

## The Future of Social Democracy London, 15/16 September

### A More Liberal Social Democracy? Seeking fairness and progress in the global age

The building up of national welfare states, enabling economic growth to be combined with social inclusion, has been at the heart of social democracy's success in the 20<sup>th</sup> century. Above all, commonly understood and shared notions of "fairness" and "progress" allowed centre-left parties to champion both equality and liberty, and to establish themselves as *the* force of modernisation. Yet, the global economic revolution and other major transformations, such as the current rise in food, fuel and commodity prices, have profoundly jumbled up these long-cherished conceptions, putting an unprecedented strain on societal development in liberal democracies.

At the same time, recent studies on happiness and wellbeing suggest that the most appropriate benchmark of development appears to be individual freedoms and capabilities. This is not to imply that income (per capita) has become an irrelevant factor, but that ultimately human development in industrialised countries ought to be measured against a broader concept of social, economic and political freedoms.

In the light of the new global challenges, inequalities and economic insecurity in the 21<sup>st</sup> century, the task for modern social democracy is thus to identify a policy framework that is capable of guaranteeing and expanding the substantive freedoms which people (used to) have. Politically, this constitutes a formidable challenge as no ideology has yet managed to bridge the yawning gap between opportunity and constraint, as felt nowadays by large sections of our populations. In addition, such a human development approach seems to rely not only on a narrowly defined social democratic tradition, but also on radical liberal ideals.

Yet in the European Continental context, the word "liberal" often conveys a right-wing, free market "neo-liberal" meaning. But liberal also has specifically *progressive*

connotation as being on the side of the individual, their civil liberties and fundamental rights to human self fulfilment. This is based on a positive view of freedom which is against abuses of power by people in positions of power and authority, whether these be authoritarian rulers, landlords, big business or an overweening state.

This seminar will explore whether this concept of a “more liberal” social democracy offers a new way forward for the European centre-left, even if the language might need adjustment in the light of different national circumstances.

## Agenda

Monday, 15 September

13.00 Registration and buffet lunch

14.00–16.00 Session I: Do we need a new phase of social democratic revisionism?

- Is the modernising social democratic consensus established in the 1990s—the Third Way, Neue Mitte, the Polder model, the reformed Nordic model—still relevant in the changed circumstances of today?
- What should be retained and what needs modification from the pursuit of the “middle ground” and close relationships with business; the abandonment of Keynesian intervention and support for a stable economy with open markets; active labour market policies to promote employment; the emphasis on creating more equal opportunity through education; the focus on tackling poverty at the bottom, not inequality at the top?
- How should modern social democrats respond to social change (the erosion of the industrial working class) and the emergence of new challenges (demography, climate change, globalisation)? How should the centre-left appeal to new social groups while maintaining its “core” support, at a time of rising populism on both left and right?

**Chair:** Olaf Cramme, director, Policy Network

**Introduction:** Andrew Gamble, professor of political science at University of Cambridge

**Speaker:** James Purnell, secretary of state for work and pensions

16.00–16.30

Coffee break

16.30–18.30

**Session II: Global capitalism and fairness: how should social democracy respond?**

- What is the social democratic response to the financial crisis, the housing market collapse (in some countries), and steeply rising energy and commodity prices with higher food and fuel bills bearing especially hard on the poorest groups?
- Is it necessary to rethink basic principles of economic management, such as the priority to keep inflation low and maintain fiscal discipline? Will there be a “return to planning” in some form and what kind of state and market do we want to frame in the global financial era?
- What does “fairness” mean in these new tougher times? Is it time to adopt new policies explicitly designed to reduce wealth and income inequalities “at the top”?

**Chair:** Kitty Ussher MP, economic secretary to the Treasury

**Speakers:** Will Hutton, CEO, Work Foundation; and Olivier Ferrand, president, Terra Nova Foundation

19.30

Dinner

Tuesday, 16 September

9.00–10.30

**Session III: Society and the state: managing increasing diversity**

- What is a credible “equalities” agenda for modern diverse societies? What is the right balance between “moral” and “mechanical” approaches to solving societal problems?
- What is the social democratic response to the right’s claim (in some countries) that we live in a “broken society”? Where should social democrats stand on civil liberties in modern conditions?
- What are the respective roles of more active citizenship, strengthening local democracy, and greater reliance on community initiative and the voluntary sector? In what ways are there approaches complementary and to what extent are there inconsistencies between them? What does the relative salience of each approach mean for equity and equality?

**Chair:** Karl-Heinz Spiegel, director, Friedrich Ebert Stiftung

**Speakers:** Sunder Katwala, general secretary, the Fabian Society; and René Cuperus, senior research fellow, Wiardi Beckman Foundation

10.30–10.45

**Coffee break**

10.45–12.15

**Session IV: Changing institutions and the challenge for democracy**

- Against the background of declining trade union power over the last decade, is social partnership/social dialogue a thing of the past? How can it be applied in a private sector knowledge and service economy? How can the partnership between modern social democracy and trade unions be renewed?
- How do social democrats square the sovereignty pooling that is necessary to tackle problems bigger than the nation state on the one hand (as through the European

Union) with the need to strengthen democratic accountability and legitimacy, on the other?

- Does the complexity of the 21<sup>st</sup> century challenges require more or less delegation of power and democracy to “independent” bodies/agents and what is the social democratic answer to this?

**Chair:** Roger Liddle, vice-chair, Policy Network

**Speakers:** Patricia Hewitt, former UK secretary of state for health; and Loukas Tsoukalis, president, ELIAMEP

12.15–13.00

**Concluding session: Towards a more liberal social democracy?**

- Can we actually create a political approach that merges the substance *and* language of both the social democratic commitment to equality and the radical liberal commitment to pluralism?

**Speaker:** Liam Byrne, UK minister of state for borders and immigration