



BONUS CASE STUDY: LABOUR UNDER BROWN, MILIBAND AND CORBYN

Events

After Tony Blair stood down in 2007, Gordon Brown became party leader and PM; his time in office was dominated by the economic crash of 2008 and his response to it. Following the election defeat in 2010, Ed Miliband became leader and announced that 'New Labour is dead'. However, Miliband's attempts to reposition the party struggled to find a clear and coherent position that was both different enough from the Conservative Party and New Labour as well as popular with the public. Corbyn's unexpected election in 2015 as party leader brought about a decisive leftward shift in the Labour Party and appeared to turn away from New Labour to more traditional, Old Labour thinking.

Significance

Gordon Brown's time as leader was dominated by the 2008 crash. Brown's response to the crash was to recapitalise the UK's banking system, a strategy that involved part-nationalisation, a fiscal stimulus aimed at promoting economic growth by allowing government spending to exceed tax revenues, and increasing the top rate of tax to 50% for earnings over £150,000. The aim was to create demand in the economy, to boost growth and that this growth would increase tax revenues and the need for public spending, so shrinking the deficit. For many this return to higher tax and a Keynesian economic approach signalled the death knell for New Labour while Brown argued he remained committed to the principles of New Labour, in particular to aspiration and opportunity for all.

Miliband, on coming to power, looked to distance himself from New Labour and the policies of the Coalition Government. The party adopted a position that the deficit needed to be reduced, but the Coalition had gone too fast and too far in cutting the deficit, and that spending cuts had slowed economic recovery while the squeeze on living standards showed that Coalition policies favoured the few over the many. In the 2015 general election, Miliband and Labour committed themselves to cutting the deficit every year in order to balance the books as soon as possible, pledging also that there would be no additional borrowing for new spending. This nevertheless exposed them to the criticism that they did not take the deficit sufficiently seriously, while, at the same time, failing to reject austerity or to propose an alternative. Falling between two stools, Labour under Miliband appeared to support a kind of 'austerity-lite'.

The loss at the 2015 election triggered another leadership election and Jeremy Corbyn was elected on an anti-austerity position, a return to principles over mere calculations about electoral success and his long-standing opposition to New Labour, in particular the Iraq war. Jeremy Corbyn looked to reshape the party, prioritising socio-economic concerns such as poverty, inequality and job insecurity and viewing the neoliberalism of free markets and globalisation as enriching the corporate elites at the expense of ordinary working people. The party adopted policies of higher taxes for those earning over £80,000, a reversal of corporation tax cuts under the Conservatives, a free NHS-style Education service that was open to all, huge investments in the NHS and social care, nationalisation of key industries such as rail, Royal Mail, water and, over time, energy plus a commitment to employment rights including ending zero hours contracts. While this looked to many like an updated variant of social democracy, it differed in one key aspect: it was suspicious of the idea that socialism is advanced in and through Parliament, and therefore, in the UK context, by Labour MPs themselves. The struggle for socialism should be led by grass-root members and constituency activists, rather than by elected MPs. From this perspective, socialist parties such as the Labour Party should operate more as political movements, and less as parliamentary elites. Although such movements should be based on constituency parties, they should extend beyond the party itself and include other progressive voices, such as, in the present context, Momentum, a left-wing campaigning group. This idea was particularly controversial with Labour MPs creating a deeply divided party. Divisions over Brexit split the party further; many Labour MPs, particularly from the pro-EU New Labour faction, were critical of Corbyn's lukewarm support for Remain in the 2016 Referendum. The 2017 election was the high point of Corbynism, where the party increased its vote by 9.5% to 40% with its modernised social democracy manifesto and its pledge that the outcome of the Brexit referendum must be accepted, with the recognition that 'freedom of movement' must end; the party nevertheless looked to retain the 'benefits' of access to the European single market and the customs union. Internal divisions continued over the next two years, and by 2019 the party had changed its Brexit position into one where the party would negotiate a new deal with the EU to replace the Withdrawal Agreement, and then offer the people a referendum to accept the deal or remain in the EU. This position did not play well at the polls and was constantly attacked by Boris Johnson during the 2019 election campaign.