

FOREWORD

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It takes courage to change opinion. The contemporary global crisis makes it even more difficult, especially for social democrats. On the one hand, they find themselves in a defensive position as protectors of the 20th century settlement between capital and labour. On the other, they are aware that this order has been exposed by neo-liberal practices, creating an opportunity to argue for radical change worldwide. This is a particular dilemma which social democrats must find their way out of if they wish to remain political protagonists for the future.

The way seems to be to learn from the past, find inspiration in traditional values, and shape answers that adequately match the challenges of modernity. This is what this volume is about – and this is what brings together the British debate and the FEPS Next Left Research Programme. Both aspire to frame a new narrative that could restore the credibility of progressive politics and win the big arguments of our time.

From a European perspective, it is a great pleasure for FEPS to be able to bridge the debates on the renewal of social democracy taking place in general in Europe and in particular in the UK. After the last general election and the defeat of the Labour party, the subsequent election of a new young leadership has drawn the attention of the entire continent. Many were curious towards which

direction the Labour party would turn – and these queries were reasonable, looking at the range of ideas, encompassing all colours of the rainbow, that have been born in the aftermath of the 2010 defeat. So what makes this publication particularly recommendable is that it illustrates the hard political choices that Ed Milliband and his team have been facing, showing in detail the ideological and strategic reasoning behind their respective decisions. Additionally, the contributions abide by a clear Fabian principle: to stimulate debate. Hence they are embedded in a profound ideological review, exposing multiple dilemmas that are to be resolved before the ultimate tests of the European and national elections, respectively in 2014 and 2015.

The collection shows a great variety of fields in which social democracy must clarify its standpoint. The first, and one could say leading question, is on how it is to approach contemporary capitalism. Within the European dimension, as well as transatlantic, FEPS's experience shows that despite rich progressive literature devoted to the analysis of the crisis, an overall story of the predicament of financial capitalism is still missing. The notion of *responsible capitalism*, as proposed by Ed Milliband and deliberated upon by respective authors within this book, provides an interesting formula. It is indeed the case that there are two elements which in many ways annulled the traditional settlement between capital and labour: that both have evolved and hence changed significantly, and that they drifted away from one another. The proposal for a new deal is therefore needed, and it should be embedded in the traditional progressive values that put the economy, and hence markets, at the service of people.

Secondly, the crisis exposed just how much modern societies became disintegrated. Growing inequalities induce further polarisation. This finds no counter-action, as the mechanisms of an active state have been crippled by the crisis, which simultaneously also hit harshly and

vanquished many social security policies. The welfare state, which was a proud achievement of Europe, has shown itself incapable of dealing with both traditional and new social risks. As mirrored in this book, there is also a fierce debate going on in the EU on austerity and its consequences. I do believe that this is a crucial point to emphasise, which FEPS also does elsewhere, that *austerity is not the answer*. It may only bring about further stagnation, and hence also increase unemployment and poverty. These will further undermine the credibility of states and the EU. What we need instead is an alternative growth and good jobs agenda; in the age of knowledge and technology, when so much societal awareness has been raised to show new horizons and new civic behavioural patterns (as in towards climate change), there is a clear opportunity to make the case.

Recent months have offered optimism for continental social democracy. Across various elections in Europe, there has been an improvement in both results for the left and the overall turnout. Encouraging as this is, it should not be misread. The profound ideological questions we face are historical ones, going beyond the electoral cycle. They are about the nature of the world and the Europe we wish our societies to thrive in – and this book points out that we will need a strong ideological spine and much courage in order to provide bold, convincing answers.