

Revitalising Social Democracy & Progressive Politics

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Speech by Wouter Bos, former leader of the Dutch Labour Party (PvDA)

“Where We Stand and What We Should Do”

I will try to offer some additional perspectives to where we stand and what we should do.

My message is twofold. First, I believe the Dutch election results tell us a remarkable story, not just about Dutch politics but it confirms a story we have seen unfolding over a wider Europe. Second, I believe the key to revitalising social democracy and progressive politics –the title of today’s conference- is to improve our understanding of the middle class.

But, firstly, the Dutch elections. As always we have to be careful in drawing conclusions. We always like to think elections are about content and policies but of course they never are. We also tend to ignore the normal phenomenon that once in a while the electorate wants to change government and wants to offer the opposition an opportunity.

That generally has not much to do with content or policies but seems to be a normal part of a normal political cycle. And finally we find it consistently hard to distinguish between incidental election wins or losses and longer term patterns and therefore consistently risk confusing incidental results and more fundamental explanations, or vice versa.

Having said all that, I think three observations are worth making about the Dutch elections because they seem to be applicable outside the Netherlands too.

Firstly, there is a continuing process of fragmentation across the political spectrum. The largest party in Dutch politics has never been so small. All great traditional political ideologies with their traditional focus on making compromises with their political opposites, their internationalist attitude, their defence of the open society and their traditional attempt to be true people’s parties, attempting to bind both the elite and the masses, have problems. Smaller parties focusing on particular interests or particular voter groups, benefit.

Secondly, social democrats are not benefiting from the great crisis of capitalism we have just been experiencing. Not only are liberals and conservatives not punished for this crisis, they are also often more trusted in dealing with the post-crisis consequences.

And thirdly, again we were all wrong what these elections were about. In your countries you all probably have experts telling you that elections should be about socio-economic issues -jobs, income, distribution- for social democrats to be successful. Core business, home game, success assured. For years we tried to get that agenda back on the table and often failed. Most recently at the time of the European elections when we thought we could win on dealing with failing markets and greedy bankers but we didn't. We were pretty sure we were to succeed. Everybody was talking about the post-crisis bill to be paid, 30 billion euros, 15% of the budget. And it wasn't just us who thought this time we would succeed in getting the socio economic agenda on the table. The press was of the same view. And expert analysts were as well.

But what happened? The greatest winner of the elections was a party that campaigned on a platform of anti-elite, anti-Europe, anti-Islam and anti-left views. All major parties had over the past few years made significant changes to their programme on issues such as Islam, integration and Europe but still this party for freedom, the PVV, won the elections.

So this is what we saw in the Netherlands and what we see elsewhere in Europe. One: a fragmentation of the political spectrum. Two: social democrats don't benefit from the crisis. Three: the apparent dominant socio-economic agenda wasn't that dominant after all or no longer automatically works at our advantage.

Now I understand you have been discussing today and will be discussing tomorrow all the strategic options to get out of this mess. I tend to agree with René Cuperus and Frans Becker that it continues to be our historic mission to bind both winners and losers of modernisation, both higher and lower educated, both the elite and the masses. Just choosing the winners or just choosing the losers, the two alternative strategies described by Cuperus and Becker, are not easy ways out but would also remove our unique selling point.

We must, however, also be honest in explicitly understanding that this historic mission has become more difficult in a fragmented society with a wealthier middle class in a globalising economy as both Cuperus/Becker and Patrick Diamond described in their papers. And it will only become more difficult in the coming years. The great challenges to our society, whether you think of how to pay the post-crisis-bill, or how to deal with maintaining high quality public services in an ageing society, or how to make our economy both competitive and sustainable, or how to deal with problems of migration and integration- all these challenges potentially split our societies between winners and losers, between people who are optimistic about the future and those who want to put on the brakes.

Building that bridge is what we are about.

I would just like to conclude with one thought which could help us explain and understand what has happened in recent elections and rebuild that traditional coalition between the elite and the masses.

I believe social democrats have a fundamental problem in understanding middle classes. And I believe that only if we improve that understanding, will we be able to build successful majority coalitions of voters again.

I think Patrick Diamond addressed the same phenomenon in his paper where he called our attention to the way the British Labour Party misunderstood Thatcherite conservatism. I quote:

"It failed to understand why a large segment of working class voters defected to the Conservative Party after 1979. It appeared that the policies of the right objectively undermined the economic interests of those on middle and lower incomes. Opinion surveys conducted during the 1980s and early 1990s suggested that the electorate at large were in sympathy with traditional social democratic values of welfare, redistribution, and fairness. But it was the Tories that won four successive election victories and appeared to dominate late 20th century British politics. The Conservative Party had a much stronger sense of the epochal changes

sweeping the world than the left, including the break-up of the old post-war settlement and the emergence of a more variegated and fragmented society. Thatcherism sought to appropriate this new world for itself.”

I think the same is happening now. We misunderstand the middle class and the world they live in. Let me just give you the five biggest social democratic misunderstandings about who the middle class are and what they think.

First of all, we tend to forget that most of the modern working class now **IS** middle class. They simply and literally have a lot to lose.

Second, we like to continue to think of the working class as have-nots who have great expectations of everything they could gain from government interventions but in reality they have evolved to become haves (rather than have-nots) and they now have great concerns about everything they could lose from government interventions.

Third, we like to believe everybody understands the fairness of showing solidarity. But the former working class and new middle class believe they are on the paying rather than the receiving end of solidarity and therefore very critical. And they will be even more critical if they have to show solidarity with fellow citizens who tend to differ more and more in terms of their cultural, ethnic or religious backgrounds.

Fourth, we like to believe everybody understands the fairness of getting benefits on the basis of income. But the middle class believes it means they will have to pay more, now or in the future, so they don't like it.

Fifth, we believe the middle class doesn't care about fiscal prudence; but they do. They know they have had to manage their finances well to become middle class and expect the government, dealing with their tax money, to do the same.

All this may help us to explain why social democrats lose elections these days. A traditional profile on tax-and-spend, redistribution and solidarity used to be a winner but now has become vulnerable. Instead we need to deepen our understanding of the ambitions and pains of the middle class and see whether we can build our profile on that. Research will have to be done and new stories will have to be developed on how to be both fiscally prudent and fair; on how to deal with issues of morality in politics without falling back to old fashioned paternalism; on building an idea of the “Good Society” without all the drawbacks of traditional blueprint thinking; on high quality public services with high quality public ethics; and on breaking up the monopoly that conservatives seem to have on the psychological idiom that becomes ever more important: trust, identity, security, pride.

So this is basically your agenda for tomorrow, I guess.

I understand this is not an easy message, so maybe I should have decided to talk about football instead. But I strongly believe Policy Network has always been at the heart of innovative and progressive politics because we were never afraid to express uncomfortable truths. Let that be the one tradition that we cherish.

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