

# Socialism and the Labour Party

The Labour Party has emerged from diverse but largely complimentary groups, factions and socially and ideologically distinct strands

## Marx and Engels

The beliefs of Karl Marx (1818–83) and Friedrich Engels (1820–95) that capitalism was corrupt, and that society's elite used the mechanisms of the state to oppress the working class, were a key influence on the Labour Party. This influence is still evident, with Labour's shadow chancellor at the time of the 2019 general election, John McDonnell, stating:

*I am a socialist and that contains an element of understanding of Marx's analysis of capitalism.*

However, historically, the Labour Party leadership has always rejected the revolutionary solutions of Marxism and favoured reforming capitalism.

## Rosa Luxemburg (1871–1919)

While the Labour Party rejected her revolutionary ideas, Luxemburg's belief that capitalism drives imperialism and conflict influenced the pacifist element of the Labour Party, who oppose warfare. Former Labour leader Jeremy Corbyn was influenced by such ideas.

## Beatrice Webb (1858–1943)

Webb's democratic socialism argued for reform: overthrowing capitalism via the ballot box. A socialist state would see the free-market economy gradually nationalised as the workers obtained common ownership. Postwar Labour governments were only partially swayed by her economic ideas, nationalising state utilities but allowing private companies to exist in a free market. Webb's 'Minority report' to the Royal Commission on the Poor Laws (1909) was a key influence on the development of the post-war welfare state.

## Anthony Crosland (1918–77)

Crosland's *The Future of Socialism* (1956) profoundly influenced the Labour Party in the post-war period. He dismissed Marxism as irrelevant and Webb's socialist state as flawed. Social democracy became the first branch of socialism to recognise a positive role for the free market. State intervention, via Keynesian regulation of the economy, would ensure continual full employment and economic growth. Progressive taxation would help fund the welfare state and the social engineering required to create an egalitarian society.

## Activity

Make notes for discussion on the following questions:

- 1 What are the core principles that unite the socialist thinkers?
- 2 What are the main tensions or disagreements in their views?
- 3 How and why has the Labour Party been influenced by the socialist thinkers?

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## Anthony Giddens (1938–)

Giddens argued that economic state management was redundant in the age of globalisation. He embraced the efficacy of the free market and communitarianism to create a 'Third Way' of thinking between classical liberalism and social democracy (see pp. 13–14). Giddens' ideas influenced Blair's Labour governments that favoured equality of opportunity over equality of outcome. To that end, public spending was focused on improving infrastructure and education rather than the economic and social engineering favoured by Crosland's social democracy.



**1906** The Labour Representation Committee wins 29 seats in the general election. It combines with the Fabian Society and various trade unions to form the Labour Party.

**1914–18** The First World War heralds vast socioeconomic and political changes, drawing working-class support further away from the Liberal Party.

**1924** The first Labour government — a short-lived minority administration — collapses after 9 months.

**1929** Ramsay MacDonald leads the first majority Labour government, which splits in 1931 over its response to the challenges of the Great Depression.

**1945** Following the end of the wartime coalition, the Labour Party under Clement Attlee wins a majority of 159 seats to implement the most radical programme of economic and welfare reforms seen in the UK.

**1964 and 1974** Challenging the consensus that had characterised the 1950s and early 1960s, Labour Party governments under Harold Wilson seek to modernise the UK socially and economically, but falter due to weak growth.

**1983** A lurch to the left under Michael Foot sees Labour perform at its lowest level since 1918, winning just 27% of the national vote.

**1997** Tony Blair's modernisation of the party results in three successive election victories for centrist 'New Labour', after the abandonment of traditional policies, such as nationalisation.

**2019** Under Jeremy Corbyn's leadership, the party's share of the vote falls from 40% in 2017 to 32% at the 2019 general election, with seats declining by 59 to 203 (31% of Commons seats, and Labour's lowest seat share since 1935).

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