



Modernization of the British Labour Party in Hard Times

1979-1997

Dr. Souad Guessar

Tahri Mohamed University of Bechar, (Algeria)

guessar.souad@univ-bechar.dz

Abstract ;

The paper examines the history and the evolution of the British Labour Party, and its development from 1979 to 1997, and how far its intellectual and ideological vision, as well as its organizational structure, evolved, as it became again a key player in British politics. The paper will cover the period from the election defeat of 1979 to 1983, examining the Party under the leadership of James Callaghan and Michael Foot. It will look at the Party from 1992 until the eve of the 1997 general election, during which time the Party had been led first by John Smith until his death in 1994, and then by Tony Blair. As well as, it will cope with the reasons why the Party was able to recover so successfully in the 1990s from the disasters of the 1980s

Article info

Received

05 October 2021

Accepted

06 November 2021

Keyword:

- ✓ British Labour Party
- ✓ Socialism
- ✓ Clause IV
- ✓ Neil Kinnock
- ✓ New Labour

1-Introduction

After the 1979 general election, the Labour Party went into its worst crisis since the schism of 1931. It lost four successive general elections in 1979, 1983, 1987 and 1992. Nevertheless, by 1982 the Labour was not able to do the ousting, especially since the breakaway of a section of its right wing to form the Social Democratic Party in March 1981. Neil Kinnock's decision to take on the Militant Left in the 1980s was much more significant in the revival of Labour's electoral. However, in the 1983 general election, Labour was beaten, and, despite vigorous attempts by its young leader, Neil Kinnock, it did little to dent the Conservative ascendancy in 1987. There was much talk of Labour being finished as a Party of government (Jones, 2005, p 45).

The revival in Labour's electoral fortunes in the period 1987 to 1994 owed much to the work of Neil Kinnock and John Smith. The latter maintained Kinnock's commitment to the modernization of the Party's policies and organization, unfortunately the latter died before achieving it. The revival of the Labour Party continued in the 1990s under the leadership of Tony Blair who helped New Labour to achieve a landslide success in 1997.

This paper will shed a light on the Labour four lost successive general elections and bitter conflicts that resurfaced between the

Left and Right wings inside the Party during the 1970s and early 1980s. It will also deal with the ideological rethinking developed after 1983 under the leadership of Neil Kinnock and how it was maintained by John Smith till 1994. Moreover, it will cope as well with the reasons behind the Labour Party's successful recovery in the 1990s namely, 'New Labour' and the 'Third Way'.

2. Post 1979 General Election

Under Wilson and Callaghan administrations the Labour Party lost its way and much of the Party had lost confidence in consensus during the 1970s (Jones, 2005, p 204). In fact, the First World War brought a split between moderate socialists and revolutionary socialists. Most of the latter become Communists (Francis, 1950, p 18), but the British Labour movement remained heterogeneous and the broad range of ideological positions could at times prove severely disruptive. The greatest menace to its unity came with the list to the Left after 1979.

Callaghan clung on to the leadership in order to avoid charges of desertion, to try to secure Healey's succession and to keep the Party from moving leftwards. Yet, the Party moved leftwards. The Labour Conference of October 1979 saw the first determined push by the Left, with demands that included the regular reselection of MPs. There was to be a committee

enquiring into new methods of electing the Labour leader. Besides, the National Executive Committee was granted command over the choice of the Party's final version of the election manifesto. A resolution for an electoral college was defeated in 1979, but passed at the 1980 Labour Party Conference in Blackpool, at which the mandatory reselection of candidates was confirmed.

After the 1980 conference closed, Callaghan announced his resignation. Since the constitution of the Electoral College had still to be decided, his successor could be elected by the Parliamentary Labour Party (PLP) only and the leader's action was attacked by the Left as a pre-emptive strike to install Denis Healey as leader while there was still a chance (Broad, 2001, p 142). Benn considered standing against Healey, but he was dissuaded by his allies, partly on principle and partly because he would clearly not fare well if the PLP was the electorate (Geoffrey, 2003, p 257). Peter Shore and John Silken came forward, but while both were capable figures with some experience of high office; neither seemed likely to defeat Denis Healey. The only candidate likely to stop the latter was Michael Foot, who was persuaded to stand by Left-wing MPs and union leaders.

On Callaghan's resignation, Michael Foot, clearly left-winger was elected by 139 votes to Denis Healey's 129. He was seen

as a candidate of reconciliation with deep convictions. He was a brilliant orator and was cultured and widely read. The tragedy of the Labour Party at that time was that the man who combined the qualities of Foot and the aggression of Thatcher was confined to the position of deputy leader (Broad, 2001, p 142). Denis Healey, former Chancellor of the Exchequer, became deputy leader, and was admired by many but hated by the rest; he reopened the conflict within the Party which the election of Foot had been intended to stop. Neil Kinnock, a young Welsh MP, acted as his campaign organiser (Broad, 2001, p 258).

Foot's election did not mark any great swing to the Left in the PLP. This was borne out by the subsequent Shadow Cabinet elections where all the existing members who stood were re-elected. Owen and Callaghan were replaced by the right-wing Gerald Kaufman and by Neil Kinnock. Significantly, Benn failed to gain election, his 88 votes placing him just behind Kinnock with 90 (Broad, 2001, p 258).

A direct outcome of this leftward move was the withdrawal of the right wing of the Labour Party. On 25 January 1981 three Labour MPs, Shirley Williams, William Rodgers and David Owen joined with Roy Jenkins, 'the Gang of Four', in announcing the Limehouse Declaration.¹ Foot tried to

¹ The Limehouse Declaration, a statement of intent by four former Labour Cabinet ministers, Roy Jenkins, David Owen, William Rodgers, and Shirley

persuade Owen, Williams and Rodgers to remain, but to no gain. On 26 March, the new Social Democratic Party (SDP) was officially launched. They accused the Labour Party of having moved away from its roots in the people of this country and its commitment to Parliamentary government. Hence, they established the SDP, which aligned itself with David Steel's Liberal Party in an electoral pact known as the 'Alliance'.

Most of Labour's right wing did not join the new party. While Jenkins, Owen, Williams and Rodgers went; but Denis Healey, Roy Hattersley, Gerald Kaufman and John Smith stayed in. (David, 2007, p 173). So why did so many right wingers stay and fight? According to Steven Fielding, many calculated that their career prospects would still be better in the Labour Party than in the SDP. More important was ethos, almost tribal loyalty to Labourism, if one lost a round of the fight, but they should fight on until victory could be achieved. In addition, MPs with union links were reluctant to break them. Finally, there was also a calculation being made about the medium and longer-term direction of the Party (Tudor, 2005, p83).

Soon after the selection of Michael Foot as a Party leader, there was a vote of

5,042,000 votes to 2,097,000 to withdraw from the European Community (EC), and a vote in favour of unilateral nuclear disarmament. However, a motion was also passed, stating that the safety of the British people would be best served by multilateral disarmament in the nuclear conventional fields and a resolution calling for withdrawal from North Atlantic Treaty Organisation (NATO) was heavily defeated (Paul & Jonathan, 2008, p 29).

At the 1980 conference, the Left's margins of victory were very narrow indeed: 49.3 per cent to 50.7 per cent on the electoral college, and 46.8 per cent to 53.2 per cent on reselection (Paul & Jonathan, 2008, p 29). They were committed to the policies of the Left, including unilateral nuclear disarmament, more extensive nationalisation and withdrawal from the European Community. It was also decided that future leadership elections would be conducted by three parts of the Party, the trade unions, the Parliamentary Party, and the constituency parties. The Labour Party maintained its policy proposals mentioned above that they were the draft of the 1983 manifesto.

Williams—to quit the leftward path that had lately been taken by Labour. The Social Democratic Party was formally founded on March 26 1981, <https://www.britannica.com/topic/Limehouse-Declaration>.

3. *The 1983 Manifesto and the General Election*

The 1983 manifesto was not short of policy proposals, including the reduction of unemployment to below a million within five years by a huge increase in public expenditure. There would be a start to the promotion of industrial democracy and renationalization of the few industries which had so far been privatized in a five-year economic plan. Social benefits and expenditure on education would be increased. There were also promises to end sexual and racial discrimination. A Labour government would pull Britain out of the EC.

In the event, Labour emerged with only 209 seats, by far its worst performance since 1935, and 27.6 per cent of the votes, its lowest share since 1918. In terms of votes cast per candidate it was the Party's worst showing ever. A record 119 deposits were forfeited, and three ex-Cabinet ministers, including Tony Benn, were defeated (John, 2006, p 50). The 'Alliance' put the Labour in the second place in terms of votes, taking 25.4 per cent, but emerged with only 23 MPs, of whom only six were SDPers.

Among the most important factors contributing to the decline of the Labour Party were its traditional identification with the working class, the British colony of the Falkland Islands, an assault from the Far Left comprised various Marxist groups

and popular policies sustained by Thatcher regime. Its traditional identification declined with the working class. Even by 1979, the Labour Party underwent the most spectacular electoral decline of any socialist party in Western Europe. It lost votes at every general election bar one between 1951 and 1979 and its vote tumbled from 47 per cent in 1966 to 37 per cent in 1979 (Clarke, Harold. , Sanders, David., Stewart, Marianne , Whiteley, & Paul, 2004, p169).

In the 1970s and the 1980s, there had been a substantial change in the composition and affiliations of the working class. The so-called new working clan was more likely to own property, less likely to be unionised and generally lived in the South. In these categories working-class support for Labour substantially declined, making it increasingly difficult for the Labour to win any seats in the South outside a handful of constituencies in the Greater London area.

The process of embourgeoisement meant that the Conservative Party had gained considerable support by 1983. Mrs Thatcher's policies also began to shape the electorate in the Conservative image. The proportion of workers in the private sector rose, while in the public sector, it declined. The former were also more likely to be homeowners, buying-council houses, emanating from Conservative policy.

On 2nd April 1982, the military regime in Argentina invaded the British colony of the

Falkland Islands. The government dispatched a Task Force to recapture them, a feat finally achieved on 14 June. Thatcher's government gained popularity during the conflict. Foot's line was in support of the government, on the grounds that Britain should not allow a quasi-fascist regime the prestige of a victory, especially when that would involve taking the Falkland Islanders, against their will, under the Argentinian flag.

Some Labourites were more critical, but in little effect other than making the Party seem split at a time of perceived national crisis (Philip, 1999, p 57). The Falklands issue rallied support to the Conservatives, whose poll rating improved from 31 per cent in April to 46 per cent in July, by which time they had a 19 point lead over Labour (Jon, 2009, p 239). Nevertheless, the Falklands factor gave the Tories a short-term boost; in the longer term, the more significant developments were tax cuts in 1982 and the economic upturn which began early in the same year. However, Labour did not lose the 1983 election because of the Falklands War (Jon, 2009, p 239).

The secession of the right was followed by an assault from the Far Left, which comprised various Marxist groups. The most striking of these were the Trotskyists. Between 1917 and 1927 Trotskyism (P. H, 2004, p 248) had been associated mainly with the spread of revolution from Russia to other countries. After his removal and

exile from 1927, Trotsky became more pragmatic; recommending that the best way of taking over was not by overt revolution but by covert penetration. This meant that Marxists should become involved in democratic politics, but with the ultimate purpose of effecting a communist takeover.

Trotsky had recommended that British activists should enter the Independent Labour Party (ILP) as a distinct group and thereby gain publicity, but as the ILP disappeared the Trotskyists transferred to the mainstream Labour Party. Thus Trotskyism was equivalent to entryism, a deliberately parasitic strategy by a minority seeking to take eventual control over the whole Party.

The most important Trotskyist group was 'Militant Tendency'. Formed in 1950, this group expanded during the 1970s, especially under Ted Grant and Peter Taaffe advocating the ideas of Marx, Engels, Lenin and Trotsky (Ted, 2005, p 54). The connection between 'Militant Tendency' and the Labour Party was strengthened by Tony Benn who openly welcomed the militants in the process of participatory democracy.

The relationship between 'Militant Tendency' and the Labour exposed the latter to the accusation that it was riddled with Marxism. Obviously, such arguments harshly damaged Labour's image with the electorate. On one hand, the Labour Party

had a long tradition of tolerance, based on the sort of heterogeneous support which the Liberals had once boasted, and was more open to internal debate than were the Conservatives.

On the other hand, groups like 'Militant Tendency' were alien to Labour's tradition and threatened to undermine that tradition. They claimed to represent the true feelings of the working class, but within the context of an ideology that had never taken root within Britain. Therefore, Benn's policy of tolerating Trotskyism was an actual danger to the Labour's Party own roots, as the leadership realised after 1985.

In February 1983, the National Executive Committee (NEC) voted 19 to 9 to expel the five members of *Militant's* editorial board from the Labour Party (Brian & Tim, 2001, p 91). There was an assumption within the Left of the Party that socialism was the natural philosophy of the working class and both the Marxist and non-Marxist socialists believed in this. Socialism was the driving force behind the policies in the Labour manifestos of 1983 and 1987.

In addition to reversing Thatcher's policy of privatisation, Foot undertook to nationalise areas that had previously been left alone by Attlee and his successors. He also reversed the previous consensus with the Conservatives on Britain's nuclear deterrent. The Labour Party entered the elections of 1983 and 1987 committed to unilateral nuclear disarmament.

Labour voters felt that there was too close a connection between the Labour Party and a specific pressure group, the Campaign for Nuclear Disarmament (CND) (Dick, 2005, p 347). The Conservatives, meanwhile, had a field-day searching Labour's alternative defence programme, concluding that the consequent increase in conventional weapons would exceed the nuclear budget. Unilateralism also caused difficulties within the Labour Party, Callaghan opposed it and Healey was deeply unhappy.

A third policy which caused worry was Labour's commitment to withdraw Britain from the European Community, despite Wilson's acceptance of permanent membership after the 1975 referendum. Other areas of contention proposed increases in public spending, which would have meant reverses in Conservative tax cuts. The abolition of the House of Lords raised concerns about an imbalance in the constitution.

The failure of the Left to make a credible case, the growing perception of Left policies as being unpopular, the scale of the 1983 defeat, the electoral college and the easing economic situation all combined to lubricate Kinnock's subsequent efforts to move Labour back to a more centrist position.

4. Neil Kinnock and Modernization 1983-92

Following the Labour Party's defeat in the 1983 general election, Michael Foot resigned as Party Leader. Subsequently, Neil Kinnock received over seventy-one per cent of the electoral college vote, enjoying the support of all the largest trade unions and emerging as the clear winner in the CLP and PLP sections (Dick, 2005, p 347). At this point in the Party's history, a miner's son was more welcome than middle-class intellectuals such as Michael Foot.

During his nine year tenure as Party Leader, Neil Kinnock managed to redesign both himself and the Party. In the 1970s, elected as a member of the soft Left, Kinnock had been a somewhat radical Left-winger and was a member of CND, but by 1992 he had renounced many, if not most of the beliefs he previously held and moved the Party to the right along with him. He was instrumental in transforming the Party into an efficient organisation which orchestrated professional campaigns and appeared capable of being a serious contender for government.

By the 1983 conference was convened on the 2nd October, it was widely expected that, given what unions, CLPs and MPs were known to have decided, Kinnock would win the leadership and Hattersley be elected as his deputy, forming the so-called dream ticket balancing Left and Right. The hard Left argued that a real balance would

have been Kinnock-Meacher, but Kinnock was much keener to work with Hattersley (Brian & Tim, 2001, p 147). In the event, Kinnock won just over 70 per cent of the votes for the leadership, with Hattersley taking a shade under 20 per cent and Heffer and Shore unable to poll 10 per cent between them.

However, he led the Party to two further election defeats in 1987 and 1992. Neil Kinnock failed as a Leader of the Labour Party, but in actual fact he was considerably more successful and influential in transforming internal Party structures, so that he left his successors with a Party that seemed more likely to win the 1997 election (Fairclough, 2006, p 04).

As the leader of his Party, Kinnock conducted two general elections. This period was mainly characterised by changes to the internal structures of the Party. It could be divided into two principal phases: the 1983-7 period saw a transformation of the organisational rules and resources of the Party whilst the 1987-92 phase was dominated by the 'Policy Review', the comprehensive reassessment of Party policy and policy-making structures. Throughout the entire period, there were also significant changes in the Party's identity. The Red Flag transformed to the Red Rose, the Labour Party's Identity Changed.

4.1. The Labour Party's Identity Reform

The Labour Party faced an identity crisis in the early eighties which gave voters the impression that the Party was divided and prone to extremism, in fact, that damaged the Party's electoral image. It was this type of Party that Kinnock inherited in 1983. Kinnock spent the following nine years attempting to transform Labour's identity structure, from one representing a Party split by narrow divisions which were largely irrelevant to the electorate, into that of a professionalised, competent and modernised government-in-waiting. This process was carried out in two phases: first, the old structure had to be discarded, before a new one was constituted.

From 1986 onwards, the modernisation of Labour Party's identity proceeded with greater haste. The old symbols of the Labour Party, found on most publications, conference platforms and campaign literature, were the Party's red flag logo, a red flag with the Party name emblazoned on it and the Liberty crest, depicting a quill pen and a shovel to represent the unity of all workers.

However, by 1986, these symbols fell out from the leadership. Philip Gould, head of the advertising agency which the Labour Party employed, suggested the Party should adopt a new corporate image, with the Director of Campaigns and Communications Peter Mandelson. The latter claimed, 'It is vital to reinforce the

impression of innovative Party shedding old associations and image' (Fairclough, 2006, p 316). The red flag in particular was regarded as being representative of old-style socialism, which Kinnock believed was unpopular with voters and was keen to discard (Fairclough, 2006, p 316).

The Labour leadership of Kinnock and his Deputy, Roy Hattersley, sought to distance the Party further from its old identity by publishing a new statement in 1988 concerning Labour's aims and values. At that time the Labour Party had no clearly defined statement of values; instead great emphasis was placed on Clause IV (Section 4) of the Party Constitution. The latter committed the Labour Party:

'to secure for the workers by hand or by brain the full fruits of their industry and the most equitable distribution thereof that may be possible on the basis of the common ownership of the means of production, distribution and exchange, and the best obtainable system of popular administration and control of each industry or service'.

This statement emphasised Labour's commitment to public ownership. It was printed on the back of all Party membership cards and had great symbolic importance, particularly amongst those on the Left. All this led, to a Left-wing reaction.

At October 1988, Party conference Kinnock easily beat off Benn's challenge, taking almost 89 per cent of the votes.

Even Hattersley, who faced a second challenger in the combative figure of Shadow Cabinet Employment spokesman, John Prescott, took two-thirds of the votes for deputy leader, whereas Prescott took just under 24 per cent and Heffer just under 10. Only 38 MPs voted for Benn. More depressing for him was the fact that only 119 CLPs did so (Burch, Hogwood & Scott, 2002, p 126). This showed the marginalization of the hard Left, the extent to which Kinnock had established a firm hold over the Party at all levels. Change in the Internal Structures of the Labour Party and the Restoration of Leadership Control was due to Kinnock's persistence.

4.2. The Labour Party's Internal Structure Reform

Kinnock developed the leader's office into an alternative Party organization. Charles Clarke in charge of his private office and Peter Mandelson the Party communications director, were developing a new emphasis on packaging and presentation, in reaction to the perceived failings of the 1983 campaign (Dick, 2005, p 348).

In other ways, Kinnock was to be more successful in using his position of Party Leader to transform Labour's organisational structure. In this regard, he was able to create new departments, took advantage of the rapprochement between the right of the Party and the more moderate Left, both on the NEC and in the

Party at large. Although Tony Benn just managed to remain on the NEC throughout Kinnock's leadership, he and his followers were increasingly marginalised, particularly over the issue of the expulsion of 'Militant' members on the NEC.

Internal departments were consolidated and reorganised. Consequently, three main directorates were established: Organisation, Policy Development, and Campaigns and Communications. The last one proved to be more significant; the new Director of Campaigns and Communications was a former television producer named Peter Mandelson. He brought with him a new approach to campaigning and media presentation, which emphasised reliance on advertising agencies, opinion polling and qualitative research to shape policies and images which would appeal to the electorate.

Mandelson consulted an advertising executive, Philip Gould, to produce a report on Labour's campaign strategy. A key recommendation was that the Party should establish a working group including Party officials professionals from advertising and opinion research agencies to work on Labour's image and communications strategy (Dick, 2005, p 348).

Kinnock felt that if this process could be widened to include all local Party members, then the votes of more moderate non-activists could lessen the chances of

MPs being deselected. This system of 'One Member, One Vote' referred to as OMOV, was precisely the policy favoured by David Owen and other right-wingers before they quitted the Party to form the SDP. Yet, there were more reforms of the youth movement, which ultimately eliminated most far Left influence, but which failed to really galvanize young people to join the Party.

One of the major structural constraints on the Party Leader and the Shadow Cabinet was embodied in the National Executive Committee. The latter was very often disagreed with the Party's Parliamentary Leaders. Since Kinnock felt changes were needed in the way the Party presented itself and in the manner in which it practised campaigns in the media. While not yet sure of a working majority on the NEC, he decided to form a Campaign Strategy Committee (CSC) with the responsibility for Labour's campaigns and media presentation separate from the NEC (Seldon & Hickson, 2004, p 330). The CSC's members were drawn from the Shadow Cabinet, the PLP, the NEC, and trade unions. Kinnock used the new committee to reduce the influence of the NEC.

Neil Kinnock, then set about transforming the policy-making structures after the general election defeat of 1987, dropping many of Labour's more unpopular commitments. Another striking feature of

the Labour Party's structural transformation under Kinnock was with regard to the Party's identity: new techniques were used in campaigns and modern symbols were adopted to replace its narrower, class-based images.

The 1983-92 period, saw a gradual process of transformation in which agents were able to transform Party structures in a number of ways. This was not an overnight process, but one that was still taking place when Kinnock left office nine years after becoming Leader. It also appears clear that control of Party organisational structures was crucial to the modernisation of the Party's policy-making and identity structures.

4.3. The Labour Party's Policy-making Reform

In the period before the 1987 general election, no significant changes were made to policy-making structures in the Labour Party. During this time, the major changes were the organisational structures of the Party in addition to the troublesome issues of 'Militant' expulsions and the yearlong miners' strike. The problems largely overshadowed Kinnock's first two years in the post.

For instance, the miner's strike which began in April 1984 and lasted for almost a year had a serious impact (The Hutchinson, 2001, p 702). The NUM executive (the National Union of Mineworkers),

under its President Arthur Scargill refused to hold a strike ballot. As a result some miners, mainly in Nottinghamshire, refused to come out. Attempts to persuade them to do so by picketing were met by a firm, and at times heavy handed, police response, and violence ensued. Relations between Scargill and the Labour leadership completely broke down.

Kinnock clearly felt that his first priority should be to regain control of the Party organisation: this would be a necessary precursor to any programmatic changes which might follow. Moreover, given the new spirit of co-operation between the soft Left and the right wings of the Party, radical changes in Party policy may have irrevocably damaged this 'Alliance'. As Kinnock said in a television interview in 1993, "to have changed all policies simultaneously in that period would have fractured the Party" (Anthony, 2005, p 133).

Nevertheless, there were some clear signs that the Party was moving away from its positions of 1983. Through the 1987 election manifesto, *'Britain Will Win'*, (Iain and Dennis, 2002, p 195) Labour promised to withdraw from the European Economic Community (EEC); it was a commitment to work constructively with the EEC partners to promote economic expansion and combat unemployment. In addition, the manifesto supported the rights of tenants to buy their council-owned houses. On industrial relations issues, the

Party manifesto was more equivocal: it promised to repeal Conservative trade union legislation, whilst establishing a statutory framework protecting the rights of union members to hold secret ballots before strikes and when electing union executives.

These years also saw changes in Party policy. For instance, to make it more popular the Labour Party's 1983 manifesto promised to decrease unemployment below one million, and more congenial to the views of the Shadow Cabinet. The ensuing shift to the right was buttressed by, even predicated upon, the boom conditions which were clearly prevailing by the end of 1985. At the same time, the change was rather piecemeal.

In 1987, the manifesto was full of promises (Iain and Dennis, 2002, p 196). For instance, plans to remove US nuclear bases from Britain were put aside, but the Party remained committed to unilateralism. Withdrawal from the EC was dropped, but this simply meant that the Party had little to say on Europe at all. Social ownership some form of nationalization of gas and British Telecom would be reimposed.

The plan to reduce unemployment was scaled down; now the Party only pledged a reduction of a million over two years, but even then it carried little conviction. Large-scale increases in public expenditure, particularly on welfare, were also suggested, but with little real notion of how

to pay for them. This, infect, provided the Conservatives to attack them as being uncosted (Iain and Dennis, 2002, p 196). In short, the policy changes in the run-up to the 1987 general election showed that making policy more moderate did not necessarily make it any more coherent.

Although these changes were fairly substantial in their own right, Kinnock remained constrained by the policy-making structure of the Party Conference, and so more radical changes were impractical. Thus, a commitment to social ownership of the major utilities remained, as did the Party's commitment to unilateral nuclear disarmament. The latter remained an unpopular policy both amongst the electorate and senior Party figures and was a weakness which was effectively exploited by the Conservatives during the 1987 general election campaign.

Nevertheless, great optimism among Labour strategists appeared when Thatcher announced on 11 May 1987 that there would be an election in the following month. The European elections of 1984 had seen Labour advance. By-elections had seen the Conservatives lose four of the nine seats they had defended, but only one of these had gone to Labour itself lost a seat to the 'Alliance' in February 1987. As late as March 1987 the Labour Party was in the third place behind the 'Alliance' in the polls.

Thus, by the time the election was called, it was less a question of whether Labour could win, but whether it could hold on to second place in the face of what appeared to be a strong 'Alliance' challenge. The Labour Party did fight a good campaign, which focused particularly on the leader. But it had little to say on some key issues, like the EC, and its policies in other areas were confused. The Party's spending plans were savaged by the Conservatives as being likely to lead to massive tax increases.

The election result of 1987 was only slightly less crushing than had been that of 1983. The Labour Party was still supported by less than a third of the electorate. For all its professional campaigning, the Labour increased its poll share only by 3.2 points to 30.8 per cent, and managed a net gain over 1983 of only 20 seats, emerging with 229 MPs (Tewdwr, 2005, p 60). The Party's main advances came in the East Midlands, Scotland, Wales and Yorkshire. The Labour Party was still in the third place behind the 'Alliance' in more than 200 seats.

It failed to improve its position significantly among non-manual workers, while among skilled workers only 36 percent supported Labour, and whereas 40 per cent voted Conservative (Tewdwr, 2005, p 61). Whatever else Labour had achieved in 1987, it had not built a strong base from which to challenge the

Conservative ascendancy next time; to win such an election Labour still needed a swing larger than any achieved by either Party at a post-war general election.

However, these changes failed to achieve the desired results. The 1987 election still produced a majority of over a hundred from the Conservatives and Labour had to rethink its strategy for the future. At the 1987 Party Conference Kinnock introduced a fundamental '*Policy Review*' which went on in 1989 to produce some major changes to Labour's commitments. Labour no longer undertook to pull Britain out of the European Community.

The Labour Party's defeat at the 1992 general election led to the resignation of a devastated Kinnock. After almost five years of hard graft, he had really expected to become Prime Minister in 1992. As it was, he had to face the reality that the next election would be four or five years away. The idea of a further stretch of the opposition did not appeal to him. He also blamed himself, to some extent, for Labour's defeat (Robert & Graham, 2002, p 394). And, in any case, it was clear that the poor relations he now had with Smith and others in the leadership would make any attempt to retain the leadership untenable (Robert & Graham, 2002, p 394). Kinnock announced shortly after the election that he would be resigning as leader and that Hattersley would resign as deputy at the same time, and the leadership election would take place in the following

June.

The case for Kinnock would state that he pulled the Party back from the brink of disaster in 1983 to the brink of office in 1992. he saw off the challenge of the 'Alliance'; that he got rid of 'Militant' and marginalized the hard Left; and he made considerable progress in modernizing the Party's policy and organization. He made it possible for future leaders to continue the process and make Labour a Party fit to face the challenges of the 1990s and beyond.

5. The Triumph of Modernization under John Smith 1992-1994

It was clear even before Kinnock's announcement that John Smith would be his successor, although Kinnock himself would have preferred Bryan Gould (Robert & Graham, 2002, p 395). When John Smith succeeded Neil Kinnock as Party leader in July 1992, three months after Labour's fourth successive General Election defeat, it seemed clear that Kinnock's commitment to the modernization of the Party's policies and organization would be maintained. Smith's leadership indicated that the process of ideological revision that had accompanied his predecessor's achievements would continue. Indeed, Smith's claims were so strong that some people called for his election as leader to be unopposed (Robert & Graham, 2002, p 395). He needed the support of 20 per cent of Labour's MPs. (Matt & Kevin, 2004, p210). However,

Bryan Gould; Smith's competitor was able to get sufficient PLP support to enable him to run, and fought Smith from the Left.

Bryan Gould based his campaign in particular on a critique of the European Exchange Rate Mechanism (ERM), of which Smith was a staunch supporter. Gould's objections came from his belief that fixed exchange rates would exclude a British Labour government from pursuing the kind of Keynesian measures which, he believed, were necessary to ensure full employment and social justice (Dick, 2005, p 353). Although scarcely in itself much more than a tepid reassertion of Keynesian priorities, Gould's campaign was latched onto by some with a leftish reputation: David Blunkett, darling of the municipal Labour Left in the 1980s, ran his campaign (Dick, 2005, p 353).

The final result was in July 1992. Smith was supported by 91 per cent of the electoral college, taking 97.7 per cent of the CLP votes and 96.2 per cent of the union votes; Bryan Gould did a little better among MPs, but even here Smith took 77.3 per cent (Mark, 2007, p 118). Gould was also defeated in the ballot for the deputy leadership; Margaret Beckett, Smith's own preferred candidate and one whose own one-time hard Left credentials gave an impression of political as well as gender balance, won by a safe margin. Gould was elected to the Shadow Cabinet, but resigned within a few months, and

thereafter criticized Smith's pro-Europeanism from the back benches before finally bowing out of British politics in early 1994 to return to academia in his native New Zealand (Mark, 2007, p 119).

Following Smith's sudden death in May 1994, Tony Benn, for example, recalled that the former leader had played a notable part in healing the personal breaches. He had opened up during the 1980s and had thus laid fresh foundations for the good will and co-operation between Left and right that existed under Clement Attlee and Harold Wilson (Alastair & Richard, 2007, p 10).

With regard to the Party's ideological stance, Smith's inclination was to further Labour's gradual transition from traditional state socialism to a variant of European social democracy, a process that had been taking place since the Policy Review of the late 1980s. That ideological revision was entirely in harmony with Smith's own standpoint, which had remained consistently social-democratic. As a Labour MP since 1970 and as a minister in the Labour Governments of 1974–9, he had been a supporter of a mixed economy and an advocate of social improvement within its framework.

Three major changes during Smith's brief leadership centred on directly changing Clause IV, increase women's representation in Parliament, and the adoption of OMOV. Concerning Clause

IV, Smith continued to adhere to his more indirect approach to this potentially divisive issue (Tudor, 2005, p99), making preparations, shortly before he died, for the drafting of his supplementary statement of values, which would in due course be discussed by the Party and, which he hoped, eventually would be adopted by the 1995 Party Conference (Tudor, 2005, p99). More broadly, he pursued shelving further organizational reforms and placing his emphasis on Party unity and on the preparation and development of Party policy.

Simultaneously, John Major's government was suffering from considerable problems in the economy, the increase in taxes, scandals and the Black Wednesday from a very early stage. First, economic recovery was slower to show tangible benefits than had been expected. At the 1992 election, conservative talk of the green shoots of recovery had not appeared credible. But unemployment continued to push upwards for the rest of the year, and into the first quarter of 1993; it did not fall below pre-election levels until 1994. And, unlike the recession of the early 1980s, this one was hitting middle-class families, core Conservative voters.

Second, the government was elected on a pledge to reduce taxes, and attacking Labour as a tax and spend Party, found that it needed to increase existing taxes, and introduce new ones, in order to balance the nation's books. Third, from a very early

stage the government was rocked by scandals which appeared on sexual activity, dishonesty and rank corruption which the broadsheet press pursued with great tenacity. One such was the scandal about illegal arms sales to Iraq (Dick, 2005, p 338).

But the most spectacular problem the Major government faced was the Black Wednesday, 16 September 1992. The ERM was already creaking and the pound came under massive speculative pressure on the markets. Major was intent on keeping Britain within the ERM, however, and drastic steps were taken to do this, including raising interest rates from 10 to first 12 and then 15 per cent and spending up to £10 billion in an ultimately doomed attempt to achieve this objective. For the Conservatives the result was devastating. They lost the reputation they had built up over the past decade.

In the opinion polls, at the local elections on 5 May 1994, the Labour polled over 40 per cent of the votes cast, and the Conservatives suffered huge losses (Dick, 2005, p 338). Just a week later, on 12 May, Smith died from a massive heart attack, at the age of 55. His death was utterly unexpected; he had made a good recovery from his earlier attack, and had seemed to be in good health (Anthony, 2007, p 491). He was widely seen as personally impressive, a man of integrity and a formidable Commons performer; his achievements at the 1993 Party conference

were important and he might well have made an effective Prime Minister. John Smith was succeeded by Tony Blair.

6. Tony Blair as Labour Party Leader

In the immediate aftermath of Smith's death, it was decided that the electoral college process could not be completed in less than ten weeks, which meant that Margaret Beckett would have to act as leader until 21 July. During that period, the European elections were to be held, on 9 June. Labour performance was well, it took 44.2 per cent of the votes cast and winning 60 of the 87 seats; the Conservatives, with 27.9 per cent, only managed to elect 18 MPs (Broad, 2001, p 176).

There was a frenzy of media speculation about Smith's successor. First, Robin Cook, who had been close to both Kinnock and Smith and who had proved effective as a Shadow Minister, but he chose not to stand. Second, Gordon Brown who had already issued as a political leader of considerable weight and ability was also supported by Kinnock and Smith. When he was elected to the Commons in 1983, he had soon caught the attention of the Party leadership. He was appointed to the front bench in 1985, and was elected to the Shadow Cabinet two years later (Applebaum, 1997, p 04). In the autumn of the latter year, Kinnock promoted him to Shadow the Department of Trade and Industry. He served as Smith's deputy in the Shadow Treasury team. When Brown

again topped the Shadow Cabinet poll in the aftermath of the 1992 election, Smith rewarded him with an appointment as Shadow Chancellor (Tewdwr, 2005, p 61). He made a big impact while standing in as Shadow Chancellor following Smith's 1994 death.

The third was Tony Blair who was regarded as unconventional in Labour terms. His father aspired to be a Conservative MP, and Blair had not got much interest in politics as a student at Oxford. Equally a young barrister in the 1970s, he proceeded on to procure the nomination for the seat of Sedgefield in Durham for the 1983 election.

Once at Westminster, he was seen as a rising star. In 1984, seven months after his appointment, he was promoted to the front bench in Parliament. Following the 1987 election, he joined Gordon Brown and Margaret Beckett under John Smith's leadership in perhaps the most formidable Shadow Treasury team in British history (Tewdwr, 2005, p 106). His star continued to shine after the 1992 election, when Smith made him Shadow Home Secretary. Throughout this period, Blair and Brown had remained close political colleagues. But their friendship was to take a severe blow in the immediate aftermath of Smith's death.

In the case, Blair succeeded Smith, and not Brown in the election. Constituent of the cause for this was that Blair did not shock

by Smith's sudden death by contrast to Brown. He had felt no great closeness to Smith, whom he had watched as a brake on modernization, and he was ready to announce his political campaign (Robert & Graham, 2002, p 395).

Thus, at the age of 41, Blair was the youngest leader in the Party's history. He was quick to turn this to his advantage. One of the key themes of his leadership campaign had been the need for national renewal. He soon talked about the need to reinvent Britain as a young country (Anthony & Kevin, 2004, p 587).

Thanks to Kinnock, and to wider circumstances, the Left was largely unimportant. Militant trade unionism, which had caused Kinnock such problems in 1984-85, was a thing of the past (Anthony & Kevin, 2004, p 588). OMOV had been accepted, the bloc vote was in the process of reform, and the Party's policies were very much those of the right. Nevertheless, Blair achieved his major reform related to Clause IV when in his 1994 conference speech, Blair stated that the Labour Party needed to change with a changing world in order to remain relevant; the Party would not become a historical monument and, in particular, it needed a clear, up-to-date statement of objects and objectives (Anthony, 2007, p 126). The new Party leader set himself single-mindedly to achieve one objective, to make Labour electable. He was able to build on the steps already taken by Neil Kinnock

and John Smith.

The fact that he had come to the Party as an outsider was a positive advantage. This was quickly evidenced by his assault on Clause IV, the famous article in the Labour Party constitution which called for the common ownership of the means of production, distribution and exchange. This 70-year-old provision was at odds with the actual practice of Labour governments, but it allowed their Tory opponents to picture the Party as doctrinaire nationalists. Blair used his first speech as Party leader to announce to the 1994 Party conference that he would be proposing a replacement clause, which would be submitted for approval to a special Party conference in March 1995.

Blair and Labour were benefiting, too, from secular changes in British and world politics. The Conservative Party had remained united since the First World War against the threats of Communism both at home and abroad, Labour's socialism and militant trade unionism. But with the collapse of Communism in the late 1980s and early 1990s, the neutering of trade unionism and Labour's own effective abandonment of socialism, there was no longer a pressing imperative for the Conservatives to stick together.

Labour in Scotland and Wales was adamantly in favour of devolution. It was recognized that failure to deliver here would lead to a surge in support for

nationalist parties at Labour's expense. The unions were strongly in favour of a national minimum wage and statutory recognition rights; any retreat on these issues could provoke a massive backlash against the leadership. But the level of the wage remained open to negotiation, and could be kept low, satisfying Shadow Chancellor Brown's commitment to financial stability.

In addition, even the most convinced New Labourites were prepared to pay the price, given that the unions were prepared to reciprocate by accepting further reforms of the Party that still restricted their role more (Anthony, 2007, p 276). In other areas, there were fewer constraints. Brown continued to reject anything that smacked of Keynesianism. In January 1997, indeed, Brown accepted that, should Labour win the election, it would observe Conservative spending plans for its first two years in government. Blair's successor as Shadow Home Secretary, Jack Straw, soft-pedalled, or even abandoned, many of Labour's earlier policies on crime, in order to exploit Conservative failings in that area.

There were also changes in the Party organization. While the Party headquarters remained on Walworth Road in South London, a separate campaign headquarters was established in the Millbank Tower. This considerably increased Blair's control over the Party machine, by effectively establishing a parallel in effect more

powerful, headquarters which was directly under his, and not the NEC's, control (David, 2008, p 104). Candidates were subjected to extensive briefings and probing questions to ensure that they were fit to stand for Labour. Individual membership, after years of decline, grew rapidly under Blair, from 305,000 in 1994 to 405,000 in 1997 (Anthony, 2007, p 276).

On 17 March, there was a very long campaign for the New Labour. It cleverly scaled down expectations, its five immediate pledges, cutting class sizes for infants, speeding up legal proceedings against young offenders, reducing National Health Service (NHS) waiting lists, moving 250,000 young people from benefits and into work and maintaining low inflation, being selected as credible, achievable and relatively uncontroversial. The New Labour was developed to regain trust from the electorate and to portray a departure from Old Labour, and in fact, they succeeded in the 1997 general election (Iain & Dennis, 2002, p 345).

7. Conclusion

The Labour Party lost four successive general elections in 1979, 1983, 1987 and 1992. Nevertheless, by 1982 the Labour was not able to do the ousting, especially since the breakaway of a section of its right wing to form the Social Democratic Party in March 1981. Neil Kinnock's decision to take on the Militant Left in the 1980s was much more significant in the revival of

Labour's electoral. However, in the 1983 general election, Labour was beaten, and, despite vigorous attempts by its young leader, Neil Kinnock, it did little to dent the Conservative ascendancy in 1987. There was much talk of Labour being finished as a Party of government.

The revival in Labour's electoral fortunes in the period 1987 to 1994 owed much to the work of Neil Kinnock and John Smith. The latter maintained Kinnock's commitment to the modernization of the Party's policies and organization, unfortunately the latter died before achieving it. The revival of the Labour Party continued in the 1990s under the leadership of Tony Blair who helped New Labour to achieve a landslide success in 1997.

Unfortunately, class divisions remained noticeable. The major sources of structural inequality, such as the distribution of wealth, the scheme of individual instruction and individual insurance systems were hardly touched. 'No real attempt was made to eliminate, or even partially modify, the maldistribution of wealth and property which remained very obvious in Britain after years of supposedly Socialist Government' 1945-1951. In malice of the progress made, access to life enhancing resources and thus the prospects for self development were still dispersed in an inadequate way.

8. Bibliography List:

1. Books :

Beech, Matt and Hickson (2004), Kevin, The Struggle for Labour's Soul Understanding Labour's political thought since 1945, Routledge Taylor and Francis Group, London and New York;

Brivati, Brian and Bale, Tim (2001), New Labour in Power: Precedents and Prospects, Routledge Taylor and Francis Group, London and New York;

Bulmer.S, Burch. B, Carter.C, Hogwood.P and Scott (2002), A British Devolution And European Policy-Making Transforming Britain into Multi-Level Governance, Palgrave Macmillan, London and New York;

Campbell, Alastair and Stott, Richard (2007), The Blair Years Extracts From The Alastair Campbell Diaries, Hutchinson, London;

Clarke, Harold. D., Sanders, David., Stewart, Marianne. C., Whiteley, Paul. F (2004), Political Choice in Britain, Oxford University Press, UK;

Coates, David (1975), Labour Party and the Struggle for Socialism, Cambridge University Press, London;

Corthorn, Paul and Davis, Jonathan (2008), The British Labour Party and The Wider World Domestic Politics, Internationalism And Foreign Policy, Tauris Academic Studies, London, New York;

Dale, Iain and Kavanagh, Dennis (2002), Labour Party General Election Manifestos

1900–1997, Routledge Taylor and Francis Group, London and New York;

Dumbrell, John (2006), A Special Relationship Anglo-American Relations in the Cold War to Iraq, Palgrave Macmillan, London and New York;

Fairclough, Norman (2006), New Labour, New Language?, Routledge Taylor and Francis Group, London and New York;

Goodman, Geoffrey (2003), From Bevan to Blair Fifty Years' Reporting from the Political Frontline, Pluto Press, London;

Hinman, Bonnie (2007), Modern World Leaders Tony Blair, Chelsea House Publishing An imprint of Infobase, New York;

Honderich, Ted (2005), Conservatism Burke, Nozick, Bush, Blair?, Pluto Press, London;

Jones, Mark Tewdwr (2005), The Planning Polity Planning, Government and the Policy Process, Routledge Taylor and Francis Group, London and New York;

Jones, Tudor (2005), Remaking the Labour Party From Gaitskell to Blair, Routledge Taylor and Francis Group, London and New York;

Lawrence, Jon (2009), Electing Our Masters The Hustings in British Politics From Hogarth To Blair, Oxford University Press, UK;

Leonard, Dick (2005), A Century of Premiers Salisbury to Blair, Palgrave Macmillan, London and New York;

Lynch, Philip (1999), The Politics of Nationhood Sovereignty, Britishness and

Conservative Politics, Palgrave Macmillan, London and New York;

O'Reilly, David (2007), *The New Progressive Dilemma Australia and Tony Blair's Legacy*, Palgrave Macmillan, London and New York;

Phythian, Mark (2007), *The Labour Party, War and International Relations 1945–2006*, Routledge Taylor and Francis Group, London and New York;

Richards, David (2008), *New Labour and the Civil Service Reconstituting the Westminster Model*. London and New York: Palgrave Macmillan.

Roger, Broad (2001), *Labour's European Dilemmas From Bevin to Blair*, Palgrave Macmillan, London and New York;

Romano, Flavio (2006), *Clinton and Blair The political economy of the Third Way*, Routledge Taylor and Francis Group, London and New York;

Seldon, Anthony (2007), *Blair's Britain, 1997–2007*, Cambridge University Press, UK;

Seldon ,Anthony and Hickson, Kevin (2004), *New Labour, Old Labour The Blair, Wilson and Callaghan Governments*, Routledge Taylor and Francis Group, London and New York;

Smith, Anthony (2005), *Television Policies of The Labour Party 1951–2001*, Frank Cass Publishers, London;

2. Journal article

Applebaum, Anne (1997), "Tony Blair and the New Left", *Foreign Affairs* 76.2: 45–60. <http://doi.org/10.2307/20047936>.

Ostergaard, Geoffrey (1963), "The Transformation of The British Labour

Party", *The Indian Journal of Political Science* 24.3: 217–238. Retrieved from <http://www.jstor.org/stable/41853974>.

Williams, Francis (1950), "The Program of the British Labour Party an Historical Survey", *The Journal of Politics* 12.2: 189–210. Retrieved from <http://www.jstor.org/stable/2125981>.

3. Dictionaries:

Collin (2004), *P.H.Dictionary of Politics and Government*, Bloomsbury Publishing Plc, Third Edition;

Eccleshall, Robert and Walker(2002), *Graham.Biographical Dictionary of British Prime Ministers*, Routledge, London and New York;

4. Encyclopaedias:

The Hutchinson Illustrated Encyclopaedia (2001), of British History, Helicon, Great Britain.