

A wrong turn in the search for freedom?

Viewpoint
Informing debate

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The JRF's recent public consultation revealed a strong sense of unease about some of the changes shaping British society. This *Viewpoint* continues the discussion about modern 'social evils' on the theme of 'individualism'. Neal Lawson discusses why we are less happy and why our lives feel more out of control than ever before, despite gaining many individual liberties.

Key points

- The creation of a society based on abundance instead of scarcity presented us with a choice about what kind of world we wanted to live in. Could freedom be found through possessive individualism or would real autonomy, the ability to shape our world, require greater equality and new solidarities?
- The political triumph of the new right meant that free market ideology put notions of the state and society on the back foot. After the cultural revolution of the 1960s, the search for liberty became overly focused on markets and consumerism. This was a wrong turn.
- The result, even during a time of economic boom, has been a social recession centring on the social evils shown in the Joseph Rowntree Foundation's consultation.
- Because everyone is prey to the whims of global competition, our lives feel insecure and anxious, and tolerance and respect for others is declining. The social fabric is being eaten away as we compete rather than co-operate; community cohesion is undermined by the forces and consequences of global markets through dramatically higher capital and people flows.
- At the heart of the neo-liberal project is the consumer society. It is as consumers that we now understand ourselves and others. Consumerism both seduces us and negates the possibility of alternative ways of living. It compensates us, just enough, to keep us on the treadmill of earning to spend.
- The political and the democratic freedoms we enjoy are under threat from a definition of freedom based solely on market forces and consumption.
- Progressives need to establish a richer and more ambitious definition of what it is to be free – one that entails not just personal freedom but the ability to shape the institutions that really affect our lives: the market and the state. We can only do this if we are more equal, and more willing and able to work collectively to achieve what we cannot do alone.

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Introduction

It is the wish of all men ... to live happily. But when it comes to seeing clearly what it is that makes a life happy, they grope for the light. Indeed, a measure of the difficulty of achieving the happy life is that the greater the man's energy in striving for it, the further he grows away from it if he has taken a wrong turning on the road.

Seneca, *On the Happy Life*
(quoted in Bauman, *The Art of Life*, 2008)

Something profound has happened to society over the last 30 years, as two curious phenomena have come to light. The first is that as we are getting richer we don't seem to be getting any happier. The second, and there is a strong link, is that we feel increasingly empowered as individuals but increasingly disempowered as citizens. We can choose more of what we want as individuals in the shops but feel more powerless than ever to shape the world around us in any meaningful sense. As we reach the end of the first decade of the twenty-first century our lives are prey to forces beyond our control.

These two phenomena combine to create a world that feels like it is out of our control: a sense of directionless and empty meaning is mixed into a potentially lethal cocktail with an apparent inability to do anything about it. It is turning society into a toxic brew of intolerance, inequality, crime and violence. The Joseph Rowntree Foundation calls them 'social evils' while the pressure group Compass refers to it as a 'social recession'. Social recession is a useful phrase as it highlights the newly emerging understanding that society can suffer even when the economy is buoyant. In the past a healthy economy was seen as synonymous with a relatively healthy society. It was economic recession that exacerbated the old social evils. Not anymore. Social recession hits all social groupings, except of course the new untouchables – the super-rich. Because this is a world created to fit their purpose and interests; it is everyone else who suffers as a consequence.

There is an almost tangible sense of insecurity that pervades our lives. Little is certain or sure except the almost relentless and exhausting struggle to keep going on the 'earn-to-spend' treadmill of the consumer society. House prices are collapsing, basic food and utility costs are rising sharply, supposedly secure pension schemes are disappearing, long-term care and university fees increase the bills and even white-collar jobs are being outsourced to India: it feels like there is nothing we can do.

In terms of employment, there is more of it but it is less secure. The concept of a job for life no longer exists, and neither does the security it provided. As a result, a growing pressure is tangible – if the boss or other employees never go home then neither must we. Juxtaposed to this is a culture of an uneven work-life balance. In Britain we work some of the longest hours, yet enjoy fewer public benefits. More work should generate more private and public affluence through spending power and an increased tax take. But even our much-cherished NHS is still below the average funding level of the EU. The long hours culture is exacerbated by the desire to shop. We work to buy but buying soon leaves us feeling empty and the pressure of keeping up at work and on the high street is taking its toll.

We want to spend because successful consumerism defines what it is to be 'normal' in today's society. In the past we were known for what we did – what we produced. No more. Now we are a society defined by what we consume. We wear brands to distinguish or rank ourselves. The number of bedrooms we have and the location of our home relay our social standing. Goods and services are not just valued for their instrument worth (what they do) but for their intrinsic and emotion value – what they say about us. We can now be 'ashamed of our mobiles' – spurring us on to buy the newest model, to buy into the latest trend. While we are never physically forced to buy, ever-changing styles and designs coax us into buying more and if we refuse then we refuse to be normal. This is a truly frightening concept: that we will fall off the treadmill into the abyss of the failed consumer. Yet it's not as if it's without fun or reward and this is what makes it so hard to struggle against. Consumerism manages the cunning trick of repressing us through seduction. Why would anyone bother to fight against the joy of shopping when we obviously get a kick from it?

In the past it was the reality or threat of unemployment or low pay that was used to discipline the workforce in a producer society. Today in a consumer society it is the desire to desire that is the control mechanism for the reproduction of social values and norms. It is the seduction of consumption that keeps us working and buying and therefore ensures society stays in order and under control. Shopping provides us with compensation for not living a full and proper life. Like any form of compensation we must recognise that it delivers some benefit. We are temporarily transformed and exhilarated by the thrill of the till. Shopping buys us identity, meaning and purpose. But only for the short term. For a society based on consumer one-upmanship means we are all prey to others getting ahead of us. As soon as our neighbour buys something we don't have they put us in the shade – but only until we can out-buy them. This is the new motor of the economy – consumer jealousy that leaves us never satisfied and always exhausted in the search for the next must-have car, mobile or shirt. Being satisfied is not the objective of a consumer society. If that were the case then we would simply stop buying. We can never stop buying because that would mean the end of society as we know it.

One of the key reasons we carry on shopping, like the donkey following the carrot dangled before its eyes, is that we know of nothing better to do. We are stupid but we are not that stupid. We know it is empty, frivolous and meaningless but what else is there to do? There is no other offer on the table. This, in a nutshell, describes the plight of being a successful consumer – if success is the right word.

But it is much worse for what the sociologist Zygmunt Bauman calls the 'failed consumers'. Every society has its poor and the shape and nature of the poor changes with the shape and nature of the society they live in. The poor in a producer society were the unemployed, but because of the economic cycle at least some kind of periodic connection to the rest of society was made. They would be kept as a reserve army – fed, schooled and just healthy enough to be ready if the market needed them. While poor, they at least had the bonds of community to shelter them. It was a miserable existence but they were a class that at least enjoyed the solidarity of others.

Today's poor, the failed consumers, enjoy no such benefits. First, because they cannot properly consume they are never needed. They are denied proper welfare and benefits because they will never be of any use to the rest of us. And they have no solidarity. They do not live in self-sustaining and supporting communities but in isolation. Unlike the poor of the past their goal is not to overthrow their oppressors but to be like them. For they are equally seduced by consumer society, and because they have nothing else the trappings of success are so much more urgent. The images of

consumerism are all around them. They cannot escape the windows and billboards. Middle-class children are likely to be less concerned about the trainers they wear because they have other interests and ways to measure their success. But for someone from a sink estate, having the right brand or mobile is all there is. It is worth fighting and sometimes dying for.

In absolute terms this new poor might be better off but it's the relative gap between the rich and poor that matters and the emotional and psychological damage of being an outcast that counts. Of course this new poor refuse to accept their lot. If they cannot consume by the rules then rules are broken. They steal or resort to fakes. But always their difference is apparent. Their poverty and hopelessness is etched into their faces. Their poverty is their fault, says the argument made in a speech in July 2008 by the Conservative Party leader David Cameron. They are castigated as lazy and idle – not part of the fraternity of 'hard-working families'. It is not society, the economy or politics that has failed them – they have failed themselves and have no one to blame but themselves. In this sense, while they may have access to some designer brands, or at least copies of them, never have the poor in relative terms been so excluded from the mainstream of society. Ultimately they are hated by the rest of 'normal' society because they hold a mirror up to the rest of us and show us what failure looks like. In them we confront our potential abnormality and we despise them for it.

They have no hope because there is no infrastructure for hope. Consumption is now a private act. Unless something is personally and individually chosen then it has no value. Choice has become the meta-value of our society. Money is much better spent in private and in person. The state's role must be kept to a minimum. Far better that we individually pay for what we need – whether that is consumer goods or education, health care or the private security needed to protect us from the failed consumers who stalk our streets and make our lives uncomfortable and threatened. In a consumer society there is no tolerance, respect or compassion for others, just a possessive defence of our individual right to choose.

Consumerism, the mindset of normality in the twenty-first century, corrodes our social fabric. As consumers we see ourselves essentially as individuals. What matters are the personal choices and purchases we make as we compete against others to be a shopping success and to stand out. The good life is one that is bought in a never-ending pursuit of wants that are transformed by marketing seduction into needs. Answers can only be bought individually, not negotiated and arrived at collectively. The consumer is king or queen. We are sovereign individuals – always right and in full possession of our rights. Money is for private consumption not public investment. It is to be spent

now for instant gratification, not saved or directed towards long-term social needs.

Society enters a vicious cycle of decline. The sharper social differences get, the less likely it is we seek common answers and public solutions. There is no empathy in a consumer society. Instead we put more and more onus on private consumption and personal security. Public spending is seen as wasteful and morally dubious. No one can help us but ourselves. The public realm is denied the oxygen of investment and sustainability. The less likely investment in the form of taxes becomes, the shabbier the public realm becomes and it is less able to hold together the interests of a range of social classes. The more it and our communities deteriorate, the more people retreat into the safety of their own enclaves. The less our lives touch, the less we feel a sense of obligation to each other.

Growing global market forces create new problems of community cohesion. Borders are opened up and due to profound economic imbalances this increases the flow of people between parts of the world. This creates local tensions in communities that become home to immigrants. In the past this was more containable because the infrastructure of state could cope, but now public resources are stretched. New social housing is in short supply and we are under-investing in public transport and making impossible demands on health and education services. In a competition for scarce resources, tensions naturally arise, especially when policies favour flexible labour markets which create a race to the bottom in pay and conditions. The situation is made worse by a crisis of national identity stoked by the decline of institutions that represent in part what it means to be British. The subjecting to the market of once proud institutions like the BBC and Post Office eradicates tangible expressions of national identity. The result is that the market flattens everything.

Levels of anxiety and insecurity reach new heights as we try the impossible trick of finding individual solutions to what are collectively created problems. We are reaching a tipping point in the social recession, beyond which society may not have the ability to recover the vital sense of common interest necessary for its sustainability.

Is the future really just about consuming more? If consumption is about symbolic meaning then the ability of advertisers to trigger new wants and needs is limitless. Enough is never enough! We could still be at the tip of the iceberg of the consumer society. The next revolution in selling, marketing and advertising will mean the market seeps in to ever more of our lives and society. More children aged three can recognise the McDonald's symbol than know their own name! Scientists are looking at how to trigger the 'buy button'

in our brain. Buzz marketers pose as innocent fellow consumers to extol the virtues of the brand that is paying them. The further the market and its values encroach, the less space there is for community, society and the values that underpin them.

All this in the space of just 30 or so years. How and why did it happen?

Why is this happening?

The political, social and economic history of the last 150 years has been defined by the struggle between the free market and the forces of society to better regulate and direct the economy. This struggle was the sharp point in the unfolding tensions between class forces and interests. Who would gain more – the owners of capital or those who worked by hand or brain? Governments of the left and the right came and went. Change was followed by consolidation and eventual consensus. After the post-war settlement there was cross-party agreement around relatively high levels of public service investment in welfare benefits, education and health: a mixed economy between the nationalised utilities and companies and the private sector grew.

But all this unravelled in the 1970s. First under Labour, but then decisively through Margaret Thatcher's leadership of the Conservatives and then the nation after 1979. From that point on, the notion of a balance between the needs of society and the demands of the market no longer held. The imperative of her policy was the primacy of market forces as a moral necessity and an inevitable fact. The upshot was that the high point of social and economic equality reached in the post-war years has since led to three decades of widening inequality and what looks like diminishing social mobility. Despite strenuous efforts New Labour has offered only a humanised version of what is still in essence a neo-liberalism project. If we want greater social cohesion and a more equal society it is essential to understand why neo-liberalism took such a strong political and cultural hold on the nation.

Karl Marx said 'Men make their own history, but they do not make it as they please'. The neo-liberal project demonstrates the accuracy of this statement. It was an intensely political project, developed, arranged and argued for in very precise, coherent and well-organised terms. But it was lucky in that the moment was right for a potential switch in the political direction of the country. The plan and the moment had to come together, and they did.

The plan was rooted in the political economy of the Austrian school of economists, most notably the work of Ludwig Von Mises and his student Friedrich von Hayek – in particular his 1944 masterpiece *The Road*

to *Serfdom* (which Mrs Thatcher was rumoured to carry around in her famous handbag). At the height of big post-war government and the burgeoning state, this dedicated and tenacious band of free marketeers developed a critique of state intervention and made the case for the liberalisation of the economy. What is interesting is that they stuck to their guns and refused to compromise their thinking by any attachment to political forces. They wanted the politicians to come to them on their terms when the time was right.

In the US they infiltrated the universities with key supportive economists either winning posts or by paying to have them created. This was especially the case in South American countries like Chile. In particular they had a decisive influence on the creation of the Chicago School under Milton Friedman. In the UK they found their voice through the creation of new thinktanks like the Institute for Economic Affairs. By the late 1960s and early 1970s their thinking was in a more advanced state in terms of why and how the frontiers of the state should be rolled back.

The moment for neo-liberal advance came because of sweeping economic, cultural and social changes. The forces of economic and therefore social centralisation were unwinding. The big government of the era of Fordism was reaching the limits of performance and effectiveness. The 1960s was the key decade in which wartime conformity gave way to an era defined by the end of deference and the flowering of identity politics. The 1960s cultural revolution was against the machine and in favour of freedom of expression. Big corporations and big government were the new enemy. In the east, the Soviet model was found wanting as an underperforming con-trick. The centre could not dictate how people behaved. In the west, social democracy was struggling to meet the pressures of both these new cultural times and the economic downturn of the early 1970s.

The crisis of profitability gave big business the incentive to look for an alternative to a post-war consensus based on social investment. Right on cue came Mrs Thatcher, extolling the virtues of the free market, the small state, low taxes, weaker unions and the privatisation of industries and social housing. Crucially, something entered the psyche of the nation that equated the public with bad and the private with good. This was her intention. The neo-liberal project was vast in its ambition. Not just to restructure the economy but to use the economy to change the way people felt and behaved. Mrs Thatcher famously said 'economics are the method but the objective is to change the soul'. She knew that in all of us there is the propensity to be caring, compassionate and co-operative as well as possessive, individualistic and greedy. She knew and said that socialism never dies. She knew too that people could be bent and shaped by institutions that

favoured one set of characteristics over the other. Her years in power were an exercise in destroying the institutions of society – to ensure that it could not exist – and promoting the institutes and practices of the market. It was a project of audacious political and economic engineering in which 'the market cannot be bucked' and, as she famously said, 'there is no alternative' (TINA).

Britain still lives in the shadow of TINA. New Labour's election in 1997 marked not a different political phase but a new part of the same neo-liberal project. Mrs Thatcher's slash and burn approach to the forces that got in her way, for example the professions, meant that she created too many enemies. Furthermore, Britain's ability to thrive in the global economy required state intervention, in order to construct the supply side conditions for economic success. Raw neo-liberalism would never use the state, particularly in the shape of public education and training, to assist the economy to be more competitive. But it made little sense not to mobilise as many workers as possible in the quest for global competitiveness while reducing the cost to the state of unemployment. Instead of people sinking or swimming on their own the state would intervene to help them. Crucially, though, it was all to the same ends of promoting the efficient economy. Indeed New Labour's coupling of economic efficiency with social justice meant that the promotion of the market could be justified in almost any sphere.

As only Nixon could go to China, so only New Labour could embrace the market, going further than Mrs Thatcher ever dreamed or dared. If economic efficiency delivered social justice then it was justified to promote it wherever possible. The thinking was simple: market systems are deemed efficient because they close the gap between producers and consumers enabling quick and easy signals to flow between the two. This means cutting out mediating organisations that required dialogue, debate and consensus-building to function. Trade unions, local government, professional bodies and community groups all slowed the decision-making process and were deemed inefficient. The agora, the term the ancient Greeks used for the public sphere, was therefore a luxury a competitive economy could do without. Democracy was suddenly part of the problem, not part of the solution. This was to be a project built on agoraphobia – a fear of public spaces. So it was no accident that the early flowering in New Labour circles of the politics of community and stakeholding quickly withered on the vine.

New Labour now looks as if it is buckling under the weight of its own contradiction. An essentially neo-liberal project cannot be housed forever in an essentially pro-social political movement. But it means the possibilities for change are presently restricted. All three main parties huddle on the same narrow

territory. The state must be further commercialised, benefits payments more stringently applied, wherever possible taxes lowered, the market left to its own devices, regulations minimised, labour markets kept flexible. But elements of the state like law and order are strengthened to deal with the anti-social consequences of the free market. As long as the consensus holds, democracy and the chances of an alternative are diminished.

This is not some neutral point of equilibrium but a settlement in favour of free markets and those who benefit most from them. It is not that markets are morally wrong – they have no morality. They are just a mechanism to seek profit. It doesn't matter where or how. Every aspect of society and our psyche can be tapped into if there is money to be made. Public services, pensions, social relationships and so on, everything that can be turned into a commodity will be. We may need a balance between the dynamism and innovation of the market and the requirements for a space to be social and equal but markets simply do not do balance. The demands of shareholders, investors and the fear of competitors mean that they have to keep on finding fresh sites for profit. Unless, of course, society and the state manages to erect the regulatory and moral barriers which can keep the market in check. It is those barriers that have now been discarded.

The march of the market means that politics now does less and less. It used to deal with the big things in life. But now it only exists to serve the interests of the market. People know this and recoil from engagement or even voting. In consequence politicians promise to deliver on ever smaller agendas and so the cycle repeats itself. Fewer people take an interest because the common perception is that whoever you vote for nothing really changes. Those that do bother to vote have more of an interest in the economic and social status quo so only their views are targeted. As democracy goes further into retreat the field is left open to the market. If collectively we cannot do anything then we might as well go out and spend, spend, spend. At least that way we have some autonomy, some freedom and some ability to shape our lives. What else is there to do? The market is now the master and society is its servant.

The solution

Anyone who wants a more equal and democratic society has a problem. The market is not the answer as the experience of last 30 years testifies. But the old centralised state is not the answer either. The solution lies in going back to the cultural crossroad of the 1960s, the decade in which notions of freedom became largely individualised. Instead of railing against individualism per se, progressives need to recognise that all aspirations

start from people but that it is the context in which they are formed and the means by which they are secured that matters. What is required is a redefinition of freedom. Instead of viewing it only through the prism of limited individualism and consumerism, freedom needs to be recast in more expansive terms to give people real autonomy, defined as control over our lives. The freedom to become the authors of our own lives requires three things.

First it demands equality. In theory we are free to do whatever we want, to buy what we want and become what we want. In reality we need the resources to make anything happen. At a frivolous level I am free to eat at the Savoy Hotel every day of the week but the reality is I can't afford it. More importantly, to have a job interview I need the right clothes and the bus fare, let alone the right qualifications and training. We need sufficient equality to ensure we have maximum freedom. Equality is not about treating everyone as if they are the same, quite the opposite. It is about ensuring that everyone has sufficient resources to be as free as possible.

Second, a modern definition of freedom demands solidarity. If we can only achieve and change so much through individual action, then the solution to changing more and taking back control of our lives is only found by acting in concert and in co-operation with others. It is as social citizens that we make our world. But the challenge is to find a way of doing collectivism differently. In the past it was the centralising state that ordered collectivism from the top down. Like worker ants we played a part but our voices were never heard or heeded. That has to change. The unaccountable and bureaucratic state should concern progressives as much as the unaccountable market. At every level the state needs to be democratised, humanised and where possible localised to ensure that it is people power that makes decisions: the argument being that not only is this morally the right thing to do but it will also lead to more effective outcomes because people's real experiences and insights are brought to bear on how services are delivered.

Here is a handy coincidence, because all the problems we face demand more collectivism not less. The credit crunch, the problems with financial services regulation, the shortage of affordable housing, pensions, long-term care, transport, the closure of post offices, the need to regulate labour markets and of course climate change all demand greater collective co-operation. None of them are issues we can solve alone as individual consumers. In no instance is anyone saying the answer lies in more freedom for the market. The market is the problem, not the solution.

But in all this there are contradictions and tensions that need to be worked through. Not just between short-term and long-term goals and differing class interests,

but between a desire for diversity through localism and the need for equality. Difference and equality or universalism clash. By rightly allowing a thousand flowers to bloom in different communities so that people can become directly involved in the institutions that influence their lives, we open up the reality of different outcomes in different places. There will be a postcode lottery. But a progressive politics wants some level of equality. This is the progressive paradox. The answer to the paradox is not to pretend it does not exist but to work out how to live with it. The management of this paradox represents the third strand of the reformulation of freedom, which is to dare to have more democracy. Democracy allows people to live the tensions and the problems of the diversity/equity divide and share in the management and containment of them through proper deliberative processes, both in public services and in their community.

This external tension between a need for difference and a need to belong, which must be based on some level of similarity, is mirrored in our own personalities and characteristics. Indeed these competing desires can be seen as the motor of human history as we continually swing between more communitarian needs and then more individualistic desires. Too much of one leads to an increased demand for the other. Progressives must not ignore the pull of individualism but set in place institutions and cultures that allow a reasonable balance between collective action and personal initiative. Democracy is the means by which this process can be mediated. It is no accident that the high point of equality in Britain in the 1950s and 1960s coincided with the high point of democratic participation. The two go hand in hand as it is in the democratic sphere that we meet each other as equal citizens. The danger of the market is that it does not do balance, just profit, and is therefore incapable of dealing with the complexity of the human condition.

The crucial step all progressives need to make is the recognition that democracy is not just a means to an end – i.e. the delivery mechanism for state power – but is an end in itself. The good society and the good life is a world in which we have the power to make our own decision about what our society is like. Democracy delivers the good society and is the good society. More equality and greater solidarity, facilitated by democracy, provides the basis for a more compelling vision of what it means to be free.

To realise this vision, to turn the desirable into the feasible, requires two important steps. The first is the development of an alternative political economy. Progressives need to envisage and then construct a new architecture to manage global competitive markets in the interests of society. From the 1980s economies and corporations globalised at a much higher rate, especially in terms of financial deals and services, but

democratic accountability stayed at the level of the nation state. This feels like a very tall order but just as progressives had to find solutions to the lack of demand in the economy during the slump of the 1930s (which led to the creation of Keynesian demand management whereby governments would spend more in a recession to get the economy going again, global institutions to manage trade through the World Bank and the Bretton Woods agreement) so today academics and policy-makers need to put in place the institutions to ensure that economies are successful, that capitalism is saved from itself and its frequent bouts of self-inflicted crisis and that all economies are made to work in the interests of society and not the other way around. To do otherwise is to be left addressing the symptoms of unregulated markets. This is a hopeless task as the means of regulation – democratic accountability based on a strong society and communities – is constantly weakened by the corroding forces of competition and consumerism. All this is not to be anti-market but to recognise the need for a balance between economy and social needs.

The second part of a new progressive consensus rests on the acceptance that the fear of the unaccountable market is only trumped by people's fear of the unaccountable state. The market provides some compensatory relief from the drudgery of trying to survive life in the twenty-first century but our experiences of the state are rarely rewarding. But they ought to be; it is after all our state. But it needs to be made more accountable and responsive to our needs. This has been tried through the choice and competition agenda and it doesn't work. Choice is only effective when there is an excess in supply. But the NHS is unlikely to ever have an excess supply of beds or services in the way that Tesco, which disposes of unwanted produce every night, has an excess. There is, or should be, a public service ethos which is about fairness – the notion that service is based on need not ability to pay – and universalism that the market can never replicate and will only destroy. Ultimately services can only be supplied by workers who are trusted rather than cajoled by the market or the target. The wrong turn has been applied to public services and has left a profound paradox – that investment is at record levels but so too is dissatisfaction.

At both the macro and micro levels the state needs to be renewed by democratising it. A properly written constitution, a fully elected second chamber, devolution and localism, a limit on campaign expenditure and a fair voting system would all go a long way to reviving confidence in the political system. Yet democratic reform needs to be more radical and extend beyond parliament. It is public services themselves which need to be democratised, not only so people feel ownership of them but so that through engagement they will be made more efficient and responsive. If patients of a GP

were balloted every year on whether their doctor should keep their job then the pressure to provide a good service would be far stronger than individual exit. The argument is that real freedom can be found through the design and redesign of the institutions which have the ability to help us shape our lives like schools, hospitals and local government. As we strengthen democracy so we reinforce society's ability to regulate the market, creating a virtuous circle.

Unfortunately, democracy can only be renewed once politics becomes meaningful again. Here the democratic and the economic systems come together. If the democratic system is not about giving control to people over their lives because all the big decisions have been left to the market, then people rightly will not bother to vote.

Conclusion

The growth of individualism and the crisis of community cohesion, social justice and ultimately democracy itself has its roots in the way the cultural revolution of the 1960s was interpreted and then skilfully directed by the new right wing into a crusade for freedom based on free markets. But free markets do not create free people – at least not for the vast majority. Left unchecked they create social evils and a social recession.

The new right had the imagination and ambition to believe that a different world was possible from the post-war welfare settlement which had seen social mobility increase and inequality fall. As such it is true to say that today we live in a Utopia. But it is not a Utopia of progress, but one for big business and a rich elite. The bitter irony is that this is a lesson the new right learnt from progressives. The architect of the neo-liberal world we live in, Friedrich von Hayek, said “the lesson which the true liberal must learn from the success of the socialist is that it was their courage to be Utopian which gained them the support of the intellectuals and thereby an influence on public opinion”.

Progressives have stopped dreaming that a better world is both desirable and feasible and too many have swallowed almost whole the line that nothing other than accommodation to the market is possible. But progressives have to be relentless in the search for the answer to the manifest problems of society. Realism always starts with Utopian visions because that is the only way we can know what we are being realistic about. The NHS started as a dream, and if floated as an idea today would presumably be denounced by ‘pragmatists’ as an impossibility. As such, pragmatism has become a meaningless term: it should mean that we know where we are going but are just being clever about how we get there. It is time to be properly pragmatic again – to have a vision and a task to change the world.

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