

a social democratic Britain

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1. introduction

After an unexpected election defeat, a party tends for a time to lose its sense of direction ; and many people are now asking what Labour really stands for in the 1970s. The answer appears to me glaringly obvious. I am speaking not in terms of detail, but of broad objectives. And the objectives seem to me basically those which most Fabians have believed in for the past 10 years or more.

Labour's objectives

In my articles in *The Times* in September, I defined these objectives as follows.

First, an exceptionally high priority, when considering the claims on our resources, for the relief of poverty, distress and social squalor—Labour's traditional "social welfare" goal.

Secondly, a more equal distribution of wealth, not because redistribution today will make all the workers rich, but to help create a more just and humane society.

Thirdly, a wider ideal of social equality, involving not only educational reform but generally an improvement in our social capital such that the less well off have access to housing, health and education of a standard comparable, at least in the basic decencies, to that which the better off can buy for themselves out of their private means.

Fourthly, strict social control over the environment—to enable us to cope with the exploding problems of urban life, to protect the countryside from the threat posed by more industry, more people and more cars, and to diminish the growing divergence between private and social cost in such fields as noise, smog, river pollution and the rest. This is also an aspect of social equality,

since the rich can often *buy* privacy and protection from these intrusions ; only social action can give the less well off the same protection).

This is not necessarily an exhaustive list ; and I discuss later whether there are new objectives of great significance which should be added to it. But when I search my mind, these four aims seem to me to constitute the essence of social democracy in the 1970s.

Yet can this really be so? Has so little changed in the last decade that our objectives, however modified, remain basically the same? Should we not rather argue trendily for some fashionable version of the "new politics?"

My answer is firmly "No." These four objectives relate to what are still our most urgent social problems ; and no one could possibly say that they are within sight of attainment. Even after 6 years of Labour Government, we still have a stubborn residue of degrading poverty. We have large inequalities of wealth. We have glaring gaps in our provision of housing, health and education. We have a growing environmental problem ; in particular, the complex of urban problems—housing, poverty, renewal, traffic—is not within sight of solution. And there are certain fields, such as nursery schools, where we have scarcely started on what needs to be done.

Without doubt, Labour achieved a great deal in many directions — in education, social security, tax reform, regional policy, conservation and environmental planning. But due partly to slow growth and partly to hostile public attitudes, we achieved less than we had hoped and certainly not enough to render our objectives obsolete. There is no analogy with the 1950s, when society had been changed out of recog-

dition since the 1930s by full employment and the welfare state, and a fundamental rethinking was required.

That is not the position today—and the evidence is the lack of any furious ideological ferment within the Party. Of course we must continuously adapt our detailed policies, and of course new problems will call for new policies. But the basic objectives remain wholly relevant and contemporary. What we need is not some great shift of direction, but a clear reaffirmation of these agreed ideals.

These ideals all fundamentally relate to how we distribute our wealth and allocate our resources; that is what socialism is about, and what divides the Left from the Right. We shall not get the allocation we want without a certain view of taxation and public expenditure, and of social control and collective responsibility. And we shall not get that without a healthy rate of economic growth.

the relevance of growth

I start with the question of growth, and a confession of personal error. Looking back, I was too complacent about growth in *The Future of Socialism* (though I had learned my error by the time I wrote *The Conservative Enemy*). I accepted the then official projections which forecast a nearly stationary population; hence, like others at the time, I did not foresee the huge demands on our resources for housing, education and health which a rising population brings in its train. And I did not anticipate that successive governments would be so eccentric as to use periodic bouts of deflation—that is, deliberate *reductions* in growth—as almost their only means of regulating the economy.

In the event, our record of economic

growth has been lamentable. The facts are dreary and familiar. Over the years we have grown at only half the rate of most other advanced industrial countries. We have been successively overtaken in average living standards by Sweden, Australia, Canada, Germany, France, Switzerland, New Zealand, Denmark, Norway, Holland and Belgium. By 1980, on present trends, we shall have been overtaken by Japan (spectacularly) and Finland, and possibly by Austria and Italy.

And our performance is not improving. Our annual growth-rate over the last 5 years of 2.2 per cent was lower than in the previous decade (an almost sufficient explanation of Labour's defeat last June). We shall be lucky if we achieve 2 per cent in 1970.

This wretched showing, for which all of us who were in Government must share responsibility, exacts a calamitous cost in terms of welfare (both public and private). Certainly we cannot even approach our basic objectives with the present rate of growth. For these objectives, as I have said, require a redistribution of wealth and resources; and we shall not get this unless our *total* resources are growing rapidly.

I do not of course mean that rapid growth will automatically produce a transfer of resources of the kind we want; whether it does or not will depend on the social and political values of the country concerned. But, I do assert dogmatically that in a democracy low or zero growth wholly excludes the possibility. For any substantial transfer then involves not merely a relative but an *absolute* decline in the real incomes of the better off half of the population (which incidentally includes large numbers of working class voters); and this they will frustrate. They will protect their real incomes initially by enforcing

compensating claims for higher money incomes and so creating a violent wage inflation, and ultimately by using the ballot box to elect a different and more efficient government. In a utopia (or a dictatorship) perhaps we might transfer 10 per cent of a near-static GNP towards 10 million pensioners and better housing and clearing up pollution. In the rough democratic world in which we live, we cannot.

The point is illustrated by our own recent experience. The transfer of resources which we want inevitably requires high taxation and public expenditure. But the popular mood is one of intense resentment of high taxation and of certain forms of public spending such as family allowances and supplementary benefits. This mood unquestionably inhibited the Labour Government from doing many of the things it wished.

Now the mood is no doubt partly due to myth and ignorance—I cannot convince any of my constituents that they are not paying a marginal (if not an average!) rate of income tax of 8s 3d in the pound. But it is also due to a harsh reality — the reality of slow growth. People will never like paying taxes; we all want, and reasonably so, more money to spend on ourselves and our families. But we like it even less when, as has been the case over the last 5 years, our personal spending (as measured by consumption per head) has risen by little more than 1 per cent a year. This was a stingy enough increase anyway; and moreover it wholly failed to match the expectations created in the 1950s when, for a variety of partly fortuitous reasons, there was a rapid and sustained increase in consumption per head. People had come to expect that this would continue. When it did not, and growth slowed down, a mood of frustration set in which gave

rise not only to the present exceptional resentment of high taxation, but also to the present exceptional pressure for higher wages. And, of course, it cost us the last election.

British experience is confirmed by experience abroad. The OECD, after studying the matter, recently concluded that "the growth rate of government spending . . . tends to be highest in countries where output growth is highest." It is to the lasting credit of the Labour Government that for a considerable time it resisted this tendency, and increased the share of public expenditure in GNP even though growth was slow. But more recently the trend re-asserted itself, and we reined back hard on public spending as the election grew nearer. We may now take it as a certainty that rapid growth is an essential condition of any significant re-allocation of resources. (It is also of course desirable for many other reasons). Growth alone can give us the elbow-room we need, and remove the present dispiriting constriction on almost any form of public spending.

2. the anti-growth argument

As soon as we claim for growth a higher priority than it has had in the past, we run into some well-entrenched opposition and moreover find that some of our supporters are ill-equipped for the argument. On the one hand there is now a positive anti-growth lobby amongst the environmentalists. On the other hand many of those who currently preach growth make it sound altogether too easy; they will the end but ignore the means.

I start with the opposition. More and more people are arguing that growth has too high a priority already, and are warning us of its costs in terms of pollution and threats to the environment. The Duke of Edinburgh remarks scathingly that "GNP is rapidly assuming the religious significance of a graven image;" anti-growth economists on both Right and Left like Professors Mishan and Galbraith are amongst the most revered pundits of the day; and doomwatch journalists have had the run of their lives in the last 12 months.

We must treat any argument based on the environment with instinctive sympathy and deadly seriousness. Our concern is, indeed, embodied in our fourth objective. And there are very real costs to economic growth. Higher production means more pollution of every kind—more smoke, noise, pesticides, effluent, garbage. Higher living standards, and particularly the demand for more space and more mobility, must mean more encroachment on the countryside. Urban clearance will threaten historic buildings; urban roads will ruin existing houses; redevelopment will destroy traditional patterns of living. And these are not costs simply in terms of aristocratic amenity. Working class people are becoming more and more concerned, from the inhabitants of Acklam Road to the millions of anglers; and one notes the growing interest of local

Labour Parties in questions of the environment.

It follows that we must not become growth extremists, manically fixed on index numbers of production and seizing on any technological innovation regardless of social (or, in the case of Concorde, even economic) cost. Japan is an example of a country which, having single-mindedly pursued the goal of quantitative growth, is now counting the environmental cost and finding it extremely heavy.

Our task is to ensure that growth really does lead to an increase in welfare, remembering that welfare consists not only of the quantity of goods and services which we produce, but also of the quality of the environment in which we consume them. We are therefore concerned, here as in other fields, with the quality and composition of the growth. We must continuously bring the environmental argument into the balance-sheet; and we must devote part of the growth to combating its costs.

This can be done. We know the technical answers to most forms of pollution. We can, in the long run, produce quieter aircraft-engines, pollution-free cars, clean rivers, safe pesticides, effective waste disposal. Sensible planning can conserve the countryside even in the face of more people with more cars and more leisure. And urban planning can, in theory at least, protect the urban environment; though in practice it often fails to do so owing to the low taste and filthy greed of private property developers and the unimaginative inhumanity of some local councils.

It can be done—given the will and the right priorities. It will require high public expenditure, more rigorous and imaginative planning, and an inflexible

etermination to impose on both industry and consumer the full costs of the pollution which they create. It will, in other words, involve (as do all our objectives) an allocation of resources which is not determined by market forces but reflects our social priorities. But none of this is an argument against the growth which we desperately need to fulfil *all* our objectives; it is an argument for discriminating growth and for applying its fruits intelligently. To say that we must attend meticulously to the environmental case does not mean that we must go to the other extreme and wholly neglect the economic case. Here we must beware of some of our friends. For parts of the conservationist lobby would do precisely this.

Their approach is hostile to growth in principle and indifferent to the needs of ordinary people. It has a manifest class bias, and reflects a set of middle and upper class value judgments. Its champions are often kindly and dedicated people. But they are affluent and fundamentally, though of course not consciously, they want to kick the ladder down behind them. They are highly selective in their concern, being militant mainly about threats to rural peace and wildlife and well loved beauty spots; they are little concerned with the far more desperate problem of the urban environment in which 80 per cent of our fellow citizens live.

Being ignorant of the need for growth and the plight of ordinary people, they do not see that there is even a conflict of interest over a reservoir on Dartmoor, potash mining in Yorkshire, or the acquisition of rural land for over-crowded housing. The fact that Plymouth is an intermediate area with above average unemployment, that potash mining will increase national prosperity, that over-crowded housing may relieve the misery of thousands of slum families—these facts

are not even put into the balance sheet. The economic argument is totally ignored; preservation of the *status quo* is the sole *desideratum*. Sometimes of course they are splendidly right, and we *should* over-ride the economic argument (as we did in the case of Swincombe and as the US Senate did over SST). But what is not tolerable is to pretend that it does not exist.

At the extreme the approach becomes comical, as when Mishan proposes towns where only horses and horse-drawn vehicles would be admitted, and a ban on all international air travel. No doubt such hairshirt solutions would be good for our health; they obviously appeal to lean and fit professors. But it is easy to see what the result would be. To quote Mishan, "with more leisurely travel restored, one could confidently expect an enormous reduction in the demand for foreign travel." Yes, indeed. The rich would proceed in leisurely fashion across Europe to the Mediterranean beauty spots where they would park their Rolls Royces and take to a boat or horse drawn vehicle. As for my constituents, who have only a fortnight's holiday, let them eat cake and go back to Blackpool.

Now this attitude is no doubt natural, and there is probably something of it lurking in many Fabians. Affluence is obviously more agreeable when it is a minority condition. Driving round the country was much pleasanter when the roads were nearly empty. For the minority, Venice and Majorca have been ruined since the hoi polloi invaded in their charter flights and the local peasantry bought noisy Vespas. And a rural retreat was safer and more serene before demands for lower housing densities began to decant the urban masses into the countryside.

But of course the approach is un-

acceptable. My working class constituents have their own version of the environment, which is equally valid and which calls for economic growth. They want lower housing densities and better schools and hospitals. They want washing machines and refrigerators to relieve domestic drudgery. They want cars, and the freedom they give on weekends and holidays. And they want package tour holidays to Majorca, even if this means more noise of night flights and eating fish and chips on previously secluded beaches—why should they too not enjoy the sun? And they want these things not (as Galbraith implies) because their minds have been brain-washed and their tastes contrived by advertising, but because the things are desirable in themselves. It is reasonable to argue that these consumer pleasures should take second place to more urgent social claims; it is neither reasonable nor attractive to treat them with lofty condescension and disdain. As I wrote many years ago, those enjoying an above average standard of living should be chary of admonishing those less fortunate on the perils of material riches.

Since we have many less fortunate citizens, we cannot accept a view of the environment which is essentially élitist, protectionist and anti-growth. We must make our own value judgment based on socialist objectives; and that judgment must, for the reasons I gave earlier, be that growth is vital, and that its benefits will far outweigh its costs.

In fact the anti-growth approach is not only unacceptable in terms of values; it is absurd in terms of the environment itself—however narrowly defined. For the greater part of the environmental problem stems not from present or future growth, but from past growth. It is largely a backlog problem—the legacy of 100 years of unplanned growth. It is

a problem of *existing* slum housing, polluted rivers, derelict land and belching factories. Even if we stopped all further growth tomorrow we should still need to spend huge additional sums on coping with pollution; it will, for example, cost hundreds of millions of pounds to clean our rivers of their present pollution. My previous argument applies here also. We have no chance of finding these huge sums from a near-static GNP, any more than we could find the extra sums we want for health or education or any of our other goals. Only rapid growth will give us any possibility.

3. the conditions of faster growth

So the case for growth remains unshaken—not growth at any cost, but certainly growth much faster than the 2 per cent of recent years. How can a future Labour Government achieve this?

Our low growth rate has two causes. First, British productivity rises more slowly than that of other countries, so that even if we grew to our full productive potential (say $3\frac{1}{2}$ per cent per annum) we should still be a slow-growing nation by European standards. There are endless conflicting theories to explain this phenomenon, ranging from our imperial background through the public school system to a faulty structure of industry. The fact that our own policies for higher productivity, with all their brave talk about technology, restructuring and economies of scale, had only a limited success should teach us some humility. Nobody can claim to know the answer, and there is manifestly no short term panacea.

The second cause lies in the all too successful efforts of post-war British Governments to hold down growth even below our productive potential. This they have done because changes in home demand—crudely, stop-go and deflation—have been used as the main instrument for controlling (or attempting to control) the balance of payments and the level of inflation.

One can see why this happened. Alternative instruments, such as devaluation or incomes policy, seemed fraught with difficulties: the pound's role as a world currency, the existence of the sterling balances, the pressure of the United States and other monetary authorities, traditions of free collective bargaining, and so on.

And when we finally did devalue in 1967, and removed the constraint on

growth of an overvalued pound, we found that we had not rid ourselves of the other constraint—inflation. So having first curtailed growth in the interests of the balance of payments, we now curtail it in the interests of greater price stability. On existing policies we shall go on sacrificing growth to one or other of these two objectives.

A future Labour Government must therefore consciously alter the priorities. This requires a *political* decision. Economists and Treasury officials can list the various objectives of economic policy: growth, full employment, stable prices and a healthy foreign balance. But when these conflict, as they almost always do, it is for politicians to decide the priorities. Governments since the war have dithered and wavered between the objectives, hoping that something would turn up miraculously to reconcile them; in the last resort the balance of payments usually had priority, so that when people spoke of the economy being weak or strong they were assumed to be referring to the foreign balance. But with the mounting price which low growth exacts from the British people, I am clear that we must in the future alter the priorities in favour of economic growth.

This is easy to say, especially in opposition. We said it loudly in 1963-64; and many are saying it again today as though the last six years had never existed. But there is neither point nor honesty in preaching growth unless we accept, as we did not in those six years, the necessary corollaries. If we are not to use changes in home demand to regulate the balance of payments and price inflation, we must have other instruments for the purpose and be prepared to use them.

This means, first, a greater flexibility of exchange rates. I am not speaking of a

floating rate, but of a willingness to make timely adjustments to the parity whenever the alternative would be serious deflation. This after all was Keynes' intention at Bretton Woods. It was for years frustrated by financial orthodoxy, false morality and a Cromer-style anthropomorphic worship of the pound sterling.

The atmosphere is now much more propitious. It is clear to everyone that the recent changes in the British, French and German parities have improved the world monetary situation out of all recognition. Today the IMF, backed by a growing weight of outside opinion, talks openly of exchange-rate adjustment as an indispensable part of economic policy. I only hope that the Labour Party, having paid so heavy a price for clinging to the opposite view from 1964 to 1967, has now learned this lesson.

Secondly, inflation. This is currently proceeding at the rate of 7 per cent per annum. It is no comfort that other OECD countries are in the same boat; they at least (with the exception of the United States) have the compensation, which we do not, of rapid growth. In any case their inflation is more likely to slow down than ours.

No British Government could endure indefinitely a 7 per cent rate of inflation. Apart from the appalling social effects, the voters will not put up with it; and the Government's majority would rapidly crumble away at by-elections. If there is no *alternative* method of dealing with it, then squeeze and deflation will follow as night follows day. No doubt, for political reasons, they will be employed half-heartedly; and there is no guarantee that they will be successful. But bitter experience shows that even a half-hearted and only partially successful squeeze can cause

an intolerable loss of output and employment.

The only alternative—that is, if we really *want* sustained growth — is a prices and incomes policy; and we had better face the fact. Would that it were not so! For we in Britain have tried almost every conceivable version of such a policy from Crippsian exhortation (oddly, the most successful) through guide lines and early warning to legislation and freeze; and we are now back to square one. Nor has any other country done much better.

Yet the OECD is surely right. "The success of incomes policies has so far been limited. But the alternatives may prove unworkable or unacceptable. It therefore appears highly desirable, and probably inevitable, that the search should go on; and it would be wrong to underestimate the possibilities of progress."

No progress will be made under the present Government, even if it had not contracted out of the search. For the Unions cannot be expected to co-operate against a background of stagnation and unemployment; and the prospective battle over the Industrial Relations Bill must in any case rule out any constructive dialogue for a long period ahead.

But Labour in opposition, having explicitly committed itself to growth, must attempt the search. There will be opposition from some, though by no means all, Trade Union leaders. But we must remember that the Unions and the Party have their own distinct fields of responsibility, and their own distinct duties and obligations to their members and electors; neither is, nor should be, the creature of the other. The Labour Party is a broad-based, national, people's party; it must not be deterred

from finding national solutions to national problems.

Yet the area of mutual need and common interest is, and always has been, enormous; and a prices and incomes policy will surely prove to fall within it. Neither Party nor Unions can attain their goals without continuous growth; and we shall not achieve that growth without an incomes policy. The stark alternative is periodic bouts of deflation and unemployment. This surely provides a sufficient imperative to talks between the Party and the Unions. And by this I do not mean merely hearty back-slapping and cheerful camaraderie which avoids the awkward issues. I mean serious discussion designed to lead to a practical solution.

4. taxation and social control

We want faster growth the better and more quickly to attain our four objectives—the elimination of poverty, a greater equality of wealth, a civilised standard of social provision, and the improvement of our environment.

But growth will not, as I have pointed out, automatically produce the allocation of resources required for these objectives, though it will greatly help. Only government can produce that allocation; and the essential means to doing so are higher public spending and greater social control. And here we face a difficulty. For not only are these anathema to the Tories—indeed, they have never been anathematized with a more manic and ideological fervour than recently by Mr. Heath—but they are by no means popular with the British public.

Take taxation and public expenditure, on which I feel I have shouted myself hoarse over the years. Within any given country, this is an issue between Left and Right. But when we make comparisons *between* countries we find that other factors, notably the cultural tradition of the country concerned, are also a potent influence.

It is true that in nearly all advanced countries public expenditure has long been rising faster than total output—probably since the turn of the century—with the main pressure coming from education, health and welfare services. With the changing age structure of the population, the insistent demand for higher standards, and the growing concern with urban congestion and renewal, we may be sure that the pressure will continue.

But different countries react to the pressure differently. Contrary to popular belief, Britain has certainly not taken on the largest public burden. Five of

the 14 countries belonging to OECD have a higher burden of taxation than Britain. The share of public expenditure in GNP is lower in Britain than in Germany, France, Sweden, Holland, Norway and Austria. The share of private consumption in GNP is appreciably higher in Britain than in all the faster growing industrialized countries. And what is significant is that the ranking of countries in these matters depends as much on their cultural tradition as on whether their governments are Left or Right.

Similarly with social control. We shall in any case need more regulation as society grows more complex and interdependent. Pollution is a case in point, which will call for an increasing degree of bureaucratic and institutional control if we are to contain it. Mr. Heath's philosophy of *laissez-faire* and passive government is grotesquely irrelevant in this day and age; and as for Mr. Rubin and his Yippies, their philosophy of "down with detail and bureaucracy—let everyone do his own thing" is a sure way of abruptly bringing civilisation to an end.

Thus we shall need more, not less, control over industry as firms become larger, more complex and more international—in the interests of regional equality, environmental planning, anti-pollution and consumer protection.

As population and living standards rise, we shall need more, not less, control over land use—firmer local authority structure plans to shape the changing urban environment, ambitious regional plans like the South-East study to deal with the problem of the conurbations, and new and imaginative plans to control and relieve the pressures on the countryside. The more we care about the environment, the more government action we shall need; for, as Samuel

Lubell once remarked, only God can create a tree, but only Government can create a park. Certainly God alone cannot create an Alkali Inspectorate or stop the barbaric deprivations of profit-hungry property firms.

And we shall need more social control over individuals—over where they can take their cars or build their houses or dispose of their garbage and litter.

Now in one or two of these fields this country's record compares well with that of other countries. But if we take the whole field of taxation, public expenditure, social control and collective responsibility — all the essential means to attaining our objectives—then cultural attitudes in Britain are by no means favourable to us.

I quote the following passage from *The Conservative Enemy*, written nearly a decade ago: "A Protestant country, and the first to embrace capitalism, we retain a tradition (though now weakened) of self-help and individualism, of free enterprise and Manchester Liberalism, and hence an antipathy to government or civic action and collective welfare. A materialist country, we rate private commercial success exceptionally high, and the public servant (along with the intellectual, the artist and the churchman) exceptionally low; hence private outlays are considered fruitful and social outlays wasteful. A hierarchical country, we have a bourgeoisie which has always (notably in education) made private provision for its own collective services; and the public communal services have been correspondingly neglected. A socially divided country, we lack a sense of community; the middle classes, ignorant of how the other half lives, retain the 'coals in the bath' attitude, believing the working classes to be lazy and feckless and pampered by the Welfare State;

hence a further bias against social spending. A philistine country, we care little for the arts or for creative urban planning; so we spend less on art patronage or amenities than any civilized country in the world. An insular and unimaginative country, we have exceptionally low cultural expectations and show an extraordinary passivity in the face of squalor and discomfort; hence we endure without protest disgraceful conditions in hospitals, trains or rural schools (as we do in shops and restaurants). These lingering national traits, although one hopes they are gradually fading, make it harder to redress the imbalance."

There have been some obvious improvements since I wrote that, mainly due to the actions of the Labour Government. But much of the passage would stand today. Indeed at this very moment foreign opinion boggles, with a mixture of pity and disbelief, at a country which can so vulgarly and with so little public protest dismantle its Consumer Council.

Since we have these public attitudes to contend with, as well as bitter party opposition from the Tories, it is surely obvious that to carry through a radical, egalitarian programme, involving a major redistribution of resources, is a most formidable task which will absorb all our energies for many years to come.

5. false trails

Yet at this very moment we hear the siren voices of some Left-wing publicists, both in this country and the United States, urging us to gallop off in a totally different direction. They concede that the basic issues are still of some importance. But, having made that quick obeisance, they go on to say that the real issues of the 1970s will be quite different ones—alienation, communication, participation, automation, dehumanisation, decentralisation, the information network, student revolt, the generation gap or even Women's Lib. Now no doubt these polysyllables all conceal an important truth, even though I cannot myself discern it in every case, and occasionally dislike what I can discern. For example, I find much of the talk of the generation gap both distasteful and inaccurate. It is distasteful because it often goes with a self-abasing attitude towards youth as a class, and even youthful violence, as something to be compared flatteringly with the old effete Parliamentary system. It reminds me of the cult of youth that was celebrated so odiously in the Fascist hymn *Giovenezza*. For myself, I believe that no generation should abase itself before another—neither young before old nor old before young; and I believe profoundly in a non-violent Parliamentary system—even an imperfect one like ours.

As to accuracy, most of those who talk and write about the generation gap are referring in fact to a small minority of students. They ignore the overwhelming evidence of opinion polls and attitude surveys which show, for example, that the great majority of the 18-24 age-group vote as their parents do. Of course there is, always has been, and always will be a generation gap; and of course there is a student revolt (in some sense) with the vast expansion of student numbers — and a revolt that has probably on balance done good.

But we should keep the matter in some perspective. S. M. Lipset and Earl Raab, who have done the most exhaustive survey of all the poll material on this subject in the United States, come to the following conclusion. We may like it or we may not, but at least it is based on the best information that can be assembled. "Politically, at least, the significant fact is that the basic direction of the younger generation is in most cases the same as that of their parents; they go with the parental grain rather than against it."

However, that is a digression. My main point is that the new NW1 formulations must not be allowed to divert us from the overwhelmingly more important issues which I have talked about in this lecture. To illustrate my point, I discuss briefly the most significant and sympathetic — though still somewhat vague and hardly new—of these formulations: namely, participation.

Participation, I suppose, should mean that the general public participates directly in decision making, and not just indirectly through its elected representatives. It is an ideal of Athenian democracy, to be realised through the medium of the mass meeting or the strictly local forum.

Now in a society as large and complex as ours, participation of this kind can occur only on a limited scale. It can occur in the case of a strike, or a particular local planning decision. But there is no way in which the general public can participate directly in the South-East Planning Study or the Roskill Commission or the GLC Development Plan, any more than the bulk of workers can participate in the investment decisions of ICI or the British Steel Corporation.

In any case, experience shows that only

small minority of the population wish to participate in this way. I repeat what I have often said—the majority prefer to lead a full family life and cultivate their gardens. And a good thing too. For if we believe in socialism as a means of increasing personal freedom and the range of choice, we do not necessarily want a busy bustling society in which everyone is politically active, and fussing around in an interfering and responsible manner, and herding us all into participating groups. The threat to privacy and freedom would be intolerable; moreover, as Bertrand Russell once wrote, “the sphere of individual action is not to be regarded as ethically inferior to that of social duty.”

In fact, what we are talking about is usually something different, namely, voluntary pressure groups of one kind or another. These exist to exert pressure from the outside rather than to participate from the inside. They are other groups representing consumers of the products of industry or government, such as the Consumer Association, CASE, or the Patients' Association; they are part of the conservation or environmental lobby, whether on a national scale like the Civic Trust and CPRE or on a local scale to fight a dam or a motorway or a reservoir; they exist to promote a particular social cause, like Shelter and the CPAG;—and these in particular I shall revert to later—they take the form of community or neighbourhood associations.

These voluntary and pressure group activities have grown spectacularly in recent years. For my part, I have been energetically involved in many of them, and have no doubt that they are on balance an enormous force for good. They provide a badly-needed element of countervailing power in our society;

and I would like to see them extend and strengthen their activities—for example, in many of the directions in which Ralph Nader has led the American consumer movement. This would, by the way, be a less trivial outlet for the idealism of young activists than throwing smoke bombs at Miss World.

But I said “on balance” an enormous force for good; and I must stress that these activities are not necessarily *socialist* in either content or intention. Many of the groups are basically middle class, or even (in the case of some conservation groups) upper class, or even (in the case of the World Wildlife Fund) Princely or Royal in membership and origin! Now when the interests of different classes coincide, as with protecting the consumer or getting better schools or preserving the coast line, or where the object is plainly to help the under-privileged as with Shelter and the CPAG, this may not matter.

But in other cases it does matter. I have already pointed to the élitist tendencies in parts of the rural conservation movement. Some urban amenity groups are having the effect, in areas of acute housing shortage, of diminishing the supply of working class housing in the interests of the middle class. There are risks even in education. The voluntary playgroup movement, for example, which I strongly support, could be widening the gap between privileged and under-privileged children; while the demand from some CASE branches for more parental influence in the schools could easily in practice impose an even more middle class ethos on the schools than they have today. There are times when only the despised local councillors and bureaucrats stand guard on behalf of the majority.

I conclude two things from this. First,

although we should remain ardent supporters of most of these voluntary activities, we should be discriminating in our support and not automatically equate this kind of participation with socialism; Tories can participate as actively as socialists. Secondly, we must seek ways of involving the majority in what is so far largely a minority movement; and I revert here to the concept of the neighbourhood or community council.

Apart from major decisions of central government, the decisions which most affect most people's lives are decisions about their locality—about particular roads, particular schools, particular housing estates, particular factories. They are decisions about a motorway route, the exact date of clearance of a slum street, play areas on a housing estate, the smell from a new factory, a new twenty-storey hotel in a quiet residential area, the disappearance of small shopkeepers under town centre redevelopment, and whether lorries should park in a residential street. It is not only a matter of stopping things. People in a locality may also want to do things—to spend money on local amenities, such as a car park, a playing field or old people's benches, and to make appointments to school governing bodies and other local bodies.

It is at this local level that people often feel most helpless in the face of authority. They do not want a continuous process of active participation. But they do want to be consulted about, and to influence, these decisions which profoundly affect their daily lives. Precisely the same is of course true in industry, and constitutes the essence of industrial democracy.

Large local government units—and they will become larger whatever form of local government reorganisation we

have—do not always practice such consultation effectively. True, one-purpose pressure groups may spring up to challenge a particular decision; but they often prove ephemeral. That is why, in last February's White Paper on Local Government Reform, I tried to give an impetus to the idea of smaller local or neighbourhood councils—urban parish councils, so to speak; and Michael Young and his colleagues on the Association of Neighbourhood Councils have pushed the idea still further.

Naturally the idea evokes both scepticism and hostility. Some, especially though not only amongst officials, see such councils as a potential threat to good administration — yet another irritating pressure group getting in the way of sound government. Others think them simply absurd, as did all the respectable, established people in G. K. Chesterton's *The Napoleon of Notting Hill*.

I do not know how many Fabians remember that novel, but it is worth recalling, perhaps, the answer given by Adam Wayne, the Provost of Notting Hill (where I am happy to live). He was asked by the King :

“Don't you really think the sacred Notting Hill at all absurd?”

“Absurd?” asked Wayne, blankly, “Why should I?”

“Notting Hill,” said the Provost simply, “is a rise or high ground of the common earth, on which men have built houses to live, in which they are born, fall in love, pray, marry and die. Why should I think it absurd?”

Whether absurd or not—and I doubt if it is — this much is clear. In an age of increasingly and inevitably larger units, we can see both a no

without doubt but very real discontent with the channels open to people to influence events, and also a growing interest in specifically neighbourhood and community action. This surely something we should encourage; and the neighbourhood council opens up a way forward which we should boldly take even in advance of legislation. It seems most suitable that the first experiment is currently being tried in the Golborne Ward of Notting Hill.

6. conclusion

But even such a challenging idea as this, still less the ambiguous though fashionable formulations I mentioned earlier, must not be allowed to divert us too far from our central objectives.

It would, for a start, be electorally idiotic to be so diverted. We can learn a lesson from American experience last summer and autumn, when the "New Politics" section of the Democratic Party tried, even to the extent of opposing excellent liberal candidates in the primaries, to move the Democrats away from their traditional support in the working class and ethnic groups towards an essentially middle class orientation and set of issues. It was only when the Democrats reverted in the autumn to the central economic issues that they were able—with remarkable success—to fight off an immensely strong Republican offensive.

It would not only be electorally unwise; more important, it would be wrong. I have always looked forward, in everything which I have written, to the day when we could stop fussing about growth and the allocation of resources, and turn our attention to more fruitful and cultural pursuits.

But that day is not here yet. The basic issues of poverty, inequality, an inadequate social sector and a drab environment are still the over-riding ones; and questions of growth, taxation, expenditure and social control remain incomparably more urgent than alienation or student revolt or the mass media. And that is not to mention the improverished condition of the developing countries.

If there were some who doubted this on June 18th, they surely cannot do so now. The new Conservative Government is showing itself the most ideological and reactionary right-wing government that Europe has seen in

two decades. It cannot eliminate poverty, for that would involve more generous public spending. It believes in inequality; hence Mr. Barber's mini-budget redistributes income from the less well off to the better off, and Mrs. Thatcher's Circular 10/70 reduces equality in education. It believes in the greatest possible freedom for private profit making; so it abolishes IRC, transfers assets from BOAC to the private sector, and talks of the need for general denationalisation. It shows its contempt for the consumer by abolishing the Consumer Council. It threatens the regions by its policy on investment grants, and the cities by relaxing controls on speculative office building. Its commitment to lower public spending and its ideology of *laissez-faire* will mean more poverty, more inequality, a meaner social sector and a worse environment.

Perhaps it did not need this lecture to demonstrate that our basic social democratic aims remain as urgent as they have ever been. If proof were needed, Mr. Heath has provided it.

Fabian society the author

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