New Labour and The Third Way: Democracy, Accountability and Social Democratic Politics

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Under the leadership of Tony Blair, the Third Way has become the official doctrine of the British Labour Party and has dominated the policy agenda. The electoral success of “New Labour” has resulted in debate, both in Canada and elsewhere, as to whether social democratic parties should adopt Third Way policies to improve their electoral fortunes. In Canada, while the federal NDP has officially rejected the Third Way, it nevertheless remains on the agenda. Third Way politics provide the guiding principles for NDP provincial governments and appear to have taken firm root among the leadership of the federal party. Consequently, it is important to examine “actual existing” Third Way politics and assess its implications for social democratic politics.

One can assess social democratic politics on the basis of two interrelated criteria: the economic and the democratic. On the economic dimension, the goal of social democracy should, at the very least, be to humanize and lessen the negative impacts of capitalism. This involves resisting the logic of markets in a host of different contexts and a broad commitment to economic redistribution. On the democratic front, social democratic parties must engage in a democratic praxis. The party and its policies (regardless of whether the party forms a government) must enhance the democratic life of people. Here I do not mean the extension of liberal forms of...
democracy through mechanisms of electoral reform, although to be sure these are important. Rather, we should ask to what extent social democratic parties are committed to the pursuit of developmental democracy, where the capacities of individuals and collectivities to self-rule are fostered. This involves deepening structures of democratic decision-making, both within the state and civil society, and breaking the control of experts on the development of public policy.

On the economic criteria, there is little doubt that Third Way politics, particularly as practised by the Blair government, has fallen short. As discussed by Bradford, the Third Way is characterized by a project of capital appeasement that stands in sharp distinction to traditional social democratic values. But what about on the democratic front? Certainly the orientation of Blair has been to transform New Labour into a brokerage party skilled at the art of voter accommodation. At the same time, however, the rhetoric of the Third Way is not antithetical to the development of deeper forms of democratic practice. Giddens, for example, speaks of the need to “democratize democracy.” Similarly, Blair frequently speaks of the need to “bring government closer to the people” and to break down the separation between government and citizens. In short, to make government more open, responsive, and accountable to people.

To assess the democratic claims of Third Way politics, I wish to examine two concrete examples of “democratization” recently pursued by the British government: (1) the development of “new” models of consultation and (2) the so-called “New Deal for Neighbourhoods.” An examination of these initiatives reveals a conception of democracy that is extremely narrow and limited. It is a technocratic and market-based understanding of democracy, rather than a developmental and participatory model. New Labour’s approach to issues of democracy is driven every-bit as much by the logic of neo-liberalism as has been its economic and social programmes.

**Models of Consultation** The British government has recently embarked on two new consultative initiatives. The first involves the development of a “code of conduct” on public consultations, while the second involves the creation of a “People’s Panel.” Both of these developments have been
heralded by the government as examples of its openness and commitment to democratization.

The Code is a detailed set of procedural guidelines for the conduct of consultations. While developments of this sort are worthwhile, the scope of the Code is extremely limited. It lacks a developmental component and does nothing to create structures for the ongoing involvement of citizens in the policy process. There is no obligation, for example, that the government provide resources and assistance to those groups who might want to participate but lack the capacity. The Code only applies to written consultations where a central government agency has published some sort of position paper and merely requires that a minimum amount of time be provided for the submission of written responses. There is no requirement for face to face consultations, and in the absence of a written document there is no obligation to consult at all.

In fact, the explicit objective of the code is not to increase citizen participation, but rather to provide the government with a research tool so that policy experts can ensure that their decisions are “soundly based on evidence.” The design and structuring of policy options remains the responsibility of the policy experts within the public service under this model. Consultations provide additional information and feedback to those experts which can then be integrated into policy proposals to ensure operational effectiveness. This is a very technocratic approach in which consultations are a vehicle for obtaining information and raw data from people, but not as a mechanism for engaging them in a democratic experience. The consultations do not bring those who participate into a structure of governance in which they are involved in the design and implementation of government programmes. In short, it is a tool for administrators, not a tool for democracy.

This technocratic approach is also evident in the so-called “People’s Panel initiative. While the title sounds democratic, the People’s Panel is even less about democratic engagement than the Consultation Code. The People’s Panel is a random sample of 5000 members of the public that has been generated for research purposes. It operates as a permanent random sample that is available to be surveyed by the government. Government departments and agencies may, for a fee, have access to the panel for research projects.
The panel could be used for a number of different research methodologies. Most departments, however, have used it for the administration of conventional social science surveys and questionnaires. Although one of the panel's original objectives was to provide a pool of individuals who could be used in focus groups, it has not generally been used in this way. Moreover, during the panel's first year of operation the use of the panel for focus groups was prohibited. The reason for this was the fear that participation in focus groups would sensitize members of the panel to issues, making them ineligible for sampling in quantitative studies.

The People's Panel has provided government a mechanism for administering quick surveys of the population. The research questions posed to the panel have been geared towards determining demand for particular types of services. One research programme, for example, asked whether there was a demand for public services to be available 24 hours a day, while another has tried to determine demand for on-line services. Others have attempted to target particular consumers of public services, such as the elderly or ethnic minorities. In short, this reflects the adoption of the “New Public Management” vision in which public policy is driven by the yardstick of consumer satisfaction.4

The difficulty with this approach is that it views citizens as passive consumers of public goods rather than as active participants in the formation of public policy. Just how far the People's Panel is from any model of developmental democracy can be seen in the evolution of the panel during its first year of operation. An evaluation of the panel indicated that its efficacy was potentially compromised by panel members educating themselves about public services.5 For the panel to operate effectively as a market research tool, its members had to be representative of the public at large and, consequently, not unduly well informed about public issues. People are now rotated off the panel and new individuals added on a regular basis in order to counter this “problem.”

Still, gaining information about the needs of particular communities is not necessarily meaningless. The significance of the programme will depend, in part, on the nature of the questions asked, the degree to which the answers are taken seriously, and the manner by which the information is
integrated into the policy process. In this regard, the use of the People's Panel has been disappointing. Questions posed tend to require answers of the “agree/disagree” sort, thereby preventing the development of a sophisticated understanding of needs and demands of the communities surveyed. Beyond a commitment to publish the research results on the Internet, it is not clear how the information gathered will be used, if it is used at all.

The New Deal for Neighbourhoods

One of the most significant programmes revealed by New Labour has been the “New Deal for Neighbourhoods.” The so-called “New Deals” represent a series of welfare reform programmes. To date, the government has announced New Deals for young people, lone parents, and the long-term unemployed. The New Deal for Neighbourhoods is different in that it does not target a particular category of social assistance recipient, but rather is part of a national strategy on neighbourhood renewal coordinated by the government's Social Exclusion Unit (SEU). It represents the government's primary strategy for undoing the damage of two decades of Tory rule in British urban centres.

The New Deal for Neighbourhoods calls for community participation and involvement in the process of renewal. It provides a further opportunity to interrogate the Third Way conception of democracy. So far, the results are somewhat disappointing. In developing the plan, community involvement was relatively limited. Eighteen different Policy Action Teams (PATs) were struck, each dealing with a particular substantive issue. Each PAT issued a general report for its substantive area. These reports formed the basis for a final series of recommendations issued by the Social Exclusion Unit in a document entitled “A New Commitment to Neighbourhood Renewal.” While the composition of the PATs varied, membership was heavily weighted to government representation with limited input from community groups, organized labour, or social movements. The Policy Action Team on Jobs, which influenced the final report more heavily than any other single PAT, is symptomatic. It had thirty members, fifteen of which were from government. Five of the members were from private sector job placement
agencies while only six were drawn from social groups and charities. Of those, there was a clear preference for charities that operated job placement services. Tellingly, only one representative was from the TUC, clearly indicating New Labour's move away from organized labour.

The composition of the PATs reveals their primary function as a vehicle for the government to talk to itself. The PATs coordinated government activities between departments and improved lines of communication. Since their purpose was not to democratize the planning process representation from outside government was limited. The PATs were not drawn from, nor connected to the neighbourhoods targeted for renewal. Overall, the composition of the Jobs PAT indicates New Labour's preference for a “managerial” approach to policy development in which government/bureaucratic knowledge and expertise is privileged over social and community knowledge. The fact that Labour and social movements were virtually excluded from the Jobs PAT illustrates, as Yates has emphasized, the Third Way’s conception of society as lacking social division. The absence of such divisions and competing interests makes it easier to conceptualize policy-making as an analytical exercise dominated by bureaucratic actors. Such an approach, however, is antithetical to principles of developmental democracy.

The final recommendations of the New Deal for neighbourhoods do call for community involvement. Again, the conception of democracy is narrow and lacks a participatory focus. Community involvement becomes a watchword for the downloading of responsibility to third sector organizations and the contracting out of services. The organization of local programmes and neighbourhood regeneration is understood within a contractual framework, in which government enters into service agreements with local authorities, not-for-profit agencies, or networks of “can-do venturers” of local business and entrepreneurs.

The vision of democracy incorporated in the New Deal for Neighbourhoods reflects Giddens notion of a “state without enemies.” Democracy is not conceptualized as a vehicle by which social groups organize and mobilize themselves. Rather, it is understood within a context in which social divisions and conflict do not exist. This is reflected in the New
Deal’s discussion of Local Strategic Partnerships (LSPs). An LSP is a single body that brings together at a local level representatives of the public, private, voluntary and community sectors. It is expected to operate by consensus and develop a “local neighbourhood renewal strategy.” The primary purpose of the LSPs is the development of a strategic plan. They are not designed as mechanisms for community governance and certainly are not intended to act as an ongoing democratic structure. The notion of partnership that is embedded within the LSP structure assumes that social divisions will disappear and consensus will result if groups are brought together. The state operates as a pluralist broker of interests—the state without enemies. Of course, if consensus does not emerge, and it likely will not, the government retains the right to act on its own and impose a “renewal” strategy.

The Local Strategic Partnerships are the primary vehicle for community involvement in the New Deal for Neighbourhoods. There is little concrete discussion of creating democratic structures for community self-government. The Policy Action Team on Neighbourhood Management dealt with this issue more fully than any other PAT. Its report lists almost 20 different vehicles by which some form of neighbourhood or community participation might develop. Although it does include proposals for the creation of grassroots community organizations, most suggestions are vague and rely on various New Public Management buzzwords. It speaks of the need to employ “inclusive visioning techniques” and to develop a customer-led approach that will “harness the potential of modern technologies to determine what people want and to deliver through, for instance, call centres, customer research or the Internet.” Here again, we see a technocratic and market-based approach to the question of democracy. The goal of community involvement is to determine, in a technocratic, scientific way, what the citizen/consumer actually wants/needs. The method of service delivery, however, becomes increasingly removed and distant from the consumer through the utilization of computer and telecommunications technology. Where more radical democratic possibilities are canvassed, they are generally dismissed on the basis that there is insufficient experience with such projects to evaluate their effectiveness. Once again, the value
of democracy is assessed from a technocratic and managerial perspective, rather than from the perspective of enhancing and developing the capacities of citizens.

The final recommendations of the Social Exclusion Unit reflect this tendency as well. Although there is some discussion of systems of neighbourhood self-government, the overwhelming emphasis is on job creation through the government’s various welfare to work initiatives and on issues of public safety and policing. There is discussion of neighbourhood and community participation but much of the focus is on ascertaining community views and opinions that will be integrated into planning decisions made elsewhere. To its credit, the government has committed funds for pilot projects in neighbourhood management and has recognized that local community representation, for which training and support will be needed, must exist on the Local Strategic Partnerships. Given the overall thrust of the recommendations, it is conceivable that these elements may be sacrificed in favour of partnership members who don’t need training or support such as local business leaders and entrepreneurs.

Community development projects of this sort need to develop ongoing democratic structures that help community build capacities. This requires democratic governance structures that incorporate social knowledge of the sort discussed by Hilary Wainwright. At a minimum, this must involve the creation of institutions that have some permanence, that have a broad base of community representation, and that incorporate the voices of the community in a deliberative forum. This might take the form of a Citizens Council in combination with a series of policy panels that could be charged with examining more specific policy issues. These organizations must have genuine power over issues that affect the local community and the resources to deal with those issues. To achieve this, a strong political commitment from the centre will be required. This does not mean the exclusion of policy experts. Rather, the structure of governance must seek to create alliances between the expert and those who live in the community. They must bring expert and social/community knowledge together in a decision-making process. In this context, the expert operates as a resource and facilitator in the development of policy options, rather than as the driving
force behind those developments. This sort of outcome will not be achieved through the stake-holder partnership model that underpins the New Deal for Neighbourhoods.

**Conclusion** In conclusion, New Labour has embarked on very few democratic initiatives. Those that have been pursued are guided by a technocratic and market-based approach. Democratizing democracy involves creating research tools for government rather than participatory decision-making structures. This approach is best understood in terms of the state providing services to customers in a marketized/contractual environment. This reflects the New Public Management shift from a citizen-based model of governance to a customer/consumer-based model. I would argue that the development of genuine democracy must involve deepening conceptions of citizenship rather than reducing it to a market analogue. The technocratic approach of the Third Way, however, easily merges with New Public Management perspectives. In Britain, the pursuit of the Third Way continues the erosion of social citizenship rather than its enhancement.

In short, just as a neoliberal view of economics has dominated the Third Way in terms of social and economic policy, its conception of the relationship between state and civil society also reflects a neoliberal vision of democracy. Notions of entrepreneurial government, partnership, contractualism, and customer service are the standards by which the efficacy of democracy is assessed.

There is little in the Third Way, at least in terms of its practice in the British context, for those who hope for a more radical impetus towards democratization. Moreover, I would suggest that in Britain there is little potential to move beyond this. As Panitch and Leys have argued, there has been a disempowering of activism within the Labour Party. Both the party and the government are tightly controlled by the Prime Minister and the Cabinet Office. The “democratic agenda” of New Labour is geared towards ensuring that control is retained. Genuine democratization, on the other hand, would involve the creation of spaces for the expression of opposition to the government’s neoliberal turn. It would involve turning over control to an empowered citizenry. This is something Blair will not tolerate.
This is the contradiction the NDP now faces in Canada. Although the NDP has not formally endorsed the Third Way, the orientation of many in the party, both at the federal and provincial level, is towards a managerialist approach that is consistent with Third Way ideas. As the NDP tries to revive itself and reach out to disenchanted social movement activists, the contradiction between genuine democratization and Third Way managerialism will persist and intensify. The New Politics Initiative (NPI) is reflective of this tension and speaks to the disquiet of Left activists, both within the party, trade unions, and social movements over the direction of the NDP. To a certain extent, that disquiet reflects the paucity of democratic vision that defines the Third Way. Social democratic parties, if they are to be successful in achieving the goals of social democracy, must be mass parties. They must remain connected to their constituency through deeply embedded democratic structures. The Third Way does nothing to move social democratic parties away from their current cadre orientation. The NPI does speak to the need to improve the quality of democratic life, both within the party and within civil society. The vision of democracy articulated by the NPI, however, is unclear. In some respects it remains a fairly mainstream vision, focusing on issues like electoral reform. In the long term, if the NPI is to provide an alternative to the Third Way, it must clarify this aspect of its agenda and consistently and clearly put on the agenda the need to “democratize democracy,” in the sense of creating new and vibrant democratic structures that revitalize both state and civil society.

Notes

2. Code of Conduct, p. 3.
3. The People’s Panel is part of the government’s “Service First” initiative and is being run for the government by the private sector market research firm MORI. See http://www.cabinet-office.gov.uk/service-first/2000/panel/Summary.htm.
5. See The People’s Panel: the First Year Evaluation (April 2000), p.15
7. The Social Exclusion Unit is composed of representatives from across a number of different government departments and is intended to coordinate efforts to fight “social exclusion” and is housed in the Cabinet Office. For details on the New Deal for Neighborhoods see Social Exclusion Unit, A New Commitment to Neighborhood Renewal (January 2001).
8. The operation of the PATs can be compared quite unfavourably with the experience of the Social Assistance Review Committee in Ontario in the late 1980s. Chaired by Allan Moscovitch, policy groups reporting to the Committee were heavily weighted towards social group representation, including welfare recipients and anti-poverty groups. For a further discussion of the SARC exercise see B. Sheldrick, Welfare Reform under Ontario’s NDP: Social Democracy and Social Group Representation. Studies in Political Economy 55 (1998), pp. 46-49.
10. Third Sector organizations frequently have a limited capacity to effectively carry out the responsibilities downloaded to them. See Shields and Evans supra nt. 4., Ch. 5.
12. Ibid., item 8.
13. Ibid., nt. 9.