

Alan Milburn, New Labour and the British coalition government

Julie Hyland
4 September 2010

The announcement that Alan Milburn, a former member of Tony Blair's cabinet, will advise the Conservative-Liberal Democrat government as its "social mobility Tsar" provides an opportunity to review the role of various former "lefts" in the political genesis of "New Labour".

Milburn is amongst several leading Labourites who have assumed advisory roles in the ruling coalition, under conditions in which it is implementing the most savage austerity measures since the 1930s.

First up was Frank Field, minister for welfare reform in the first year following the election of Labour in 1997. In his new capacity as the current government's "poverty Tsar", he is to provide benediction for the final dismantling of welfare benefits.

Next is the former editor of the *Observer* newspaper and vice-chair of the Work Foundation think tank, Will Hutton. He is to oversee a review of public sector pay—a euphemism for finding ways to justify cuts in wages and conditions.

Former Defence Secretary John Hutton is to lead a government review aimed at tackling what is described as "unsustainable" public sector pensions.

Earlier this month it was announced that former Labour Minister David Blunkett is considering joining a cross-party advisory committee, headed by the Centre for Social Justice, also aimed at welfare "reform".

Given their political backgrounds, the roles being played by Field and John Hutton in the coalition government are the least notable. A member of the Conservative Party in his youth, Field has long been regarded as a right-wing maverick, while John Hutton, a member of the Conservative, Liberal and Labour societies during his university days, is an inveterate political careerist.

Will Hutton, in contrast, was a prominent advocate of the supposedly "liberal" mission of the Blair government. Blunkett earned his reputation in office as the most authoritarian Home Secretary in history. But it was under his leadership in the early 1980s that the Sheffield City Council was re-branded the "Socialist Republic of South Yorkshire" for its oppositional stance to the Tory government of Margaret Thatcher.

Blunkett is just one of a number of leading figures in Blair's coterie, underscoring the critical role played by the ex-left in

the fashioning of New Labour as an explicitly big business party. Drawn from the nominal left-wing of the Labour Party, many share a history in the Communist Party of Great Britain (CPGB) or in various pseudo-Trotskyist politics.

Among the former members of the CPGB are John Reid, Peter Mandelson, Alan Johnson and Charlie Whelan, along with fellow travellers Jack Straw and Charles Clarke—both of whom held the post of Home Secretary.

Milburn is one of a number drawn from various petty bourgeois groups claiming to be Trotskyist. Most notable amongst these is the International Marxist Group (IMG), then the British section of the Pabloite United Secretariat of the Fourth International. A member of the IMG in the early 1980s, Milburn ran the "Daze of Hope" bookshop in Newcastle before becoming coordinator of the Trade Union Studies Information Unit. Another notable one-time IMG member is former Chancellor of the Exchequer Alistair Darling.

The International Committee of the Fourth International has written extensively on the confluence of Pabloite revisionism and Stalinism. Relations between the IMG and the CPGB in Britain confirm this. During the movement against the Vietnam War in the late 1960s, for example, the radical phraseology of the IMG and its support for "direct action" was accompanied by a firm alliance with the CPGB, forged for the most part on the basis of shared hostility to the Trotskyists of the Socialist Labour League (SLL).

By the late 1970s the IMG had largely ditched its revolutionary posturing. At this time the Labour government of James Callaghan was coming into direct confrontation with the working class as it imposed the diktats of the International Monetary Fund, eventually paving the way for the election of Margaret Thatcher in 1979.

By the start of the 1980s, the IMG had liquidated entirely into the Labour Party. Its remnants remained there, safely ensconced as the Labour leadership carried out a wave of expulsions against those proclaiming their adherence to left-wing politics in an effort to shed any connection with the party's social reformist past.

Labour's rightward lurch was critical to enabling Britain's ruling elite to wage an offensive against the social position of the working class.

The ideological justification for Labour's evolution was largely provided by the CPGB, most notably its “Euro-Communist” wing. Through the pages of *Marxism Today*, the CPGB's theoretical journal, the Stalinists repudiated any possibility of socialist transformation and declared an end to the class struggle. Defining Britain as a “post-Fordist” society in which the working class had been reduced to irrelevance, it argued for Labour to junk any connection with class-based politics and build a coalition of anti-Thatcher forces based on various forms of “identity” politics.

To this end, during the 1980s contributors to *Marxism Today* acted as advisers to the Labour bureaucracy. It was in its pages that Tony Blair first set down, in 1990, the outlines of the New Labour project, based on defining “a new relationship between citizen and community for the modern world.”

As Blair prepared for office by abandoning Labour's constitutional commitment to social ownership, Martin Jacques, editor of *Marxism Today*, together with contributor Geoff Mulgan, set up the New Labour think tank Demos in 1993. Its specific task was to provide a “progressive” gloss for an incoming Labour government's role as the political representative of the global financial oligarchy.

Mulgan went on to hold major roles in the Blair government, including director of the government's Strategy Unit and head of policy in the Prime Minister's office. For their part, Darling, Milburn, Straw, Reid et al were to occupy the highest offices of state.

Through the relations it established with major corporations such as Centrica, the NatWest Group, Shell, PricewaterhouseCoopers and others, Demos served as an important conduit for access to the government and the spoils created by Labour's privatisation of essential social services.

In the waning days of the Labour government, Demos underwent a further evolution, driven not so much by the collapse in support for Labour, as the crisis of the capitalist system following the global “credit-crunch” of 2008. Its primary concern was that the meltdown of finance capital would not, under any circumstances, become the occasion for a challenge to the free market and its associated political nostrums.

That year, under the directorship of Richard Reeves, one time adviser to Field and formerly of the *Observer* newspaper and the Work Foundation, Demos expanded its cross-party links. Over the next period, in addition to Will Hutton, Milburn and John Cruddas (supposedly from the Labour left), it appointed Conservative's George Osborne and David Willetts (now respectively Chancellor and Minister of State for Universities and Science). Danny Alexander (Chief Secretary to the Treasury) and Vince Cable (Business Secretary) were among a number of Liberal Democrats brought on board.

They join together with the new Chair of Demos, Philip Collins, Blair's former chief speechwriter, and Blair advisor Julian le Grand, whom also now works as an advisor to the

Tories. Accompanying these political figures are CEO of Birds Eye Iglo Group Martin Glenn, Neil Sherlock of KPMG, former CEO of PepsiCo UK and other business figures.

In January 2009, Demos launched “a major new project exploring the nature and challenges of Progressive Conservatism”. Conservative leader David Cameron was one of the keynote speakers.

Writing in the *Independent* on May 7 of last year, Milburn complained “those licking their lips at the prospect of an end to market capitalism... risk gorging prematurely on a beast that has life still in it.”

Warning that state-funded bailouts of the banks “must not become the foundation for a wider creeping programme of nationalisation”, he argued for the role of government to be further cut back, specifically by allowing charities and other organisations to take over and run local services, schools and health care.

That month, Demos launched its pamphlet outlining “a vision for a new political settlement” in Britain, entitled “The Liberal Republic”. This “good society”, Reeves stressed, must be “one composed of independent, capable people charting their own course, rather than a perfect shape to be carved by the elite, out of the crooked timber of humanity.”

The symmetry between the “good society” of Demos and the “big society” of Cameron and Liberal leader Nick Clegg is obvious, as is the invoking of “local accountability” as the guise for the gutting of the public sector.

The passage of so many leading New Labour personnel into the ranks of the Tory-Lib Dem government demonstrates the identity of the official parties as right-wing defenders of the existing order. That this includes so many leading figures from the ex-left involved in the formation of New Labour also refutes any pretence that these organisations ever represented a socialist alternative.

For 13 years this numerically small coterie was able to occupy positions in the upper echelons of the Labour government and its apparatus. Now, Demos and its top personnel move seamlessly on to act as political advisers to the Tories on how best to impose the savage austerity measures demanded by big business.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact