



An Introduction to Politics, State and Society

(Re)defining Politics: Neoliberalism and the State

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(Re)defining Politics: Neoliberalism and the State

Key Concepts and Issues

- Neoliberalism and neoconservatism
- New Right ideology
- The New Right in politics
- Thatcherism
- The legacy of Thatcherism
- The New Right and morality politics

Key Theorists and Writers

- Milton Friedman
- Andrew Gamble
- Stuart Hall and Martin Jacques
- Fredrick Hayek
- Bob Jessop
- Roger Scruton

Neo-liberals argue that inequality is both inevitable and desirable. Attempts to offset inequality through state interference will inevitably lead to the erosion of human freedom, preventing individuals making choices about how to spend their income. The inevitability of human diversity within civil society will ensure that the state acts on only a partial, and therefore distorted, understanding of individuals' needs. (Faulks, 1999: 74)

The neoliberal agenda of the New Right, which manifested itself in the leadership of Margaret Thatcher, directly dominated both party and ideological dimensions of United Kingdom politics during the 1980s. Its legacy was still profoundly felt throughout the rest of the 1990s and

remains a potent political ideology and reference point into the new millennium.

At this chapter's core, therefore, is an outline of the major neoconservative and neoliberal perspectives. It will also trace in some detail the political emergence, and later decline, of Thatcherism. Equally importantly, however, the chapter will further discuss the main consequences of the period of New Right dominance, not just for party politics, but for United Kingdom society more generally. Finally, it will discuss the legacy of Thatcherism and its effects on contemporary politics.

Indeed, a core set of questions to be considered in the remainder of the book surrounds how much Thatcherism altered United Kingdom society, and to what extent political formations since have changed as a reaction to the parameters set by neoliberalism as interpreted by the New Right. In broad terms, Thatcherism will not only be considered as a response to decline and as a set of economic, social and moral propositions, but also as a starting point for understanding the emergence of New Labour and the subsequent direction of many of its policies (see [Chapter 7](#)).

In one sense the New Right, which emerged in the late 1970s and then dominated politics in the United Kingdom throughout the 1980s, was not really new at all. Certainly, many of its ideas and propositions had been in circulation for a long time, without attracting any widespread consideration or support. Friedrich von Hayek, for example, had argued from the 1930s for the primacy of a free market and the minimal state. More recently, writers such as Milton Friedman and James Buchanan had, from at least the early 1960s, and while remaining tangential to mainstream politics, consistently advocated New Right theories.

In another sense, however, the New Right was dramatically different and its emergence marked, if not a rupture, then certainly a new dynamic in United Kingdom politics. The widespread political, social and economic crises of the late 1960s precipitated a dramatic readjustment in United Kingdom politics. One result was that the domestic postwar consensus broke down.

It was within this context that the New Right emerged to dominate the political agenda in the United Kingdom. Its rise was centrally connected to its opposition to a social-democratic consensus and the collectivist values within the politics of the United Kingdom. However, despite a core opposition to the values of social democracy, the New Right was always a coalition of diverse political forces. This is partly illustrated by the fact that despite the depth of the literature available, there is no agreed term to characterize the New Right within British politics in the 1980s. Different commentators have applied a variety of labels, such as the 'radical right', 'authoritarian right', 'neoliberalism', 'anti-collectivism' or 'neoconservatism'.

It is, of course, possible, and indeed important, to differentiate between various components and factions within the New Right. Here in [Chapter 3](#), we shall focus on the influence of the authoritarian Right and neoliberalism on New Right politics since 1979. While recognizing the wider social forces, which may be brought together under the banner of the New Right, it was Margaret Thatcher who proved to be the concentrate for much of the dynamic behind its direction within the United Kingdom. Therefore, throughout the rest of this book, we shall also refer to a more limited phenomenon, of Thatcherism. Certainly neoliberalism, the New Right and Thatcherism are not synonymous terms. To begin with, therefore, some key elements that make up New Right ideology need to be identified.

Neoliberalism

Much of the dynamic within neoliberalism has its origins in a particular reading of classical political economy. Indeed, some would argue that the origins of modern liberal democracy may be found in the American Revolution of 1776 and the French Revolution of 1789. In the contemporary period, however, neoliberals place stress on the free market, minimal state intervention and the primacy of personal choice.

Green (1987) identifies four basic 'schools' of thought within neoliberalism. These are the 'Austrian School', represented most clearly by the works of Hayek. In perhaps his most famous work, *The Road to Serfdom* (1944), he explains how state intervention based on collectivism will bring about a totalitarian society.

Elsewhere, the 'Chicago School' is clearly represented in the works of Milton Friedman and best known for the promotion of 'monetarism'. This theory, adopted as it was by the Conservative administration in the early part of the 1980s, argues that the money supply should only expand in line with production. If it expands any more quickly there will be only one result – inflation. There is also great emphasis on the market as the primary provider of goods, and they remain hostile to almost any type of state intervention.

The thinking from the 'Virginia School of Public Choice' takes a slightly different tack. Here, neo-classical economics is used to explain the behaviour of politicians and bureaucrats. All individuals are deemed to be 'rational utility maximizers'. The result of this is that state services are put in place to serve the interests of the providers, not their clients. The real problem is that this leads to state 'overload' (in the form that we have encountered it). The perceived answer is again to return to 'the market'.

Finally, 'Anarcho-Capitalists', which is by far the most diverse (and perhaps the least well known) of the above groupings. Writers such as Nozick and David Friedman, who place emphasis on 'unrestrained freedom', represent this perspective. Indeed, for some authors, such as Friedman, the argument is for an absence of any state structures in society whatsoever.

Neoconservatism

Several of those on the New Right drew on a different source for their inspiration. Here again we are not talking of a coherent 'school' of thought, but rather a fairly diverse grouping. That is not to say, however, that there are not key themes that may be identified. There is a common emphasis by such neoconservatives on authority, traditions, law and order and morality. The 'cause' of many contemporary social problems is seen as the increasing permissiveness in society. In particular, the 1960s are seen as the turning point in the moral decline, and break-down in authority, of contemporary society. Hence, they tend to emphasize the roles and responsibilities of the individual before the collective. This has been clearly seen in policy towards the 'family', of which more in later chapters of the book.

There is, however, no necessary alignment between neoconservatives and neoliberals. Indeed, over issues such as individual freedom and the role of the market there may well be open conflict. The social and political forces that brought the two together manifested itself in the late 1970s, as Thatcherism. It was a particular set of social and political dynamics, rather than the individual, which marked the merger of such complex political forces and expresses it in a populist form.

As we shall see, many would argue that the manifestation of the New Right administration

and its ideological positioning has structured much of the terrain of the United Kingdom's polity ever since. It is therefore necessary to consider a little more fully just what Thatcherism was.

Thatcherism: A New Beginning?

Thatcherism, recognizing a crisis in Conservatism's traditional support, set about creating a new social and political coalition. Hence, the general election of 3 May 1979 saw the New Right exploit some of the widespread popular feelings surrounding disillusionment with the crisis of the state. Such views were clearly represented by the Conservative Party at the time when it projected itself as being able to cure all the ills of the country and to reverse Britain's long-term economic decline. The 1979 Conservative Party Manifesto claimed Britain was 'faced with its most serious problems since the Second World War'.

In response, the Conservatives set out five major tasks to be undertaken. First, to restore the health of economic and social life by controlling inflation and striking a fair balance between rights and duties of the trades union movement. Secondly, to restore incentives whereby success would be rewarded, and jobs created in an expanding economy. Thirdly, to uphold parliament and rule of law. Fourthly, to support family life by helping people to become home owners, raising standards of children's education and concentrating welfare services on effective support of the old, the sick and those in real need; and fifthly, to strengthen Britain's defences and protect interests in an increasingly threatening world.

In one way the emergence of Thatcherism can be seen as a direct response to demands which are necessarily made on the state in order to implement the above principles. Here, the theory of 'overload' mentioned in the previous chapter is important, and it is one to which we shall return. In particular, on the part of the New Right, there was a recognition, not always made overt, that government could no longer 'solve' all the fundamental economic, social and political problems of society. Almost immediately this involved a downgrading of expectations. The responsibilities of the state were reduced in the popular consciousness, and at the same time the notion of individual responsibility was upgraded.

There exists a vast literature on Thatcherism. This includes a variety of critical analytical perspectives (see Hall, 1988; Hall and Jacques, 1983, 1989; Jessop et al., 1988; Wilson, 1992), ideas about Thatcherism as a response to the restructuring of international capital (see Overbeek, 1990) and detailed discussions of Thatcher's leadership 'style' (see Riddell, 1983; Young, 1993; Young and Sloman, 1986).

Other literature reviews the changing face of United Kingdom politics and society during the 'Thatcher years' (see Edgell and Duke, 1991; Kavanagh, 1987). Some provide detailed considerations of the effects on various aspects of United Kingdom society, such as the economy, civil liberties, Northern Ireland and welfare (see Ewing and Gearty, 1990; Gaffikin and Morrissey, 1990; Johnson, 1991; Loney, 1986). Yet more is based on major criticisms offered by political opponents (see Ali and Livingstone, 1984; Hirst, 1989) and the legacy of the Thatcher era (Riddell, 1989, 1991).

One thing which is clear when we consider all the above writings is that the Conservative government of 1979 sought to mark out a distinct break with much of what had gone before. The New Right 'vision', with Margaret Thatcher and Keith Joseph in the vanguard, emerged from a distinctive recognition of the relative weakness of support for the policy parameters which had been set in place. In particular, they sought to challenge any existing commitments

by the state based on the ideologies of Keynes, Beveridge and the Fabians. As Kavanagh (1987: 6–7) explains: ‘One can disagree about the exact date – the defeat of the Heath government in 1974, Healey's budget in 1975 which abandoned full employment, the IMF rescue in 1976 or the Winter of discontent in 1979. [but] The consensus had few credible defenders by 1979.’

So, for example, the vision manifested in direct conflict and often confrontation with the existing institutionalized arrangements of bargaining, between the state, big business and trade unions, and with the notion of a universal and state-provided welfare system. All of these were effectively challenged and, at least in part, undermined. In its place came the endorsement of individualistic perspectives and market forces as the major methods in governing and determining the economy and the provision of welfare.

The Origins of Thatcherism

If the emergence of the New Right is to be located in the breakdown of postwar consensus (as discussed in previous chapter), it is important to try to understand this in terms of the wider phenomenon of disillusionment with the state. Thatcherism in part drew on academic arguments and those writers such as Scruton (1990) and Paul Johnson (1980), who stressed a ‘failure of values’. Johnson, for example, argues that there were inherent weaknesses in the postwar United Kingdom settlement. The ‘Beveridge-Keynes’ state provided a public monopoly in welfare which was ‘justified’ as working on behalf of the poor. However, this in fact undermined political democracy by making promises that could not be met. Overall, it worked against a clear understanding of real social needs and future economic possibilities.

So why did the New Right become dominant? After all, as the above indicates, free market views had been in currency since at least the 1950s, although admittedly these had been tangential to mainstream Conservative Party ideology. However, within party political Conservatism much of the internal momentum for change came from the two election defeats in 1974. The then leader, Edward Heath, had actually begun to adopt some New Right policies around 1970 but was quickly forced to abandon them. The New Right tendency within political Conservatism, initially spearheaded by Keith Joseph, its chief ideologue, and then by Margaret Thatcher, who was elected leader of the Conservative Party on 11 February 1975, began to gather momentum.

Thatcher, despite what has been claimed, offered no dramatic change in political attitudes or direction at the time. Indeed, Loney (1986: 44) describes her rise to power and the subsequent shift to the Right as largely ‘fortuitous’, based more on disillusionment with Heath's leadership than any widespread conversion to a new ideology. Slowly, however, a distinctive set of social policies began to emerge from within, promoting New Right virtues and largely based on economic restraints on public expenditure. Much of the policy remained shadowy but there was a clear commitment to reducing overall public expenditure, except in specific areas such as defence and law and order.

In terms of populist support, rather than the acceptance of any dramatic ideological shift to the Right, the real prelude to the political rise of Thatcherism, may well have been the events of late 1978 and the so-called ‘winter of discontent’. This saw a massive number of days lost through industrial disputes largely surrounding wage limits in the public sector. It brought to a head increasing criticism regarding the provision of state services as being out of touch with ordinary people.

One result was that welfare came back to the core of the political debate, this time not in terms of 'need', but rather of the increasing cost of welfare provision. Hence, by the mid-1970s, after a quarter of a century of steady growth and near-full employment, it was clear that the consensus that had existed around welfare was fast disappearing. It was at this point that the neoliberalism of sections of the New Right came to the fore. By the late 1970s there came an overt challenge to the postwar consensus and calls for extreme constraint on the welfare resources provided by the state.

In fiscal policy they argued that the nature of the contemporary state had produced an 'overload' (see previous chapter). Further, it was claimed that most of the major social problems of the late 1970s were merely the latest dire examples of a century of national decline. It was the New Right which best recognized this populist concern and constructed a meaningful political discourse within which only they could be called upon to halt the degeneration and repair the damage. To do so they called for a government that was much less interventionist and that restored greater individual choice and personal responsibility.

Thatcherisms Political Philosophy

The above, however, does not fully explain the subsequent direction taken by the neoliberals headed, in party political terms, by Margaret Thatcher. How exactly was Thatcherism different and how did some of the New Right ideological positions outlined above come to influence the Thatcher administration so strongly?

New Right ideology always had wider political dimensions, far beyond its narrow economic focus on public expenditure. This sometimes caused some confusion in the analysis. Partly, this is because, as Kavanagh (1987) suggests, the terms 'Thatcherism', 'monetarism' and the 'New Right' are often incorrectly used interchangeably. He further explains the vital differences:

A monetarist believes that excessive increases in the supply of money (that is, above the increase in production in the economy) cause inflation, a case of too much money chasing too few goods. Too often in today's political rhetoric, however, the term refers not to an approach but to a right-wing Conservative, who questions Keynesian policies. But there are varieties of monetarism and monetarism is analytically quite separate from, and has no necessary links with, a market economy, high unemployment, lower public spending, balanced budgets, and so on. Similarly the term 'New Right' is too often used to lump together various social and economic doctrines and policies and political personalities. It is important, however, to separate those libertarians who favour a reduction in the role of the state in both social and economic areas from those who are concerned with the restoration of the authority of the state and hostile to many aspects of 'permissiveness'. (Kavanagh, 1987: 10)

At this point it may be useful to outline some of the central political tenets of traditional Conservative thought, if only to highlight where Thatcherism departed from it, how far and in what ways. Central to inherent Conservative thought is the belief that the core purpose of politics is to provide a mechanism for social harmony. Underlying this is the belief that human nature is imperfect, and therefore that inequality is innate and inevitable in society. Society is held together by strong leadership and discipline and rests on the foundations of organically evolved social institutions such as the Church and the family and shared customs and traditions. Both politically and socially, it is continuity that is more important than change. It is the rule of law that provides the basis of all freedom. Hence, the government should exist

merely to provide checks and balances and manage political change only when it can no longer be resisted.

However, Thatcherism quickly placed itself outside this tradition of Conservative thought and action. There was still a strong emphasis on such issues as freedom, property and the nation, but this was to be achieved by a new conviction, and the resolution and strength to bring about radical social and political change.

So let us consider the ideological basis of Thatcherism, the thinking which underpinned the policies and strategies of the Thatcher leadership. Ideologically, Thatcherism stressed neoliberalism, freedom of the individual, voluntary rather than state action in welfare provision and the notion that inequality and unequal rewards are necessary to society.

First, Thatcher upheld the virtues of 'the market', by way of its commitment to the neoliberal view that the market was the best mechanism for producing and distributing resources in society. Such views draw heavily on classical liberalism and the belief that competitive markets, with minimal involvement by the state, is the best means to ensure economic growth. In the contemporary New Right vision, the market is seen as more efficient, responsive to peoples' needs and productive than any other state system could possibly be.

Secondly, there was an emphasis on individualism. Again, this draws directly on ideas within liberalism, where the individual is seen as self-reliant and responsible for his or her own actions. It is therefore seen as a mistake to involve the state in economic affairs, or any other aspect of people's lives, as this would result in the state taking away individual responsibility. This is particularly clear in the area of welfare where provision such as social work and benefits are seen to create a 'dependency culture'. The postwar welfare state has damaged the individual ethos, which had to be restored by the 'rolling back of the state'.

Many on the New Right drew ideologically on works of Hayek and his 'truth of individualism'. This represented the freedom to buy, sell and accumulate, and marked the crucial foundations upon which many other 'liberties' in society rest. It is what Hayek (1944, 1949, 1960) terms the drift towards 'collectivism' which represents the greatest threat to individual freedom and hence the foundations of society. Thus, while socialists have promised the 'road to freedom', it in fact represented serfdom.

Thirdly, a key ideological feature was the commitment to 'strong government' and 'authority'. In spite of the claims outlined above, promoting the market and individualism, underlying these was an equally intense ideological commitment to strong government. Hence, Jessop et al. (1988) refer to this aspect of Thatcherism as 'social authoritarianism'. It manifested itself in several ways: overt campaigns for more 'law and order'; the tightening of security services and controls of information; a patriotic, nationalist and sometimes jingoistic approach to foreign policy and defence. It is useful to consider these main features of Thatcherism in more detail.

The Free Market

While it would be entirely wrong to suggest that Thatcherism was solely about economics, it is nonetheless true that its economic position constituted a large part of what the New Right was about. In broad terms this meant commitment to a limited government or a non-interventionist state, and the goal of economic liberty or unregulated capitalism. Such economic thinking amounted to a fundamental rejection of Keynesian economic management practices. The only alternative was the free market. Arguments for the free market assumed a number of formats,

including that it:

- represents a just mechanism for rewarding talents and abilities;
- nurtures self-reliance; and
- benefits everyone in society, through the 'trickle-down' effect.

Thatcher, in particular, objected to what she termed the nanny-state and the dependency culture, which had enveloped society and people's attitudes. Many of us had become welfare junkies who had abdicated responsibility for our own lives, relying excessively on the state to cushion our existence. The wealth-creators, it was argued, would carry the poor in their wake. Sometimes referred to as the trickle-down effect, this argument holds that eventually everyone's standard of living would rise. Naturally, some would benefit more than others, but that is simply a reflection of their superior talents and abilities.

Hence, fundamental to Thatcherism was an ideological commitment to *laissez-faire* economic policies. This was displayed in several crucial ways, notably through the promotion of private enterprise and in a commitment to reduce 'public expenditure' (which was rarely matched in reality) because it was seen as necessitating high taxation. Moreover, the results of public provision were seen as wasteful, inefficient, misdirected and often abused by those who did not merit or deserve it.

This ideological commitment manifested in a series of policy directions. These included 'monetarism', designed to curb inflation by controlling the money supply and a drive towards 'private enterprise', whereby public services and utilities were largely jettisoned in favour of massive privatization programmes. The free market, it was claimed, was the premium mechanism for rewarding individual talents and nurturing self-reliance. Thatcherism further objected to the creation of the dependency culture. To remove this scourge from British society the circumstances must be created whereby those capable should be allowed to create wealth. Some would clearly benefit from this more than others but, due to the trickle-down effect, everyone's standard of living would eventually rise.

These values manifested in different ways. The initial response of the neoliberals to the economic situation took the direction of a strict control of the money supply. This was seen as a direct mechanism to control inflation. As such, the policies drew directly on the works of Milton Friedman (1962, 1980), who claims a direct and causal link between money supply, the amount of bank notes and credit available in economy and inflation. The rate of inflation is seen as being determined by the rate of growth of the money supply. So, one can control inflation by controlling monetary growth. If governments borrow, or simply 'print money', this will not increase production but merely push up prices. This in turn will generate the demand for more wages, resulting in higher inflation. It is high inflation that provides the greatest threat to the stability of contemporary society.

Governments must actively counter this tendency. In particular, they must show the labour and trades union movement that if wage claims are not matched by increases in production, then the result will be unemployment. This 'fear' of unemployment, what New Right called 'economic realism', should be used to keep wage demands and inflation low. Unemployment cannot be artificially kept below its 'real' rate without accelerating inflation.

A second fundamental tenet of New Right ideology was the belief that market forces work for the benefit of everyone. Reading this through the works of Hayek and Friedman, the New Right argued that pursuing selfish economic interests by some could benefit all. Competition among suppliers ensures profit is not too high. If it is efficient, business will prosper, there will

be employment and wealth for all and consumers will benefit through the wide variety of goods made available.

In the wider economy some enterprising groups succeed and some fail. This ideology was to be transferred *en masse* to create new social relations in a social structure based on inequality. Some on the New Right almost regarded this as desirable. Material deprivation was seen as making individuals more economically dynamic and people more willing to work to their full potential.

What in the opinion of the New Right had stopped this was the ever increasing and monopolistic state intervention. It is this that destroyed individual freedom and undermined individual efficiency. Paramount here in the mind of the Thatcher government was the role of the trades union movement. There were several constantly repeated 'images' of trade unions: that they were controlled by political extremists; used coercive methods; and extracted wage rises far beyond those 'justified' by production. Overall it was the labour movement and the trade unions which stopped the true movement of market forces and individuals reaching true potential.

For these reasons one of the first tasks the Thatcher administration undertook was confrontation with the labour movement through set-piece industrial clashes, especially the Miners' Strike of 1984 and 1985, and through the implementation of restrictive legislation. Both reflected one core belief of the New Right, that of anti-collectivism. Further, those on the New Right also believed that there was a 'natural' rate for unemployment. Any notion that governments could intervene to achieve full employment was at best misguided, at worst harmful to society.

From the perspective of those involved in the New Right, the decade beginning in 1979 marked a rapid and positive metamorphosis in the fortunes of the United Kingdom. This involved greatly reduced rates of inflation, greatly increased levels of industrial input and 'productivity'. Alongside this was an advanced programme of privatization, including 'British Aerospace', 'British Telecom' and 'British Gas'. During the same period, public borrowing was reduced, and there were substantial reductions in income tax. Moreover, there had been dramatic changes in the public attitude towards widespread support for the values of self-reliance and the virtues of the 'enterprise culture'.

Individualism and Social Authoritarianism

One of the things that might be engraved on Thatcher's epitaph is her now infamous remark that there is no such thing as society. Of course, this is plainly nonsense, but there is a latent argument here from the political Right that needs to be addressed. One interpretation of what Thatcher really meant was that society is nothing other than a loose collection of self-interested individuals who come together with no other purpose than to protect their persons and their property rights and to pursue private rather than public ends. The major functions of the state are thus defined, in the same way as did Adam Smith, as those of non-intervention.

Much of the New Right expressed great alarm over the perceived breakdown of law and order and the moral malaise, which it claimed was infecting society. They frowned upon moral relativism, increasing secularization and the decline of traditional values. The resolution to the problem was to reestablish respect for authority and law and to restore social discipline within society, hence, the frequent accusations that they were peddling an outdated Victorian morality. However one interprets that, it seems undeniable that the New Right believed that

freedom requires order in society. That while, on the one hand, it was libertarian, it was decidedly authoritarian on the other. It is in this sense that the minimal state is also a strong state.

It is clear, therefore, that the New Right did not speak with one voice. For some, social and economic issues were secondary to constructing a new social morality. Edgar (1983), for example, argues that in the wake of the Falklands War the social authoritarians in the New Right were able to rise to prominence at the expense of those promoting economic liberty. One result was that this section of the New Right could see no contradiction between getting the state out of the boardroom and into the bedroom.

Many sought not only to define 'morality', but also to police and regulate it. Scruton (1986), one of the key thinkers of the authoritarian Right, for example, argues that social policy should be formulated by the state in order to promote the 'normal heterosexual family'. Alongside this can be seen other coherent social movements around the notion of a 'moral crusade'. One of the clearest examples of this can be seen in the case of the New Right's positioning regarding sexuality and sexual politics. Hence, with Section 28 of the 1988 Local Government Act, the Conservative Party made clear what forms of sexual relationships they saw as legitimate and what forms they did not. Clearly, in interventions into sex education, the Conservatives made it clear that 'individual freedom' and 'free market' had distinct limits. This period also saw the increased enforcement of legal sanctions in defence of 'fundamental moral values'. Indeed, throughout the time of Thatcher's governments, pressure groups concerned with 'the family' and 'morality' increasingly came to centre stage.

It is important, therefore, to investigate more fully the relationships between Thatcherism, sexual morality and those organizations based on a moral crusade, to identify how Thatcherism also shifted the moral agenda, and claimed it as a political one. There were two key sets of issues upon which the authoritarian Right focused, in order to shift the moral agenda: first, the regulation of human reproduction, as manifested in issues surrounding contraception, abortion, AIDS, and so on; and secondly, in the changing representations of sexuality, which can be clearly seen in shifting definitions regarding, for example, obscenity, and the redefinition of formal sexual education.

Such issues were brought together, at least in the mind of the authoritarian Right, in a much wider debate concerning the moral decline of the country, for which much of the blame is laid squarely at the feet of the 'permissive society' of the 1960s and 1970s. For many within the authoritarian Right the solution to many of today's social problems still rests in a remoralization of society. The remedy, which often manifests itself in calls for a restoration of 'Victorian Values', is seen as a return to the certainty of a former golden age.

The starting point for much of this is the construction of a mythical family, located somewhere around the mid-1950s. Within this supposed time of marital peace and harmony we can readily view striking images of a white middle-class married couple, mummy and daddy playing with their two children, one boy and one girl, in a snug middle-class living room. This, of course, is a scene that was no more stereotypical in 1956 (the year this author was born) than it is now. Within the Conservative mind, however, the perceived ethics of personal liberation, equal rights, and especially the rise of the women's movement of the 1960s, have all caused the downfall of the so-called golden age.

Durham (1991) makes many such issues explicit. He suggests that for the political Right the crisis of 'modern Britain' is seen as revolving around increasing divorce rates, one-parent families, the legalization of abortion, homosexuality, pornography, young people out of control,

children committing ever more serious crimes, and the like. From within this perspective the United Kingdom is facing imminent social collapse.

We will encounter these perspectives at several other points in this book. For now it may be useful to move beyond these ideological aspects of Thatcherism to consider some of the major effects that Thatcherism had on the nature of politics and society in the United Kingdom.

What Did Thatcherism Change?

So far we have largely considered the ideological basis for the growth of neoliberalism and the authoritarian Right, as it developed through Thatcherism within the Conservative Party. However, it is also important to consider how this set of ideas materialized 'in practice'. Here we shall consider several key areas: economic policy; the welfare state; the construction of 'freedom'; law and order; and Europe.

Likewise, the core institutions of the state were challenged and to some extent restructured. The New Right no longer sought to guarantee full employment, or to negotiate income policies, or to have a consultative role for the trade unions. They closed or downgraded corporatist institutions and actively promoted the reintroduction of 'market forces' to as much of public sector as possible.

This was seen in many ways: local authorities were expected to tender for services; the concept of universal grants dissolved; and in general the public sector was increasingly expected to 'model' itself on, and take direction from, large private capitalist organization. There was also an overall attempt to replace and redraw boundaries of the state to leave large areas of economic and social life 'free' from intervention.

Also, however, throughout the Thatcher period, the central state was strengthened. Indeed, to use Gamble's (1994a) term, Thatcherism twinned the 'free market' with the 'strong state'. Hence, for example, the abolition of the Metropolitan and the Greater London Councils must be set against the creation of 'national curriculum' in schools and the dramatically increased police powers and a strengthened 'secret state'.

Ewing and Gearty (1990) ably demonstrate the tendency of Thatcherism towards the strong state, which created a crisis surrounding civil liberties in the United Kingdom under Thatcher. These ranged from a vast extension of police powers and wide-ranging restrictions on public protest to unprecedented restrictive legislation on the freedom of expression for gays and openly discriminatory legislation surrounding nationality, immigration and citizenship. Further, Thornton (1989) argues that the Thatcher administration had a dramatic effect on freedom in the United Kingdom. He provides another overview of the Thatcher 'era', arguing that civil liberties were not just eroded, but rather that they were deliberately attacked and undermined. The scale of the assault was breathtaking, from censorship of the media to the invasion of privacy, from increased police powers to injustice and unfairness, from a denial of basic rights to institutionalized intolerance and discrimination.

The provision of the state welfare proved another central target for New Right policy. This will be considered in detail in [Chapter 4](#). However, within the broad terms of this chapter it is worth noting that the objections were three-fold. The provision of welfare by the state was seen as too expensive, costing too large a stake of public expenditure; it was also regarded as having weakened the moral resources of the United Kingdom. Importantly, it was argued that

the welfare state had creating a dependency culture. Finally, it was suggested that the provision of welfare was based on state monopolies, which were regarded both as inefficient and as removing any meaningful levels of choice to the individual.

The notion of 'law and order' was also extremely high on the agenda of the newly elected Conservative government in 1979. Before the election Thatcher had identified the fall of a golden age, reflected in rising crime rates, increased lawlessness and lack of respect for authority. The 'causes' of these, like much else, were laid squarely at the door of the 'permissiveness' of the previous generation and the 'weakness' of past administrations, both Labour and Conservative, in tackling the issue. Hence, the issue of law and order was, from the 1979 election onwards, treated as a special case, and given a privileged position in budgetary terms within the new administration. As Savage puts it:

There is no denying that the pre-election commitments on law and order were translated into action from the earliest days of the 1979 Thatcher government. Both in terms of the provision of resources and in terms of legislative reform, the government was quick to move on what they saw as an issue of priority for the new administration. (Savage, 1990: 90)

All of this provides evidence to support Gamble's (1985) argument that the attempt by the New Right to dismantle the postwar consensus made it more, rather than less, interventionist.

The Legacy of Thatcherism

Given the above, it is now part of conventional wisdom that the Thatcher years altered UK society forever. However, in terms of analysis, it is important to try to distinguish between what Thatcherism claimed to do and what it actually achieved. It is important to try to highlight the gap between the 'rhetoric' and 'reality' of Thatcherism. Did Thatcher succeed in 'the great moving Right show'? One of the central organizing principles of Thatcher, for example, was the desired claim 'to roll back the state'. Yet as Clarke and Langan (1993: 54) point out, throughout the 1980s 'the government proceeded in a relatively cautious fashion in the welfare sphere'. Indeed, Le Grand (1998) argues that one of the most striking features of the first eight years of Thatcher's government was how little it affected the welfare state. It was only extremely late in the Thatcher administration, after 1988, that there was any systematic attempt to introduce 'the market' into health, education and social services.

It should be equally clear, however, that Thatcherism did dramatically shift the ideological parameters of politics in the United Kingdom. If, for example, we stay with the notion of the rolling back of the welfare state, Mishra (1990) distinguishes a number of different stages in the 'offensive'. There was the general ideological attack on welfare, largely propagandist and populist in character. This did not necessarily manifest itself in policy changes or legislation. However, what it did result in was the creation of an anti-welfare climate of opinion.

Certainly there is a clearly identifiable legacy of Thatcherism. One important feature of the pre-Thatcherite state, as we have seen for example, was its commitment to a 'corporate bias'. With the development of Thatcherism, the co-operative management of the economy was rapidly removed as an organizing principle. Put plainly, the ascendancy of the New Right saw the overt challenge to social democracy and the attempt to recast the United Kingdom along the lines of neoliberalism and free market economics.

What were the foundations of the postwar state that the New Right sought to restructure? The

broad parameters of 'social democracy' have been discussed in [Chapter 2](#), but the core understandings of it are neatly summarized by Coates (1995: 160) as follows:

- that we lived in a Cold War world, divided between a free society and an evil empire;
- that as part of the free bit, we possessed a post-capitalist mixed economy capable of being managed by the state for socially-desirable ends;
- that it was the state's job to guarantee full employment, rising living standards and basic welfare provision; and
- individual citizens had a right to all three of those.

Gamble suggests that Thatcherism was an ambitious, often contradictory, attempt to create conditions for a new hegemony. Further:

The Thatcherites were more adept at staking out new ground and repudiating the old consensus than at making sacrifices or seeking the compromises necessary to build a new one. If there was one idea running through the whole project as it unfolded it was that to win hegemony Conservatives no longer needed to make the kind of concessions to the demands of the labour movement that they once believed necessary. (Gamble, 1994a: 208)

So, for example, there was, on the one hand, an overt commitment to anti-statism and the deconstruction of the social democratic project. On the other hand, however, this was replaced by a politically aligned state apparatus. Central to the New Right, neoliberal ideology was individual liberty, yet throughout its administration there was a constant constriction on the policies and groups supporting civil liberties.

Likewise, the dominant rhetoric of economic prosperity has to be set against the actuality of economic hardship and the devastation of whole occupational communities. There was a clear break between the theory and practice of Thatcherism. As Christopher Johnson points out:

The paradox was that Mrs Thatcher came to office promising to get the Government off the people's backs, yet used her complete command of the apparatus of power to intervene in the economy as much as any of her predecessors had, only in different ways. Her interventionist temperament was at odds with her philosophical liberalism. (Johnson, 1991: 253)

Yet for the Thatcher administration there was little contradiction between such factors. As Coates puts it:

There was no tension – in Thatcherite liberalism – between the criteria guiding public and private funding. Thatcherite Conservatism wanted the same criteria (of profitability, commercial viability, self-reliance) to operate across the public and private sectors. This 'rolling back the state' was but a mechanism for enabling society to be run as the government wanted it to be run. If the 'market' rules as coordinator of economic/social resources now, it does so because the government willed it. This 'rolling back of the state' was in that sense a political choice, not an imperative. (Coates, 1995: 158)

Alongside the above, the New Right expressed alarm surrounding what it perceived as the breakdown of law and order and the spread of a moral malaise throughout society. It dismissed those who promoted cultural and moral relativism, and in their place gave primacy to traditional values. One of the ways to solve such problems was to restore the declining

respect for authority and discipline in society. Hence, for the New Right freedom also required order in society. Thatcher's style of British nationalism also had important consequences. This sense of identity rested on notions of a strong defence, including the retention of a nuclear arsenal and 'permission' to base US cruise missiles, a willingness to confront Argentina over the Falklands, a confrontational style in Europe and a vigorous assault on the forces of Irish republicanism.

Sexuality, Morality and the New Right

Many of the views of the New Right regarding morality remain deeply engrained in the popular consciousness. At a fringe meeting of the Conservative Party Annual Conference of 1993, for example, Michael Howard voiced support for the programme operating in New Jersey, USA, where extra benefits are denied to a second child (and any subsequent child) born to mothers dependent on social security. Indeed, at one point shortly before the 1997 general election, lone-parent families seemed to be targeted by sections of the Conservative Party as being responsible for most of the contemporary evils in society.

Hite suggests that this was merely representative of a political force that had been building up for some time. As one Conservative MP she cites puts it: 'if women have sex, they will have to learn that there may be consequences'. Hite further seeks to place such views in an international context, when she argues that:

The use of catch-phrases 'preservation of family values' and 'return to traditional values' became a hallmark of the Reagan-Bush years in the United States during the 1980s, and now is the hallmark of reactionary groups in the United Kingdom. In the States now, these phrases are no longer mainstream, they represent the radical right of the recently defeated Republican Party. (Hite, 1993: 5)

Further, as Hite points out, the idea that there was a golden age of family life in the 1950s or earlier smacks of a type of Western fundamentalism which wants to put women back into the kitchen (Hite, 1993: 5).

Such Conservative views tap a deep vein in British public consciousness. Open any newspaper on any day and the chances are that you will see signs of a new moral panic. One of the most common stories is that the family is in crisis. A typical example of this occurred at the end of January 1996 and surrounded the 'marriage' of a 13-year-old English girl to an 18-year-old Turkish man. Moral indignation, throughout the press, was rife and largely blamed the social services. The traditional concern from the Right is focused on what happens when traditional family structures break down and there is a reduction in parental control.

It is possible to outline the main projection of such an argument as follows. A steady rise in single parents, the ever-increasing liberalization of the legal system, the influences of feminism and the lack of discipline brought about by 'trendy' teaching methods, have all resulted in ever-rising crime rates and the virtual collapse of society. Such reasoning has great appeal. It attacks a vulnerable group in society and seems to be able to unite political Left and Right. Central to this is the social construction of the contemporary family, particularly in its nuclear form. However, as Greer (1971) observes, the nuclear family is possibly the shortest-lived familial system that has ever developed, emerging as it did within the class relations brought about by the onset of industrialized capitalism.

The contemporary family is also deeply structured by class. The concept of childhood is

relatively recent (Postman, 1983) and children have often been sent away to work, while parents in wealthy families would have their children wet-nursed and looked after by nannies. Even now boarding school remains a popular choice for the better off and there is no outcry about the abrogation of responsibility and lack of parental care.

One key source for constructing a wider definition of the 'family' surrounds sexuality. The lesbian and gay experience illustrates that many homosexual couples with children are not as restricted as heterosexual couples into fulfilling gender roles and can draw more on external support. It is important to stress the centrality of friendship networks to gay and lesbian families. Many lesbians and gay men rely far less on their family of origin than they do on the strong mechanisms of social and emotional support that have developed with friends and constructed community. Writings on contemporary gender politics highlight the ways in which people are fixed into prescribed gender roles. It is still this which is central in defining politics and morality.

Analysing Thatcherism

The legacy of Thatcherism remains deeply implanted in the social and political fabric of the United Kingdom. It can be found throughout its economic and political structures, views on social authority and in the profound social and geographical divisions that remain manifest today. Equally important are the continued ideological parameters which have been set, and the ways in which many people explain and understand their social and political world. It is crucial, therefore, to try to understand this aspect of the politics of Thatcherism in more detail.

Even at the time of development Thatcherism did not go unchallenged from within the political Right. Thus, Green (1993) makes some cutting criticisms of the economic rationalism of the Thatcher years. For him, while the Thatcherite emphasis on the virtues of self-sufficiency was necessary to halt Britain's economic decline, there were missing ingredients. These involved the civic virtues of solidarity, service of others, duty and self-sacrifice. This reinforces some of Green's other views (1990, 1996), particularly when he argues that the welfare problem is not primarily a financial but rather a moral one.

Another important starting point in understanding Thatcherism is the work of Stuart Hall. Drawing directly on Gramsci's notion of hegemony, which we have already encountered, as the construction of social authority throughout all levels of society, Hall concentrates on the ideological dimension of Thatcherism. For Hall, Thatcherism is best understood as an attempt to discredit the previous hegemony, namely, social consensus and social democracy, and the apparent inability of either the Labour or Conservative parties to manage the state effectively.

From this perspective, Thatcherism succeeded in shifting the political terrain dramatically to the Right. It sought to organize several diverse interests and groupings around the central themes of anti-statism, anti-collectivism and anti-socialism. This manifested itself in the ideological, political and legislative assault on the postwar settlement and the values of collectivism, redistribution and corporatism.

Another identifying feature of Thatcherism was the ability to project the ideology successfully at a populist level. What Hall (1984) terms 'authoritarian populism', prospered mainly due to the perceived failures of social democracy. Indeed, Thatcherism fed off a wide range of 'discourses' constructed to challenge the central beliefs of the benefits of the established social democracy. These included, for example, law and order, the nature of the family, the future of welfare and education. What Thatcherism constantly sought to do (and in its own

terms successfully did) was to explain all society ills in terms of the 'evils' of collectivism and socialism. It was this focused attack on social democracy that dramatically redrew political boundaries. Thatcherism thus created a new ideological space, giving expression to the mass experience and to the political questioning of the benefits of social democracy as commonsense.

All of this suggests, however, that Thatcherism may be regarded as an extremely coherent movement. This has been questioned by many. Overbeek summarizes the major problems with Hall's analysis as follows:

[first,] it tends to blame (the leadership of) social democracy for the rise of Thatcherism (which goes much further than saying that social democracy was unable to formulate a creditable socialist response to the crisis); secondly, it tends to analyse Thatcherism exclusively in political and ideological terms (as an *-ism*), and to ignore the identification of class forces whose interests are represented in the new project; and, finally, it tends to view Thatcherism as primarily reactionary and destructive. (Overbeek, 1990: 177)

One important criticism of Hall's analysis is that it projects Thatcherism as seeking to return Britain to the past. This was an easy impression to get of course with a constant refrain in the rhetoric being talk of a 'golden age of Victorian values'. Yet clearly Thatcherism also sought to project a distinct image of the future with new forms of capital accumulation beyond those of Fordism.

Further, as writers such as Atkins (1986), and Overbeek (1990) point out, the Thatcherite project of de-industrialization makes most sense when considered in the context of the globalized economy (see [Chapter 7](#)). Capitalist production, the search for profit and the location of capital are directly linked. The physical relocation of capital in the 1980s was partly a result of the failure of Fordism and the move away from mass manufacturing and skilled, unionized production plants, towards firms using reasonably unskilled, low-wage workers, mainly engaged in component assembly (Murray, 1989). Such considerations have led to the development of some of the most notable criticisms of Hall in the works of Jessop et al. (1988, 1990). For Jessop, Thatcherism is also a hegemonic project within the post-Fordist era. However, Jessop argues that Hall concentrates too much on ideological features of Thatcherism. Rather, it is important to recognize that there were clearly identifiable capitalist interests locked into Thatcher's project. The New Right's support of the introduction of post-Fordism into the United Kingdom was a distinct attempt to change the existing socio-economic structure and social relations.

Hence, for Jessop, Thatcherism is best understood in more materialist terms than Hall. It can be regarded as a differentiated accumulation strategy, a reassertion of the major financial logic of British society. However, Thatcherism recognized that this could not be sustained on a rational basis. Therefore, another key strategy was to destroy central parts of old economic structure, particularly the United Kingdom's traditional industrial base. This cleared the way for the establishment of new forms of accumulation based on integration into the world market and new enterprise by way of deregulation, privatization, denationalization and tax cuts. Jessop further questions whether Thatcherism succeeded in creating new consensus. Much support for Thatcher may have been calculative, in people buying council homes, for example, rather than an acceptance of its broader ideological position. Nonetheless, it set in motion an acceptance of a more individualistic set of cultural and political values.

Gamble also regards Thatcherism as an attempt to organize a new hegemony in British

politics. For him, this has four key components: electoral hegemony; ideological hegemony; state hegemony; and economic hegemony. In this sense, hegemony cannot be seen simply in ideological terms, but rather 'it involves the successful interweaving of economic and political as well as ideological leadership' (Gamble, 1994a: 207).

From Thatcher to Blair and beyond

Although the road of social and political change mapped out by Thatcher was long travelled without realizing its hegemonic project, and while Thatcher herself has long since met her political demise, that is not to say that neo-liberalism has not had long-lasting effects on society. As we have seen, Thatcherism went far beyond Margaret Thatcher, who clearly remained central to setting the political and policy programme throughout her administration. However, even after her downfall, the 'Thatcherite' agenda continued to define many of the parameters of social and political debate in the United Kingdom.

This is a point to which we shall return at several times during the remainder of the book. Briefly, however, Thatcher's replacement as Prime Minister by John Major saw, after a very short time, the re-emergence of a Thatcherite agenda, particularly in its populist messages. In part this was an attempt to unite political divisions within the Conservative Party. However, despite an overt attempt to distance himself, John Major demonstrated no significant break with much of the strategy outlined above. As Hall explains, at the time John Major:

reaches for the popular themes of crime, law and order, family breakdown, and social disintegration. He reaches for Thatcherite common sense, or rather his version of it: 'Back to Basics'. He attempts to combine the impossible – respectability and enterprise. (Hall, 1993: 3)

From the early 1960s, there has been a series of protracted bids to reinvent a new Conservatism. The struggle for the mantle of party political Conservatism is still very much a live one. This is manifested as a whole series of contradictions and confrontations, for example, in the run up to, and the period following, the general election of 2001. Those who uphold a free market approach, those who believe in libertarian and individualist trends, alongside those who stress either authoritarian or communitarian directions, are all seeking to take contemporary Conservatism and the Conservative Party in very different directions.

Overt tensions have arisen, for example, between internationalizing the economy of a medium-sized, Western industrialized power and traditional English nationalism (see also [Chapter 2](#)). Deep fissures have opened up over attitudes to the European Union, where a core of English nationalists and defenders of 'traditional values', the family and social order form the basis of continued Euroscepticism. They reflect the concerns of many on the political Right over the 'loss of sovereignty' and what they see as the negative cost of EU membership. As Thatcher herself expressed it during the 2001 general election campaign:

All my life, our problems, our wars have come from mainland Europe. All my life the upholding of liberty has come from the English-speaking peoples of the world. The thought that we might be absorbed into Europe is to me utterly repugnant, and I'll fight against it as long as I have breath to do so. (*Daily Mail*, 22 May 2001)

Despite the contemporary fragmentation of parliamentary Conservatism, the ideas of the New Right have been central in redefining politics in the United Kingdom. The political agenda set by Thatcherism, and opposition to it, continues to define the parameters of much of the wider

social and political debate. It is possible to suggest that reaction to the New Right's brand of nationalism and centralism set in place the foundations for the growth of nationalisms in Wales and even more so Scotland (see previous chapter).

Further, the dynamics of New Labour, Blairism and 'third way' politics can only really be understood against the backdrop of the New Right. The term New Labour remains contested but it began to be used by Labour Party modernizers after Blair had been elected as leader in 1994 to define the direction in which they sought to take the party. Blair and his senior colleagues have used the term consistently ever since (Heath et al., 2001). We shall discuss the politics of New Labour much more fully in later chapters. One immediate question, however, is how far New Labour policies have broken with the traditional themes of social democracy. On this theme Novak (1998) has gone so far as to claim that New Labour's recent electoral success was really a victory for Margaret Thatcher's ideas. How far this claim can be sustained will provide some of the subject matter for the remainder of this book.

Conclusions

Since the early 1980s, the political and economic doctrine of the New Right has re-established itself in a more assertive form, called neoliberalism. Indeed, neoliberalism, driven by the USA, has established itself as the dominant political discourse and form of economic organization across much of the globe. It has been reinforced by the fall of the Soviet bloc, the US- and UK-led military coalition during the Gulf War and the intervention in Kosovo in 1999. Unrestrained neoliberalism has also provided the context for the dramatic liberalization of the economy and its enforcement by multinational corporations, which determine the structure of world politics following neoliberal principles. Globalization promotes and legitimates neoliberal ideology. Part of this process of globalization involves the fragmentation of national and local interests. The thrust of neoliberalism and the resulting claim that all areas of social and political life should be subordinate to the interests of the free market and guided by the multinationals has met with increasing resistance. We shall deal with this in more detail in [Chapters 6](#) and [7](#).

First, however, we will consider another highly politicized area, that of social welfare provision. Here too we find complex debates concerning the role of the state. The contemporary structure of welfare provision is also intertwined with globalization and the strength of neoliberal ideology, promoting as it does the superiority of the private provision of services over the public. The spread of contemporary neoliberal values through globalization emphasizes the individual above the social and sets the context within which debates about welfare are structured. Globalization structures responses to social problems and the development of distinct welfare policies, emphasizing the role of the market and the limitation of public spending. As such, it is only the latest in a series of ideologically determined political influences on social welfare and policy. Let us begin, therefore, by considering the structuring and restructuring of welfare provision in the United Kingdom.

Discussion Questions

- **Critically evaluate the views of the New Right in politics.**
- **Outline and account for the long-term effects of Thatcherism on British politics**

and society?

- **Did the emergence of New Labour mark a break or continuity with the main tenets of Thatcherism?**

- Thatcherism
- new right
- neoliberalism
- social democracy
- monetarism
- conservative parties
- inflation

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