it difficult to change existing Labour MPs and/or make them accountable. Contrary to what they assume, a seat in parliament cannot be a job for life. Every Labour candidate for parliament should have to stand for nomination or renomination every five years. Existing Labour MPs have considerable advantages in such a contest with name recognition, personnel, and constituents for whom they have performed services. If a Labour MP has been doing a good job and is willing to listen to the opinions and advice of their local Labour membership, they have little to fear. Only those who have performed poorly, or arrogantly insist on rowing their own boat against the opinions of their local members are likely to be seriously challenged.

On the positive side, such open elections for our parliamentary candidates, as Jeremy Corbyn's leadership election campaign showed, can greatly increase interest in our policies at local level and provide a big boost to Party membership and enthusiasm for Labour. Indeed, Labour parliamentary candidates chosen in this way will gain considerable name recognition in their local community which can only help Labour secure more votes on General Election day.

### **A Future Labour Government**

While, we cannot assume that Labour will win the next General election, it is a strong possibility, especially if we develop a popular Manifesto along the lines sketched out above.

What we can take for granted is the massive opposition that Labour will face in government as they seek to implement a radical programme.

As soon as a Left Labour government is elected there will be a massive fall in the stock market and a run on the pound. If Labour shows that it is serious about implementing its programme, including cracking down on tax evasion and avoidance by the rich, there will be a flight of capital. Already, sections of the wealthy are transferring their funds abroad.

If Labour then seeks to seriously intervene in industrial questions there will be an investment strike with the CEOs of multinationals issuing threats to Downing Street that they will withdraw their operations from Britain.

Labour must be prepared for such developments. Already there has been talk among Labour Shadow Cabinet on how best to respond. This debate needs to be widened throughout the labour movement. The more we prepare the better we will be able to cope with such opposition.

For example, we need to prepare plans for taking control of the banks and other relevant sectors of the financial sector in order to stem any serious outflows of capital. Failure to do this could lead to us ending up like the Syriza-led government in Greece which was brought to its knees in under six months by the uncontrolled transfer of funds abroad.

Likewise, the quicker we create Democratic Regulatory Commissions and set up publicly owned companies in every sector, the better we will be able to withstand investment strikes and step in if companies are artificially driven to bankruptcy.

No-one should underestimate the ferocity of the opposition that Britain's ruling class will mount to defend their interests and their system. Nor the length they will go to defend their power and wealth. Already during Jeremy Corbyn's first Labour leadership election campaign we heard a serving army general threaten that the army could mutiny against a Corbyn-led labour government.

There are some left reformists who think that the super-rich elite in Britain and the politicians and establishment that serves them will reluctantly accept the democratic wishes of the electorate. That the old powers will allow their wings to be clipped. But we should not rest on such illusions. As the old saying goes "you can peel an onion layer by layer, but you can't skin a tiger claw by claw".

The super wealthy and their functionaries will stop at nothing to save their power and wealth. If necessary, they will have no compunction at using the state machine to overthrow an elected Labour Government. That is why the democratic transformation of the state including the police, the army and the intelligence agencies must be an urgent priority for a newly elected Labour government.

So too must be our policy for democratising the media. If anyone thought that the mainstream media onslaught on Jeremy Corbyn was bad before, wait until he is in power. The gale will turn into a hurricane. The simple way to undercut this is to democratise the media and take away from the super-rich elite their massive and unrepresentative power to influence and inflame the public.

That there will be massive resistance to a left-wing Labour Government is inevitable. Such resistance can be the excuse for retreats and abandonment of Labour policies. Or it can be the occasion for mobilising the British population in defence of their government and for moving ahead and implementing the transformation of society in their own interests. The more we prepare for such a situation, the more easier it will be to win. And the existence of a mass democratic socialist current in the labour movement will be essential to ensure that decisive action is taken when it is needed.

#### Our Role

As Democratic Socialists we fight for every reform and improvement for working people that can be achieved. But we recognise that we live in an era of capitalist crisis, a crisis that stands in the way of such improvements. A crisis that threatens to take away the gains that we have achieved in the last 100 years. A crisis that can only be solved by the replacement of capitalism with a democratic socialist society.

All democratic socialists who feel this way need to begin the process of discussing and organising together. Organising to help Momentum build and transform Labour. Organising to help Labour prepare an effective programme for power. And then to present its programme in the most effective manner so that it can win the next election with a big majority. Organising to resist the inevitable and massive reaction that will come towards a Labour Government. Organising to achieve our historic mission to transform society in Britain and the world.

Never have we had a more favourable opportunity. For the first time in our history we now have a left-wing mass party under a left-wing leadership. And in a powerful country that can become a beacon to the rest of humanity. Such an opportunity comes along once in a lifetime. Let's not miss it!

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*\* This is a draft document produced by some members of the new Labour Party Socialist Discussion Forum. The aim of the document is to stimulate ideas and contributions. If you would like to contact us about this or any other issue please send us an email to: [LabourSocialistDiscussionForum@gmail.com](mailto:LabourSocialistDiscussionForum@gmail.com)*