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FILE TITLE: <i>THIRD WAY</i>		SERIES
		<i>FOREIGN POLICY</i>
		PART <i>3</i>
PART BEGINS <i>14 OCT 2002</i>	PART ENDS <i>16 APRIL 2003</i>	CAB ONE

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Labour Administration

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CONFIDENTIAL

**PART** 3

**CLOSED**

<b>DATE CLOSED</b>	16 / 5 / 2003
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Series : **FOREIGN POLICY**

File Title : **THIRD WAY**

Part : **3**

Date	From	To	Subject	Class	Secret
30/10/2002	PD(PD)		To Prof Tony Giddens : Progressive Governance Summit - July 2003	R	
14/11/2002	PD(PD)	PM	Progressive Governance Conference 2003	R	
20/12/2002	PD(PD)	PM	The Third Way Progressive Agenda: Next Steps for New Challenges	R	
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*Qde*

From: Patrick Diamond

Date: 16 May 2003

PRIME MINISTER

JP, AC, SM, AA, PMcF,  
GM, PH, RL, MR

**PROGRESSIVE GOVERNANCE AGENDA 19/05/03**

The nuts and bolts of the July event are in hand. We need to decide the political strategy at our meeting on Monday. There are three major issues:

**(1) Definition/Message**

This offers a platform for a big defining speech on the progressive project, the future of New Labour, and the critical choices facing the left internationally.

- But what do you want the animating theme of your speech to be?
- Does the badge of 'New Way for the Third Way' take us very far?
- What is your priority - re-connection with the European centre-left, articulating a new international progressive agenda, or setting up directions for the third term?
- How can we refresh the core Third Way policy framework to give more energy to our project?
- Do you have views about the content of the summit communiqué?

**(2) Mechanics**

You are committed to the following activities during the weekend:

- Opening plenary speech and dinner with Clinton on the Friday evening
- Sunday public symposium - round-table discussion with Helen Clark, Lula, Mbeki, Schroeder and Persson
- Summit discussions on Sunday evening.

How do we handle Clinton who may demand more of your time? Would you like to do any preparatory bilaterals before July? We think it is worth you seeing Wouter Bos and Fabius/DSK to warm up the Europeans.

**(3) Post-summit: Progressive Foundation**

We should use the communiqué to define the way forward for the Progressive Governance Network.

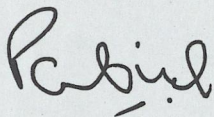
There are three further pieces of work that we are taking forward:

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- Detailed thinking on the policy direction with Tony Giddens providing a synthesis argument, seven working group papers, and Geoff's team preparing a summit agenda.
- Further planning for the mechanics of the conference including speakers, agenda and media handling.
- Working up in greater detail a strategy for organisational change to create a permanent secretariat for Progressive Governance, and ensure a step change in Policy Network's activities.

Is this sufficient?

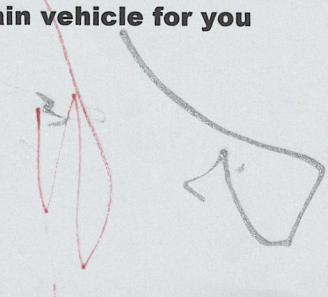


PATRICK DIAMOND

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TB only

***Progressive Governance and Policy Network***

1. The positioning and presentation of the July progressive governance Summit and Conference are important to you domestically and internationally. At home, they will contribute to definition and momentum. Beyond, they will say a lot about your international standing and leadership post Iraq. The events will indicate whether the Third Way is alive and kicking, and where it is heading. As well as being about how you are renewing yourself, and giving your programme fresh impetus, the events will also be about the organisational advances that need to be made, domestically and internationally, to carry forward the Blairite agenda and movement.
  2. There is an office debate you should have about the Third Way and its continuing relevance before we go any further in preparing for July. My informal title for the conference is *New Way for the Third Way*. It is possible that not everyone thinks this is radical enough and that the Third Way concept – or label ? – has become rather stale and therefore redundant. My own view is that, of course, every brand needs renewing and re-charging, and we certainly need to identify the new policy challenges and our responses to these in this century. We cannot have stopped thinking ten years ago when you and Clinton et al got going with all this. But our aim should be to recover the Third Way (and New Labour) not dispose of it. We do not want to signal to the world that we are going back on it. That would demonstrate that those who prefer politics as it was, on the left and right, have prevailed. We want mission driven by values applied in radical policies and presented and explained as such. Or we stop being Blairite.
  3. Intellectually, I do not believe we have a problem with this. The preparatory meeting after Easter at Warren House (on which I assume you were briefed) indicated to me that modernisation is still in the ascendancy, that people still look to New Labour for leadership and that we are in a position to define the future agenda as long as we work hard in doing the intellectual spade work to provide that agenda, and the politics to get it accepted. We can test this further at Persson's Stockholm meeting this coming week but in Germany, France (with all its serious complications), Italy and Spain or elsewhere, I have not detected any rival thinking to our own. Indeed, in most places there is no thinking.
  4. Organisationally, I think there are two issues for us. At home, you need far, far more effective political organisation on the ground (indeed, everywhere) than you are getting. Those opposed to you have been able to make more of the running than they should have been allowed. But they have not broken through. *Progress* is the main vehicle for you
- 

to widen and deepen your base in the party. It is good but it is not fulfilling its potential. The organisation needs bringing together and spurring ahead. There is not enough close working amongst your forces at home. These are fragmented, people don't meet enough, there is an absence of politics, little esprit de corps. The drivers are too few and separated. The second issue concerns *Policy Network*. This works, it is respected but it, too, is not fulfilling its potential. I allowed the hopeless French director to stay too long in his post and this was a mistake. But it is now performing and we have to decide what follow on to the organisation is put in place after July that embraces both the summitry side and the network side.

5. All these issues need urgent attention as we are presently sliding fast towards July without a compass. For example, the Conference journal has to be written now. You need to write the key article on the New Way for the Third Way, ie what this conference is all about politically, and I have to write an editorial that reinforces this organisationally. We have to start briefing commentators. At our Easter meeting, we were busking it. If we fail to do this thoroughly and early enough, we will miss the boat, or worse - have people write what ever comes into their minds. We need to have an idea of where we want to go next as others have to be sounded out (eg Persson this week). At the moment, there are different bits of thought going on in your office. Patrick and Roger carry the main body of thought as they are most deeply and regularly involved. Andrew, Geoff, Sally and Pat will have their own views, as will Peter Hyman. Policy, politics, strategy, media and organisation are the different facets. They need bringing together urgently.
6. My suggestion is that you ask Patrick to oversee preparation of the following for an early meeting: a paper on the policy direction of the conference and its preparatory commissions and meetings to date - which are considerably more substantial and meaningful than Tony Giddens' slightly dangerous attempts to formulate a new Fourth Way; a paper on organisational change which embraces Policy Network and Progress and offers a way forward on a permanent secretariat for the summits; a paper on the mechanics of July including lead speakers, issues to highlight and media handling.
7. I am afraid we have lost a little time - it being midway through May, now - but we can catch up if you supply the booster rocket.



policy network

10/05/03

file.

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Your ref

Our ref nrs/zr

Contact Neil Sherlock  
020 7311 8855

29 April 2003

Dear Nick,

**Progressive Governance Conference**

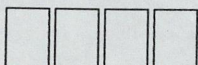
I just wanted to send you and the Conference team a note of congratulations following the excellent weekend event.

Tim Stone, Mike Rake and I found the Conference well organised, stimulating and very worthwhile. Key progressive positions have clearly been developed and refined. We look forward to continued involvement, not least on the reform of public services in the run-up to the July conference.

With all good wishes and congratulations.

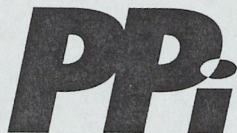
Yours sincerely

Neil Sherlock  
*Partner, Public Affairs, KPMG LLP*



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PROGRESSIVE POLICY INSTITUTE

Andrew J. Rotherham

*Director, 21st Century Schools Project*

Joanne Burton  
Policy Network  
2nd Floor, Tower Building  
11 York Road  
London SE17NX  
United Kingdom

April 28, 2003

Dear Joanne:

Thank you for all of your help on my trip to London for the April planning meeting for the Progressive Governance Conference. I particularly appreciated your assistance with logistics. It was a quick trip, so having everything set at the airport and Warren House made it much more enjoyable.

The conference itself was interesting and thought provoking. With luck we will be applying some of these ideas on our side of the Atlantic in a few years!

Again, thanks. I look forward to seeing you in July.

Sincerely,

A handwritten signature in black ink, appearing to be 'Andrew J. Rotherham', with a long horizontal flourish extending to the right.

Andrew J. Rotherham

# New Labour's big idea is that there is now no big idea

Whether as a headline or as a slogan, "disciplined pluralism" is a phrase that leaves something to be desired. Compared with the political objectives of yesteryear, like nationalising the commanding heights of the economy or getting the government off the people's backs, it certainly lacks drama and ambition. And yet disciplined pluralism is a very big idea. As set out by the economist John Kay in his important new book *The Truth About Markets* (published this week by Allen Lane The Penguin Press), it offers one of the most truthful and fruitful ways in years of looking at the relationship between modern government and the modern economy. That is why, among some of the Labour party's most restless thinkers, disciplined pluralism is the big idea of the moment.

To understand why, a reminder of history is required. Labour came to power in 1997 eager to tell itself and its supporters a new story — narrative has become the fashionable word — about how and why it intended to govern as it did. That it should need to do so was hardly surprising. Modern society was radically different from the societies in which the old ideas had been crafted, and it was changing all the time. In the Soviet Union and elsewhere, the centrally planned economy had been a failure. In the west, the welfare consensus of the mid-20th century had dissolved. In geopolitics, there was now only one

superpower, and it was certainly not Britain. Not least, the digital revolution was also under way.

Labour's first attempt to define its place in this new world was instinctive rather than reasoned. The third way, as it came to be known, has been much mocked. From the right it has been dismissed as glib and merely tactical. From the left it has been scorned as unprincipled and self-deceiving. In this country, the third way sometimes seemed merely to mean whatever the government did. When many of the other political parties and leaders who associated themselves with the third way lost power, a lot of air went out of the balloon.

Some of the criticisms of the third way had substance. But the condescension towards the third way was also misplaced. The best thinkers and politicians who identified with it were — and mostly still are — very serious. In particular, they continue to ask the hard questions that matter about the role of elected governments in modern rich societies — questions that many critics persistently avoid.

Six years of Labour government have not made these thinkers and politicians less anxious to define their path, but more. It is one of the enduringly attractive features of this government that some of its key figures, from Tony Blair down, feel this need to justify and legitimise their policies intellectually. Peter Mandelson, seen so widely (and with such justification) as the consummate tactician, is one of the most prominent of this group. Not to

understand this side of Blair and Mandelson is not to understand either of them at all.

Last weekend, Mandelson and many of his third way veterans (a veteran in this context is now someone who is closer to 35 than to 25) met again at Warren House in Surrey to take stock and to plan their next moves. Two things were particularly striking about their deliberations.

The first is that this latest attempt to reinvigorate the old third way is much more systematic and global than in the past. Last weekend's discussions were a preliminary to what the organisers are calling a "progressive governance" conference to be held in London in July. That conference will be attended by left and centre-left politicians and policy makers from many continents and countries, who will focus on reports being drafted by seven international working groups.

Together, these exercises — which cover the future of the welfare state, public service reform, global governance, corporate reform, migration and integration, rights and responsibilities, and science, risk and technology — address most of the big themes of this and any other era. Potentially, therefore, the conference in July will draw

**Anthony Giddens, guru of the third way, called for greater ideological breakout**

up templates and set benchmarks that will define the agendas of left-of-centre governments almost anywhere in the modern world.

But while the scope of this new effort is striking, so is the content. At Warren House there was an underlying sense that the centre-left needs to raise its game. It was evident in Mandelson's own contributions, in which he spoke with characteristic cuteness of the need to move from the politics of triangulation to what he dubbed the politics of transformation, of the need to abandon defensiveness and the mantras of the past, and to be more positive about designing and achieving progressive goals.

It was even more evident in the comments of Professor Anthony Giddens, sometime guru of the third way, who called for greater ideological breakout, and for the need not to be constrained by reference points set by the right, in particular by the American business model. Empowerment is not enough, Giddens argued. It is not enough for a progressive government to think of itself as releasing people to survive in the world. The consumerist model of citizenship, based on the apotheosising of choice rather than quality, was not enough either.

These stirrings of greater radicalism, though, do not seem to signify a reversion towards more traditional politics. They coexist with a very hard-edged perception about the modern world, in which there is no automatic place for the old solutions.

Most of the discussion at Warren House focused on three questions: how to deal with American power, how to deal with international migration, and how to deal with the relationship between government and markets. In each case, the starting point was the same. Do not pretend that these realities do not exist. Do not pretend that these realities do not shape the limits of the possible.

Which brings us back to Kay's concept of disciplined pluralism. The American business model has failed, he says. But we must never slip back into the pretence that centralised structures or big policy responses, universally applied by individuals and agencies who necessarily lack the information to understand the complexity of things, can solve anything either. Gordon Brown, please note.

What works, Kay argues, is "regulated self-regulation", a culture of audited experimentation, which accepts that some experiments will fail. Kay favours a culture which recognises both that government is a key agent and that it cannot control the process — and should therefore not seek to. His big idea, to put it another way, is that there is no big idea. Kay makes an awful lot of sense about the limits of modern government. But he also paints a gloomy picture about the limits of modern politics, which will help to explain, if nothing else, why so few people seem likely to bother to vote in Thursday's elections.

*martin.kettle@guardian.co.uk*

**Zoe Williams** Rap music is homophobic, rap music is black, ergo black culture is homophobic

## Hiphopophobia

Cashun is a rap artist from Brooklyn, who releases this summer what he has called hip-hop's first gay album. This isn't strictly true (what about Deep Dickollective?), but it is certainly the case that his arrival is being widely described as a breakthrough in black culture. Hip-hop and rap are renowned for their anti-gay content, but there is a much more serious assumption floating around — that black culture as a whole is inherently homophobic.

You see it in news stories all the time, a thoughtless segue from "rap" to "black culture". And yet the evidence for homophobia in black culture is patchy at best, and the upshot of this supposition is to characterise that culture as

This mistake is born out of one syllogism, one misconception and one silly error. To deal with those backwards, the silly error is this: where no one would ever define "white culture" solely by the views of its young straight men, there is a lazy tendency to do this with black culture. Young straight men tend to be the most homophobic demographic in any culture, since open-mindedness comes from self-confidence, which comes with age.

The misconception is a confusion between rap and reggae. Some reggae is homophobic — Bob Marley isn't, but modern artists such as Tok, Elephant Man and Beenie Man are. This music comes from Jamaica, which is also homophobic — it is

This attitude arrived with British evangelists, as a direct component of their Christian message. All the homophobic laws date from the period of British governance. There is no evidence that Jamaica was preoccupied with same-sex sex before the arrival of the British. In fact, the only sustainable cultural generalisation that can ever be drawn about homophobia is that it proceeds as a direct result of religious fundamentalism.

The syllogism is straightforward — rap music is homophobic, rap music is black, ergo black culture is homophobic. If you look at the seminal black artists at the start of hip-hop, Public Enemy and Niggaz Wit Attitude, you won't actually find much homophobia. Only

they can/ From what I know/ The parts don't fit" — it's not a ringing endorsement of homosexuality, but it's nothing to Eminem's "You faggots keep egg'in' me on/ till I have you at knifepoint, then you beg me to stop?"

Professor Griff, once part of Public Enemy, was virulently anti-gay, but he was eventually kicked out for this, along with his anti-semitism (he was Nation of Islam, incidentally — again, his views proceed from religious belief rather than race). Dr Dre, once part of NWA, was and remains homophobic — "I don't really care about those kind of people" he said in an MTV interview.

And yet, Public Enemy and NWA were never known for homophobia as much as lambasting everyone: the police,

Jews, gays, absolutely everyone. The ideal of verbal battle was crucial to early hip-hop — everything that could ever in one's wildest dreams function as an insult was pressed into use.

Ultimately, it was not black rappers but white ones who corrupted this form; being too yellow (white?) to hurl racial slurs, groups such as the Beastie Boys and, latterly, Eminem, concentrated their abuse solely on women and gays.

**This musical form has always revered verbal attack on an**

made it crucial it was scattered. Beastie apolog phobia d at the t Faggot wrote: "I woul apolog and les the shi things record. apolog minori racial c (still). Emir about l yet ratl the wo: word is

Kte

From: Patrick Diamond

Date: 29 April 2003

PRIME MINISTER

JP, AC, AA, PH, PMcF

**PROGRESSIVE GOVERNANCE**

To see – Martin Kettle's article in today's Guardian about the Progressive Governance preparatory seminar we held in London last weekend. This is once again beginning to develop some momentum in Britain, Europe and the US.

The article is all the more remarkable for being a serious-minded and generous appraisal of the current positioning of the 'Third Way', engaging with the ideas rather than cynically dismissing them. We do, however, need to do better on identifying inspirational concepts to underlie this new political approach than 'disciplined pluralism' and 'regulated self-regulation'! We will work this through with Tony Giddens and our panel of experts.

Third Way

It may well also be worth you doing a Guardian interview nearer the July event to set out the agenda further ahead of the conference.

Patrick Diamond

PATRICK DIAMOND

*Hele Hen - file*

*DCS file*

From: Patrick Diamond

Date: 16 April 2003

PRIME MINISTER

JP, AC, SM, AA, JJH, PH,  
FM, PMcF, LE, RL, GM

PREPARATIONS FOR PROGRESSIVE GOVERNANCE

*cc David H +  
Shirley*

Our preparations for the Progressive Governance Conference & Summit on July 11<sup>th</sup>-14<sup>th</sup> are now firmly underway.

*(David just  
went to  
skip the  
first few  
pages!)*

It is essential we make this gathering count in political terms. The event has taken on greater significance as Iraq has perceptually detached us from the social democratic mainstream in Europe, and our 'progressive' credentials in Europe are under attack. Re-connection is vital.

The progressive cause beyond Iraq also looks badly weakened. The American public's focus on security post 9/11 has badly damaged the US Democrats' prospects of electoral recovery.

The jury is also firmly out on whether Schroder will see through big economic and social reforms in Germany, and regain the political initiative after months of turbulence.

The progressive left risks losing the battle of electoral tactics and ideas as new populist forces, and a revived brand of centrist conservatism, have emerged with devastating effect in the Netherlands, France and Italy after the euphoria of the late 1990s.

Nevertheless, there is still some scope for optimism. Fortuyn's brand of right wing populism has imploded in the Netherlands, and the Dutch Labour Party has sustained a remarkable electoral recovery. In Spain, the latest polls show the PSOE at 43% against 36.5% for the PP.

Nonetheless, these factors greatly strengthen the case for sustained re-engagement from you. This note sets out how we can best use the Progressive Summit to re-gain momentum.

**Activity leading up to the summit:**

**1. SPD 140th Anniversary, Berlin May 22-23:** This is an excellent stage to re-enter the debate about the future of European social democracy. Many other PES leaders will also be attending. We have agreed provisionally to launch a joint declaration on the future of European social democracy with Schroder and Persson. This will be viewed as a significant step given the common view of Europe at present as driven by a Franco-German axis. It will also be an opportunity for you to make a major speech to a sympathetic German audience.

**Are you still content to go ahead and do this on May 22-23?**

**2. Bilaterals with European left modernisers:** It would be well worth you seeing, diary permitting, small groups of European centre-left politicians for 15-20 minute sessions to discuss the future of the progressive left.

- We have an outstanding commitment to see Wouter Bos, the new leader of the Dutch Labour Party who led their successful election campaign and is about to take the PvdA into a coalition Government.

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- It would be worth you seeing a small group of sympathisers from the Parti Socialiste in France: Pierre Moscovici, Dominic Strauss-Kahn and Laurent Fabius should all be in the delegation (and it would be worth asking Fabius to speak at the July Conference). They are about to launch a new left modernisers network, and despite differences over Iraq, continue to regard you as the leading social democrat in Europe, so they are worth investing in.
- The Spanish Socialists are also worth meeting as they stand a strong chance of defeating Aznar's PP in next year's elections. It would be worth seeing a small group led by the Spanish socialist leader Zapatero.
- In terms of New Europe, the Poles, Hungarians and Czechs would all be worth seeing in advance of the summit.
- Al From is keen for a DLC-based delegation to visit from the US. While it is imperative to look beyond the DLC, essentially a coalition of Clinton Democrats who no longer hold sway within the Party, it would be worth engaging with several influential senators (Lieberman, Kerry, Edwards) ahead of next year's elections.

Of the options, which do you consider to be the priority?

**3. Intellectuals programme:** This has been successfully driven forward by Policy Network over the last six months in the seven key areas of global governance, public service reform, rights and responsibilities, the new knowledge economy, migration, science and risk, and corporate reform. I attach several papers for you to look through. They are work in progress, and need more politics injecting into

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them, but they give a flavour of the likely conclusions. The ideas will also inform the communiqué that comes out of the summit.

We hope that the material will be of sufficient quality to match the Lisbon process in 2000 that developed the powerful concept of a European knowledge economy, and set out a new strategy for international competitiveness and social cohesion.

Tony Giddens will also produce a synthesis paper drawing together each of the major themes into a new progressive agenda that will be published around the time of the conference.

**4. Preparatory seminar:** This is taking place on 25-26 April with a leading group of a hundred politicians, academics and policy experts to prepare the working agenda for the conference and summit.

Patricia, Tessa and David Miliband are leading from our side, along with Commissioner Vitorino, Wouter Bos and Wolfgang Clement, the German reform Minister. The agenda is attached at **Annex A**.

**5. Article placement:** It would be well worth us publishing several carefully placed articles in advance of the summit setting out your 'renewal of the Third Way' argument, perhaps in Prospect, Renewal and/or the New Statesman. The Guardian are also intending to publish a special supplement for the conference, and would naturally be keen to take material from you.

Would you be keen to do this?

**Activity at the conference and summit:**

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We hope that a significant number of leaders will attend the expert's conference as well as the summit. Most of the Cabinet is also attending the conference.

The agenda is attached at **Annex B**. There are three major opportunities for you to make public appearances, and we think strongly that you should consider doing all of them:

- a big speech opening the conference on the Friday afternoon
- an appearance alongside Clinton at the conference dinner on the Friday or Saturday evening
- a public symposium on the Sunday afternoon at the LSE with an audience of a thousand invited guests and a group of world leaders. It will focus on the future of the international progressive left post-Iraq, rather like the round-table you did in Washington in 2000 with Clinton, Kok, and Schroder.

This is a demanding schedule, but it is worth trying to make the most of the programme. We are the host nation, and there will rarely be a more influential international platform from which to make an expansive contribution. You should also consider:

- Do you want to do any bilateral discussions during the weekend, for example President Lula will be making his first trip to Britain and it would be a useful opportunity for a face-to-face discussion?

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- Should you do a short session with the African leaders who attend on trade and globalisation issues?
- How do you want to involve other senior Cabinet Ministers in the conference?  
It would be helpful if John Prescott, for example, could speak alongside other leaders, but you would need to ask him personally, as he is not currently planning to attend the event.

The ultimate purpose of the conference is to establish a global network of left modernisers by driving forward Policy Network and reforming the PES/SI, and deepening contact with progressive parties around the world.

We will also use the summit to announce the next steps for Progressive Governance: a larger organisation built around Policy Network to supplant the existing ad hoc arrangements. It will focus intensively on the long-term aim of creating a sustainable international network of modernisers, concentrating on the bridge between Europe and the US, but reaching out beyond to New Europe, Asia, Latin America and Southern Africa.

We will submit a detailed plan to you shortly, but to build up to it, we have encouraged Policy Network to focus on its core priorities over the last year:

- increasing its profile and widening its reach significantly. There is a broad consensus among the leading European modernisers (Fassino, D'Alema, Moscovici, Strauss-Kahn, Bos, and Par Nuder) for a twin-track strategy that both reforms the PES and creates the new, informal network based on individuals.

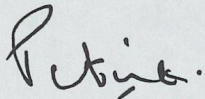
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- 7 -

- establishing better links with the Labour Party and the NPF working more closely with Ian McCartney and John Reid.
- improving New Labour's reach in Europe: particularly crucial in the post-Iraq phase.
- broadening the range of politicians and experts involved from the UK side to include new Ministers (Ivan Lewis, David Miliband, David Lammy, Ruth Kelly), bright young backbenchers (James Purnell, Andy Burnham, Sion Simon), a broader range of academics (David Held, Henrietta Moore), and leading figures from business and the arts.

Despite some initial teething problems, Policy Network and its successor organisation will be a powerful vehicle for reaffirming your progressive credentials on the international stage, developing new links and deepening present relationships. We need to maximise its potential in the months ahead.



PATRICK DIAMOND

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## ANNEX A

### ***Preparatory Conference, Warren House***

#### **Friday 25 April**

##### **12h30 Opening Plenary**

Wouter Bos  
Patricia Hewitt  
Anthony Giddens, Working Group Progress

##### **13h30 Lunch**

##### **15h00 Working Group Discussions**

	<u><i>Renewing Community</i></u>	<u><i>States and Market</i></u>	<u><i>Global Governance</i></u>
Chair	Par Nuder  Gosta Esping Andersen Tom Bentley Nicola Rossi	Tony Giddens  John Kay Folke Schuppert Paul Schnabel	Peter Mandelson  David Held Jamie Rubin
Fac.	Matthew Taylor Robert Putnam	Stewart Wood Dan Corry	Philippe Legrain Charles Grant
Rap.	James Purnell Dick Benschop	Caroline Flint Enrico Letta	

##### **18h00 Close**

##### **19h00 Reception**

##### **20h00 Dinner**

Guest Speaker, Antonio Vitorino, European Commissioner

#### **Saturday 26 April**

##### **09h00 Plenary One**

*Renewing the Bonds of Community*  
James Purnell and Dick Benschop

##### **10h30 Coffee**

##### **11h00 Plenary Two**

*States and Markets: 21<sup>st</sup> Century Political Economy*  
Estelle Morris and Enrico Letta

##### **12h30 Lunch**

Guest Speaker, Will Marshall

##### **14h00 Plenary Three**

*Global Governance*  
Kemal Dervis

##### **15h30 Open Forum - The Progressive Synthesis and the Political Challenge**

##### **16h50 Closing Remarks**

Tony Giddens

## ANNEX B

### **PROGRESSIVE GOVERNANCE 2003**

#### **JULY CONFERENCE, LONDON SCHOOL OF ECONOMICS – DRAFT PROGRAMME**

##### **FRIDAY 11 JULY**

- 1630hrs    Opening Plenary: **Challenges for Progressives**  
             Welcome: Professor Anthony Giddens  
             Keynote Speakers: Summit participants and other leading  
             international politicians (tbc)
- 1830hrs    *Reception and Dinner (City of London - venue tbc;*  
onwards    *Speakers - tbc)*

##### **SATURDAY 12 JULY**

- 0900hrs    Plenary: **Challenges for Progressives (continued)**
- |               |               |
|---------------|---------------|
| Philosophical | - speaker tbc |
| Economic      | - speaker tbc |
| Social        | - speaker tbc |
| Global        | - speaker tbc |
- 1030hrs    *Coffee*
- 1100hrs    **Working Groups: Break-out Sessions**
- |              |   |                      |
|--------------|---|----------------------|
| 1100-1300    | } |                      |
|              | } |                      |
| <i>Lunch</i> | } | Eight Working Groups |
|              | } |                      |
| 1400-1600    | } | spread over          |
|              | } |                      |
| <i>Tea</i>   | } | three sessions       |
|              | } |                      |
| 1630-1900    | } |                      |

Seven of these Working Groups will be on the seven published Policy Reports, plus an extra one on 'New Political Strategies for the Third Way'. For each Working Group there will be a Chair and a Rapporteur (Rt Hon Peter Mandelson MP will chair the eighth Working Group on political strategy).

**2000hrs      Conference Dinner with Summit Leaders and other International Guests (Central London – venue tbc)**

## **SUNDAY 13 JULY**

**0900hrs      Plenary Report Backs** from Working Group Rapporteurs and debate with Conference participants.

Summation: Professor Anthony Giddens

0900-1000hrs      Corporate Reform; Public Service  
Renewal

1000-1030      *Coffee*

1030-1130hrs      New Economy and Welfare State  
Reform; Rights and Responsibilities;  
Migration and Social Integration

1130-1230hrs      Science, Technology and Environment;  
Global Governance

**1230hrs      *Brunch***

**1330hrs      Public Symposium on the Future of the  
Progressive Left** with some Summit participants  
(with enlarged public audience; possible live webcast)

**1600hrs      Conference Close**

File

policy network

From: Joanne Burton  
Policy Network

To: Katie Kay

cc: Patrick Diamond

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I would be grateful if a copy of this fax  
could be passed to Patrick Diamond

Many Thanks

Joanne

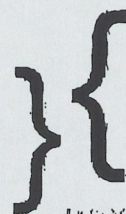
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www.policy-network.net

Policy Network and its constituent  
bodies are companies limited by guarantee,  
registered in England and Wales. The  
company's registered office is at  
First Floor, Tower Building, London SE13 7NX,  
United Kingdom.



PROGRESSIVE GOVERNANCE  
CONFERENCE

Katie Kay  
Prime Minister's Diary Secretary  
10 Downing Street  
London  
SW1A 2AA

*Dear Katie /*

**RE: PROGRESSIVE GOVERNANCE CONFERENCE, 11-13 JULY 2003**

Please find attached a Briefing note, recently approved by Peter Mandelson, about the Progressive Governance Conference and how this relates to the Progressive Governance Summit. Also attached is a draft programme for the Conference. The Friday dinner will probably be at the Guildhall and the Saturday dinner at the Dorchester hotel.

Geoff Mulgan is TB's Sherpa for the Summit, and Patrick Diamond is the Sherpa for the Conference (working closely with Andrew and Roger).

Policy Network, which Peter Mandelson chairs, has been asked by TB to organise the Conference. I joined Policy Network 6 weeks ago as Director of the Conference. I am overseeing all the arrangements and preparations and I am managing the four other Policy Network staff on a day-to-day basis from our offices in Waterloo. I report to Peter and liaise closely with Patrick.

Our tentative plan was that TB would speak at the opening session of the Conference at the LSE on the Friday afternoon, speak at the dinner on the Saturday evening (Dorchester Hotel) and also participate in the final Conference Symposium early on the Sunday afternoon (also at the LSE).

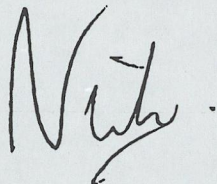
In addition, Patrick suggested that I ask your advice about the security arrangements for the weekend. In particular, it would be helpful if I could know who the duty protection officers are that weekend so that I can discuss the security arrangements for the LSE, the Guildhall and the Dorchester Hotel with them, arrange any 'recces' that are necessary, discuss the hiring of additional security/stewarding personnel and screening equipment, etc.

We hope and expect some of the serving world leaders who are attending the Summit from Sunday afternoon to Monday lunchtime to arrive in London earlier in the weekend and to take part in some of the Conference events. Likely participants in the

Conference include Goran Persson, Gerhard Schroder, President Lula, Helen Clark and Thabo Mbeki. Also, Bill Clinton may be speaking at the Friday dinner at the Guildhall. We may also need advice about the security implications of their attendance at the Conference.

I hope this is helpful and I look forward to speaking to you further.

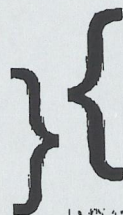
Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Nick Bent', with a stylized flourish at the end.

Nick Bent,  
Director, Progressive Governance Conference.

Encs.

Cc Patrick Diamond



PROGRESSIVE GOVERNANCE  
London 2003

## **BRIEFING ON THE PROGRESSIVE GOVERNANCE CONFERENCE AND SUMMIT 2003**

### **POLITICAL CONTEXT**

The Progressive Governance Summit and Conference, to be held in the UK in July 2003, are seen by Tony Blair as amongst the most significant international political initiatives of his second term in office.

The Summit and Conference are parallel events, running over a long weekend in the middle of July. The Summit of fifteen Heads of State and Government from around the world will be hosted from July 13<sup>th</sup>-14<sup>th</sup> at a private location outside London by Tony Blair.

The Conference, which will take place at the London School of Economics from July 11<sup>th</sup>-13<sup>th</sup> at the invitation of Professor Anthony Giddens, the LSE's Director, will have Tony Blair's full involvement and support. Other world Leaders attending the Summit will also be involved in the Conference proceedings, including as speakers at the two Conference Dinners on the Friday and Saturday evenings, as members of the Panel at the final Conference Symposium on the Sunday afternoon and at related Conference events in London and possibly other parts of the United Kingdom.

Policy Network, the international think tank chaired by Rt Hon Peter Mandelson MP, has been asked by Number Ten to co-ordinate the organisation and preparatory work of the Progressive Governance Conference alongside the Summit.

The Conference Process began in February this year when the Prime Minister launched the official conference website ([www.progressive-governance.net](http://www.progressive-governance.net)) and the latest edition of the Policy Network journal, *Progressive Politics*, at an international seminar at Number Ten Downing Street.

### THE CONFERENCE POLICY PROCESS

The Progressive Governance Conference will bring together 300-400 thinkers, policy makers, strategists and politicians from around the world. It will include invitees not just from the countries represented at the Summit but also individuals from countries where the Centre Left is not currently in government. The Conference will be a highlight of the international political year and gives an ideal opportunity to the global progressive policy community to discuss radical new ideas. It is an event the Prime Minister regards as of great importance for the UK, Europe and the wider world.

The Progressive Governance Conference will address a broad range of policy themes: The Future of the Welfare State and Knowledge Economy; Global Governance; Migration/Social Integration; Public Service Renewal; Rights and Responsibilities; Corporate Reform/Corporate Governance; Science/Risk/Environment.

A unique international policy research process has been organised, chaired by Professor Anthony Giddens and facilitated by Policy Network. This process will bring together the best international experts in each field. It will result, after thorough discussions in seven Working Groups, in the publication of seven International Policy Reports. Specific recommendations will be made to the Summit participants during the Progressive Governance Conference. This process will include a number of preparatory meetings and seminars before July.

The objectives of the Conference are to facilitate the exchange of progressive ideas and policy practice in the UK, Europe and beyond, including the Southern Hemisphere. Progressive governments and politicians across the globe are, more than ever, facing the same problems, and they need to work closely with each other as well as independent academics, civil society and the business community to identify and implement fresh, practical solutions to shared difficulties. Rising fears about economic, social and political security; the revolution in information technology and the risks associated with modern science; and the sustainability of traditional welfare and employment policies. All these are among the challenges that affect countries round the world. Never has the need been greater to look creatively at new means to achieve traditional progressive goals.

**CONFIDENTIAL**

**PROGRESSIVE GOVERNANCE 2003**

**JULY CONFERENCE,  
LONDON SCHOOL OF ECONOMICS – DRAFT PROGRAMME**

**FRIDAY 11 JULY**

1630hrs Opening Plenary: **Challenges for Progressives**  
Welcome: Professor Anthony Giddens  
Chair: Rt Hon Peter Mandelson MP  
Keynote Speakers: Summit participants and other leading international politicians (tbc)

1830hrs *Reception and Dinner (City of London venue - tbc;*  
onwards *Speakers - tbc)*

**SATURDAY 12 JULY**

0900hrs Plenary: **Challenges for Progressives (continued)**

Philosophical	- speaker tbc
Economic	- speaker tbc
Social	- speaker tbc
Global	- speaker tbc

1030hrs *Coffee*

1100hrs **Working Groups: Break-out sessions**

1100-1300	}	
	}	
Lunch	}	Eight Working Groups
	}	
1400-1600	}	spread over
	}	
Tea	}	three sessions
	}	
1630-1900	}	

- 2 -

Seven of these Working Groups will be on the seven International Policy Reports, plus one on 'Political Strategy Beyond the Third Way'. For each Working Group we need a Chair and Rapporteur.

**2000hrs Conference Dinner with Summit Leaders and other International Guests**

**SUNDAY 13 JULY**

**0900hrs Plenary Report Backs from Working Group Rapporteurs.**

Chair: Rt Hon Peter Mandelson MP  
Summation: Professor Anthony Giddens

**0900-1015hrs New Economy – Welfare State; Public Service Renewal**

**1015-1130hrs Rights and Responsibilities; Corporate Reform; Migration and Integration**

**1130-1230hrs Science; Global Governance**

**1230hrs Brunch**

**1330hrs Symposium on the Future of the Progressive Left**  
with some Summit participants (with enlarged public audience; possible live webcast)

**1600hrs Conference close**



Prime Minister

SUBJECT  
MASTER

Filed: ~~Foreign Policy~~ 143

Blair's name.

17 March 2003

Rt Hon Tony Blair MP  
Prime Minister of the United Kingdom  
LONDON

Dear Tony,

I am very pleased to accept your invitation to attend the Progressive Governance Summit on 13 and 14 July 2003. It will be good to build on the successful meeting held in Stockholm last year.

As you note in your letter of 21 January, the Summit will provide an excellent opportunity to exchange views on a range of issues, not least the changing international security landscape. The Summit offers a chance for a frank exchange of views amongst leaders, and so I support your suggestion to keep formal presentations to a minimum.

I have asked my officials to investigate participation in the working groups in advance of the meeting. They will be in touch with your office once further information on topics and timing is received.

I look forward to discussing plans for the Summit with you during my visit to London in May.

Yours sincerely

Helen Clark  
Prime Minister

NB Our Thoughts are  
with you at the time  
of this very difficult  
crisis over Iraq.

JONATHAN POWELL

From: Patrick Diamond

Date: 7 March 2003

John Reid

Sally Morgan

Pat Mcfadden

Andrew Adonis

Geoff Mulgan

Roger Liddle

Rachel Cowburn

## FUTURE OF PROGRESSIVE GOVERNANCE

Our plans for the Progressive Governance Conference and Summit on 11-13 July at the LSE are proceeding well with a successful launch seminar in early February, working group discussions in March and a preparatory seminar in April. At least fifteen Heads of Government are due to attend the parallel July events along with four hundred politicians, advisers and policy experts.

It will be a big moment for TB personally, and for progressive politics in Britain.

The event and its preparation in the UK are focussed intensively on creating an international network of left modernisers, both policy experts and politicians, built up around the conference and sustained by Policy Network's activities. This effort is concentrated inevitably on building bridges between Europe and the United States. But we are reaching out extensively to Eastern Europe, Asia, Latin America and Southern Africa.

If we are to sustain the momentum behind the July Conference, we have to formulate a shared view about the future purpose, function and structure of the Progressive Governance Network.

This will, at least in part reflect discussions about how best to develop a shared conception of an international 'Third Way' progressive philosophy in the post-Clinton era, reaching beyond continental Europe. We also need to be clear about what 'dividing lines' we want July's event to establish to help define this position.

But this note broadly considers the post-July conference options.

### **Why does progressive governance matter?**

1. In the last 18 months, the international climate on the left has clearly grown less favourable to New Labour.

While there is little alternative to modern social democracy for continental centre-left parties, Iraq has obviously detached us from the European mainstream. The US public's focus on security post 9/11 has badly weakened the Democrats as mainstream economic issues have slipped steadily down the domestic agenda. The SPD, our major progressive partner in Europe, is finding economic and social reform tough going. And the European left in general looks weak and unable to face up to new challenges.

We will need a post-Iraq strategy to rapidly strengthen our position on the left in Europe and internationally. TB's inclination is that the PES/SI structure is simply too pedestrian and bureaucratic to achieve it.

He also commands significant personal authority with many on the European left and we should use this asset more pro-actively, with the Progressive Governance Network as the vehicle.

### **Objectives of Progressive Governance**

2. This network grew out of the US-UK relationship in the late 1990s. Despite the loss of influential members in recent years, not least the US, France and the Netherlands, it retains significant value as a personal network of Heads of Government, politicians and experts bridging North and South, large and small countries.

3. What has given the network a distinct sense of purpose is its uniquely ideological character:

- Propagating progressive 'third way' politics internationally.
- Providing networking opportunities for key progressive politicians (a centre-left 'Davos'), and stimulating policy debates between politicians and policy advisers.
- Promoting the revitalisation of the progressive left's agenda in the context of new challenges of global insecurity, terrorism and WMD.
- Disseminating new ideas for electoral strategy and tactics, for example responding to the revival of the far-right and centrist conservatism in Europe.

The role of bench marking national policy objectives and best practice is effectively undertaken already at the EU, OECD, and WTO level. There is little point in merely creating a duplicate structure.

### Overall goals

4. The key organisational principle of the network is its deliberately informal and voluntary constitution; it operates without a rigid representative structure, or large central bureaucracy, complementing the work of the PES/SI rather than seeking to supplant it. In the UK, we have Policy Network to act as the secretariat, but there is no permanent international structure.

5. If we are to build on the momentum of the July event by giving the Progressive Governance agenda greater status and direction and ensuring it is better resourced, we will need to establish a permanent structure to supplant the rather ad hoc arrangements that exist at present.

6. A new structure should seek to combine the 'political' and the 'governmental'. While there is a valuable role for the network as a forum for leaders in power, it also needs the flexibility to involve parties temporarily out of office to create greater continuity. The present structures reflect the European left's position of the late 1990s in which many social democratic parties were in government. It is inconceivable that today, for example, such a network could not include the French socialists, the Italian centre-left or the American Democrats.

7. The position in the UK is rather more complex. For July, civil service protocol forces us to distinguish between the 'Leader's Summit' (Governmental) and the

## RESTRICTED - POLICY

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'Expert's Conference' (Political). But the focus in future should be on bringing these activities together more coherently.

8. The Policy Network is a non-governmental organisation, and its work and output at the present time have no formal status despite its proximity to No.10 and the UK Government. There are some advantages to the network being at arms-length from Government, since it allows those who participate to develop more imaginative ideas than would be the case in a formal structure reporting directly to Ministers.

But this distancing also leads to lack of co-ordination and confusion. It is vital that the workstreams are also focussed on the needs of decision-makers, which is itself a justification for greater synergy between the governmental and political.

9. We propose that Policy Network and the Progressive Governance Sherpas should be merged into a single organisation, the Progressive Foundation, located initially in London. It would provide the secretariat for the network's activities, and co-ordinate the work of Prime Minister's advisers responsible for progressive governance in each country.

A highly focussed management board would run it with representatives from a handful of countries and a larger, more informal advisory council could also be established with significant representation from each government or Party. All participating heads of government should nominate representatives. Leaders of parties in opposition could nominate members for a three year fixed term. British and European-based think tanks would also be included. The key is to give it credibility with continental and Southern Hemisphere participants, while retaining the informal ethos of the network.

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We should work up a detailed paper on structures when the broad parameters of the new network have been agreed.

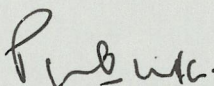
It should continue to organise the Annual summit, an ongoing programme of conferences and events, publish material, and provide an electronic forum to discuss progressive ideas.

10. The Foundation would also concentrate on sustaining relationships with potential new members both within Europe, for example Austria and Romania, and with Islamic countries, the Middle East, Asia and South America. It should continue to build new bridges with the US Democrats.

11. It could also be used a vehicle for expert meetings on specific policy topics; and provide a forum for meetings with Ministers from groups of countries on issues of mutual interest to align positions in advance of international negotiations.

12. We also need to consider:

- Other roles that we think the network should perform?
- Should the constitution of the network be formalised?
- Are we agreed that we want to involve parties in opposition, as well as in Government?
- How should the network relate to parties?
- Next steps?

  
PATRICK DIAMOND

From: Patrick Diamond  
Date: 7 March 2003

PRIME MINISTER

JP, SM, PH, AA

**PROGRESSIVE GOVERNANCE & THIRD WAY READING**

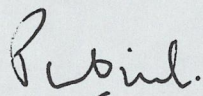
I attach several interesting articles definitely worth reading when you have a spare moment! Many of the themes are likely to be of significance to discussions at the Progressive Governance events in July.

Gordon Corera writes of the evolving relationship of New Labour and the US Democrats in the 1990s, and attacks Clinton's Third Way as standing for little more than 'political and tactical calculation'. It is the failure to develop a deeper ideological commitment that could institutionalise centre-left values, and make the policies and programmes we introduce 'irreversible', that should be of most concern to a progressive political project, he argues.

The Stiglitz article on 'Bush's Tax Plan - The Dangers' offers a perspective on where the debate about the economy within the US is likely to go after current preoccupations with national security have dissipated. Stiglitz along with many US economic commentators is seriously critical of Bush's fiscal and monetary policy. But it remains to be seen whether the Democrats can exploit these concerns in the 2004 elections.

Meanwhile, this revealing interview with Neil Kinnock is an insightful exploration of the future of European social democracy and its relationship to New Labour.

Finally, some history: Ross McKibbin's seminal essay on class-consciousness in British inter-war politics. It offers an interesting, though not wholly satisfactory account of how the Tories (including, of course, Neville Chamberlain!) successfully mobilised a cross-class coalition of interests to dominate British politics between 1919-1939. The insights are relevant to contemporary circumstances, not least in explaining how the Conservative Party might reconstruct a path back to power today.



PATRICK DIAMOND

# New Labour's love affair with the New Democrats

Gordon Corera

Like any long-distance love affair, the trans-Atlantic romance between New Labour and the New Democrats has had its fair share of ups and downs. From giddy optimism to dejection, the emotions have been well reflected in the pages of *Renewal*. A decade ago, Labour was the languishing after another election defeat, looking enviously over at its American cousins who had just managed to break an equally long spell out of power. From that 1992 Clinton victory started something close to an infatuation, and it was a victory which helped give the New Labour project momentum and led to a short and happy romance between the two sides in the mid 1990s. But soon cracks began to show, as those on this side of the Atlantic began to question the political fidelity of Bill Clinton and the failure to develop a deeper commitment. By 2000, the language of the third way was already fading and the decade ended with the reverse position of New Labour in the ascendant and the Democrats in disarray. Within this circular narrative also lie some hard questions for those who believe in the Anglo-American project to build a new politics.

At the start of 1992, the challenge facing Labour and the Democrats was in many ways similar in the eyes of reformers. Both had been out of power for more than a decade. Both had come to be seen as parties that were run by and represented minority interests rather than the mainstream (whether that mainstream was called Middle America or Middle England). They were seen as tax-raising, soft on defence, and morally ambivalent and looked marginalised by the Thatcher-Reagan right wing populism.

The New Democrats came first – emerging in the 1980s, particularly under the influence of pollster Stan Greenberg, a member of the transatlantic club who have advised both sides. He talked of reaching out to the lost middle class whose core values were 'work, reward for work, and responsibility'. For the New Democrats and their organisation, the Democratic Leadership Council, Democrats had to neutralise the wedge issues and reaffirm their commitment to the interests of the working people of America, a similar process to that which New Labour had to undergo, reconnecting with the people, disassociating itself from interest groups, and neutralising issues on which they had been vulnerable, like taxation. Economic fairness had to be combined with a clear social message. Some Democrats believed they needed to develop a new rationale for the role of government, getting away from both the Republican anti-statism and the liberal big-government activism of the past, and so the idea of the third way was born.

## The lessons from Clinton

In January 1994, in the pages of *Renewal*, Patricia Hewitt and Philip Gould presented a case that it was the tactical which was most important – where the Clinton team had learnt from Labour's defeat, Labour could learn from their victory: 'The lessons which the British left can learn are not so much about *content* – although there is valuable intellectual exchange already underway – as about *process*'.

Some of the tactics were borrowed directly – the staged confrontation with left-wing and minority groups to differentiate the new from the old in the public mind. There was also the permanent campaign and its workshop – the war room, rapid response units, the cult of the media cycle. The arrival of Excalibur in Millbank was clearly a product of Phillip Gould's observations on how the Clinton war room operated – instant rebuttal using facts, rather than just rhetorical rebuttals. It is telling that Gould and Hewitt's article ends with a long moan against the state of Walworth Road and the lack of space or modern facilities.

But as well as tactics and campaigns, there was a linked concern with identity. 'Here then are the central lessons for Labour of the Clinton campaign: forge an identity which synthesises values, vision and symbolic policies, which appeals to the majority rather than minorities'.

But what was to be the relationship between identity and substance? In the US, there was a high level of ambiguity over how transformational the new identity was, and whether it was simply a tactical rather than ideological shift. It is open to debate just how far Bill Clinton won in 1992 because he was a 'New Democrat'. On social issues he was clearly centrist, campaigning on New Democrat themes like 'ending welfare as we know it', supporting the death penalty and a middle-class tax cut. But he also ran on a platform which included a massive boost in public investment and the promise of universal health coverage. It was a combination of policies which were designed to put the Democratic Party in touch with working and middle-class America using a combination of quite traditional populism melded with New Democrat ideas. The New Democrat populism associated with Bill Clinton was always a mix of socially conservative and more radical elements, and from the start there was a tension between those who saw the new rhetoric as primarily a means of moving the party to the electorally vital centre ground and those who foresaw something more radical. The core question was whether the transformational rhetoric was simply a cover for moving to the right or whether it was genuinely something new – a populism of the centre rather than the left, as Gould and Hewitt proposed. Was changing a party's identity and what it stood for in people's minds something which could be done tactically or did it require changing the deep political culture of a party and the country?

The relationship was of necessity one-sided in this period since Labour were not yet in power, but even before New Labour's 1997 victory it became clear that maybe Clinton was not quite as good as he seemed. Roderick Ny

(*Renewal* May 1996) noted that in his first two years, Clinton seemed to forget the rhetoric and move on a traditional liberal agenda – especially with his failed health care reform plan, a concentration on liberal lifestyle issues and the abandonment of the middle-class tax cut – all despite controlling Congress. This early phase of Clintonism was then decisively rejected by the American public in the 1994 Congressional elections which gave Republicans control of both House and Senate for the first time in decades. As has often been the case, by going second, New Labour could watch and learn. The experience of Clinton's disastrous first hundred days and problematic first two years were closely studied by New Labour, who realised the importance of setting the agenda and not merely responding to events, as well as establishing a clear break from previous Labour governments and showing that New Labour really was different.

### Triangulation?

After that Clinton moved into a new phase – more centrist, more New Democrat, but this was ultimately more about political and tactical calculation than anything else, and was summed up by the phrase of Clinton's adviser Dick Morris, 'triangulation'. Clinton took the centre ground by positioning himself standing above squabbling Republicans and Democrats. Where Clinton did take credit for supposedly radical centrist policies like welfare reform, they were as much the product of being forced by a Republican Congress, and through triangulation, as through a plotted strategy (Corera, *Renewal* 1998).

Bill Grantham in *Renewal* February 1997 ('Clinton's Second Term Blues') presciently foresaw some of the pitfalls, arguing that: 'If New Labour seeks to find what is of real value in the comparison, then it will have to move beyond the superficial similarities pretended by the spin doctors and allow the distinctive elements of the Blair project to come through'. He rightly pointed out that: 'There is a real prospect of the second Clinton term being marked as one of an isolated and embattled president, serving out his time but contributing little'. As many now perceive it (and especially after 9.11), the Clinton years were largely wasted, ones where rhetoric came before action. 'After four years we now know that Clinton is a man who says all the right things and doesn't do any of them', Grantham observed. The love affair was already souring badly.

The key question all along was the depth of the Clinton presidency's commitment to genuinely transformational ideas rather than to tactical political moves and rhetoric. Much of the bobbing and weaving of the Clinton years was due to political factors outside the President's control, but they also came to be seen as reflecting a deeper failure to develop a clear ideology and commensurate strategy, which could institutionalise the new values and shape political culture – in the way that the vision of the right shaped the language, attitudes and actions of a previous generation. There seems to have not been the kind of reshaping of the political culture in the US by Clinton that we saw

under Reagan, or that was hoped for. The US population never really fell for the New Democrats, there was no great public attachment to the party or vision – perhaps a reflection of the general decline in party attachment in the US, but this is also mirrored in the UK, with few in the general public really holding much affection for New Labour even though they vote for it and prefer it to the alternatives.

The differences between the US and UK are a key part of understanding the emerging dynamics of the relationship. In power, there are undoubtedly less structural constraints for a Labour Prime Minister than for a Democratic President in pushing through their agenda – a massive majority in the House of Commons gives a freedom that even your own party's control of both houses of Congress does not give to a US President. But in campaigning things are easier for a US presidential candidate, as Gould and Hewitt pointed out; for instance, because of the personalised nature of campaigning, it is easier for a US presidential candidate or President to change his party's identity – he does not have to win over a shadow cabinet, PLP or NEC. But precisely because of that the transformation can be superficial.

And so as well as the policy legacy, even the political legacy of Clinton now looks ropey. Robert Philpot ('The US primaries', *Renewal* winter 2000) quotes Clinton as saying at the start of 2000 that 'the real test of our ideas is whether they outlive this presidency; whether they are bigger than any candidate, any speech, any campaign, any debate'. Implicit in this, as Philpot points out, is the fear that the success of the 1990s was an aberration which will soon be corrected.

The New Democrat vision has been shown to have relatively shallow roots within the Democratic Party as a whole. The strategy of triangulation which was so successful tactically alienated much of the Democratic Party, especially that part in Congress, and created a reservoir of bitterness. The strategy of appearing non-partisan was a tactic which proved useful politically but has done little to help change the Democratic Party and forge the kind of fundamental transformation needed to cement the New Democrat ideas. Blair is faced by similar dilemmas – for example there is the need not only to win over public opinion by distancing himself from his party at certain times, but also to effect change and modernise the party, to ensure that the vision has real roots and can outlast its present leadership. A party base and a new core national constituency needs to be developed as a near permanent feature, not just as a shifting alliance; institutionalising new values, not playing to old ideas. A key part of the Clinton problem was that there was simply too much politics – too much tactics and process, too little content.

### A sustainable coalition?

The Clinton coalition that won the 1992 and 1996 elections, built up using both New and Old Democrat appeals, was, like the New Labour coalition of 1997, ultimately unsustainable if real changes were to be made. Clinton's habit of

wooing all factions has made him one of the finest campaigners in American history, but it has on occasion made him a weaker president, by preventing him from making 'hard choices'.

The 2000 Presidential election illustrated the weakness of the US coalition: 'A victory for Al Gore would help institutionalise the New Democrat ideology and electoral coalition that Clinton has built and affirm it is a fundamental political realignment rather than an example of one man's skilful artifice. It would also mark the final transition of the Democrats from a party representing the poor, minorities, unions and special interests into a truly middle-class party standing in the centre ground of American politics' (Corera, *Renewal* 2000). But the failure of this hope did not come with the Supreme Court's decision to hand the presidency to George W. Bush but well before that, when Gore abandoned 'third way', New Democrat ideals and reverted to an old Democrat economic populism, attacking big business. And so, despite what was still then unprecedented prosperity, an incumbent vice-president went down to an untried and tongue-tied Texan Governor – hardly a positive sign for the state of the Democratic Party. The debate continues to rage as to whether Al Gore lost the election due to his appalling campaign or whether it was the Clinton factor and the legacy of Lewinsky which prevented him from associating himself with the successes of the previous years. Either way it was a failure for the New Democrats which has left the party in disarray. Following the withdrawal of Gore in December 2002, the battle for the party's nomination is likely to be a free for all, with no one having much of a message or identity or clear direction for the party, hardly the legacy that Bill Clinton would have wanted for the party. Even his legacy of changing the identity of his party now looks more limited than hoped, and certainly not one capable of transforming the political culture of the country or its attitude to the state. Gore's withdrawal may give the party a much needed chance to reassess its situation and think more deeply about its direction. However which path this will eventually lead down is hard to know.

As Robert Philpot reminds us, 'However phoney George Bush Jnr's compassionate conservatism may seem, the party should not underestimate the resilience of conservatism'. In the US and perhaps in the UK also, the conservatives only looked dead, and they have a habit of surviving and reinventing themselves.

In the US also, the economic downturn has destabilised the New Democrat coalition. There is a fear that the optimism of the third way was based on a specific socio-economic context, and the unbridled prosperity that allowed social justice to be pursued without alienating the middle class. Re-tooling this vision for a new era of limited resources is a tough task ahead for the Democratic Party in the US.

So where now for the relationship? 11 September – and the actions of the Bush presidency – seems to have driven large swathes of the British and American left apart (Michael Allen, *Renewal* 2001). In the European left and

the Labour Party there is a dangerous and growing anti-Americanism, based around attacks on US foreign policy as world-views are pulled apart. The rise of a populist right in Europe and an anti-globalisation left could undercut the New Democrat-New Labour territory.

In January 1994, Patricia Hewitt and Philip Gould could write that their 'welcome for Bill Clinton's victory in America was tinged with envy. They won; but we lost'. Now the boot is on the other foot – it is the New Democrats in the US who are fighting for their legacy and continuing role in the Democratic Party, whilst it is the British New Labour project which looks far more successful and established. When Bill Clinton appeared at Blackpool at the Labour conference in 2002, for a few short moments the Party (or at least some of it) remembered what they had fallen for in the first place – the glamour, the ease, the political skill and professionalism – everything that New Labour had wanted to be a decade ago. But what Bill Clinton failed to do was to use those skills to reshape the party or the US. The lesson of the New Democrats is perhaps then that the solidity and endurance of the 'New' agenda can't be taken for granted. The jury is still out on the question that has always been there: whether it represents a useful, tactical shift of identity at a specific moment in time or whether it can become something more transformational and fundamental, a new politics.

**Gordon Corera** is a reporter for the BBC's *Today* programme. He worked on Bill Clinton's 1996 and Labour's 1997 campaigns.

# The European social democrat

## Interview with Neil Kinnock

During perhaps the worse decade in Labour's history Neil Kinnock slowly and steadily laid the foundations for the return to power of the Party. *Renewal's* organisational fore-runner, the Labour Co-ordinating Committee, always had a difficult relationship with Neil. The difference between the Tribunate left which he came from and the pluralistic left of the LCC caused tensions over style and substance. But we were united in the goals of ridding Labour of Militant and reforming the party, shedding unpopular and unworkable policies and updating social democracy. Since he stepped down as Leader after the crippling 1992 defeat his reputation has been further enhanced, not least because he has intervened selectively and sensibly in domestically political debates. Today his role as a European Commissioner provides the British left with a unique vantage point. Neal Lawson caught up with him to discuss the transition from Kinnockism to New Labour, and the prospects, ten years on from his leadership, for the renewal of social democracy.

*The initial impetus of electoral success for New Labour has begun to wane, leaving renewal while in government as one of the most difficult political tricks to pull off.*

Absolutely. Renewal in government is always going to be difficult, but it has to be done. If we ever needed any reminders of that we have to look no further than Denmark, France and the Netherlands. In those countries competent, social democrat led governments actually fulfilled substantially their manifesto policy objectives of more employment, low inflation, higher investment in public services and so on. But they didn't connect up that delivery with the *purposes* of seeking power in the first place. It was not that they forgot their values. It was much more that they didn't translate *why* they were achieving these objectives of democratic socialism in a way that was clear, lucid and lively. It was a major reason why they paid the price of defeat.

*Do you believe that New Labour are doing this, or is it just the case that we've got a particularly poor Opposition?*

We have got an abysmally poor Opposition, but I'm not one of the people who mourn that. That is pure sentimentality.

*But doesn't that lack of defined opposition stop us, perhaps, from defining ourselves as robustly as we otherwise could?*

Not if you're a democratic socialist or social democrat.

*Which term do you prefer?*

The two terms now in 2003 are entirely interchangeable. I can go anywhere in Europe and use either term and people will know what I mean.

*Is there any recognition amongst those countries that you've mentioned such as France and Denmark to explain their electoral loss?*

There is now. But it's a bit of a struggle in the current turmoil: The French left is without leadership, and leadership is always needed for organisational and presentational purposes, and then, hopefully, to assist in establishing a sense of direction. The Dutch have changed their leadership, so that's got to settle down. The Danes elected their new Leader in December. The Austrians are not doing as brilliantly as one would have hoped and expected with a relatively new leader. Spain's Socialist leadership is relatively new and the same is true in Portugal. So there's a lot of change. I think that, because of that widespread newness and also because of reflections on the contributory causes of the election defeats, there'll be some fresh thinking and a sense of renewal among sister parties on the Continent. I just hope that the next time they're in office – which, in several cases, will not be far away – there will be no slackening of understanding of the need to maintain the liveliness and the appeal of using power in order to fulfil plainly stated progressive objectives.

I think the Labour Party, the Labour government, has been more lively than most other parties. That's partly because, in a four-year term, the momentum of belated victory carried on for a long time, and then the first two years of public expenditure standstill gave the Government not just the aspirations of improvement but the means of improvement. Several factors helped to maintain Labour vitality in Britain – the connecting up of purpose and delivery, the two phases in four years, the relative newness of Labour, the pitiful weakness of the opposition, and the fact that the press hadn't yet decided how much they hated us.

*If we go back, how much do you see the new Labour project as break or a continuation with what you were doing as Leader?*

I see it mainly as a continuation. That isn't a self-serving comment. I think it's the reality. Of course, if you go through some policies there's a difference. For instance we didn't have the preoccupation with the 'league table' approach in areas of public service like education. But in very basic terms, understanding

the interdependent, dual purposes of social justice and economic efficiency, and using that understanding as the major policy determinant, was the course which we were navigating, and that most certainly has been continued across the breadth of policy.

*I know this was, obviously, a phrase that came out under your leadership; do you believe that you can always have social justice and economic efficiency? And as democratic socialists don't we believe in the former more than the latter?*

No. You can't have one without the other. Certainly, in modern society, if you don't have sufficient provision for social justice in the form of security in your society and in the form of investment – for instance in education, training, and R&D – then you're simply not going to have the basis for sustained economic efficiency and higher productivity; and you are not going to have the means of continuing to achieve them either – especially since qualified human capability is the greatest economic resource. But whilst conditions of social justice are essential in order to provide the basis for higher levels of economic efficiency, it is also obvious that an economy that is not producing efficiently simply does not generate the surpluses that provide the main means for investment in social justice. Efficiency and justice must go together. They're not even parallel; they are interdependent, interlinked directly.

*But isn't there something of a trap in all of this, in that we're so bought into the consumerist world that we don't ever question the need for all of this accumulation of junk? It seems to me that the purpose of social democrats was to make markets servants of people rather than working out how our purpose is to work as servants of markets?*

No I don't think that we merely serve markets. I'm a democratic socialist because I've always believed that economic and political decisions and activity should be made as compatible as possible with the needs of human society, and the means for doing that should be democracy. The original word 'socialist' and the original ambition of 'socialism' came from that kind of reference and purpose. And people made the deliberate choice that democracy was the essential way forward even at a time when their democratic powers were either absent or puny. That was not just a choice of tactics, it was a conscious choice of philosophy. I've always believed in that approach. My regret is that the Marxists got in the way with pseudo-science and diverted many socialists away from what I consider to be the true mission of socialism – civilising the economy to serve society using democracy.

Now, in the so-called consumerist society (which only means a minority of the world, of course) a lot more people have the means of consumption. Obviously, the desire to consume was always there but neither the credit nor the cash was available. How does the socialist aspiration to make economic and

political decisions compatible with society's needs fit the consumer age? I think very comfortably. First, in order to be able to consume, society can't afford significant caprice or incoherence in political and economic decision-making; fundamental stability is essential, and that can only come from addressing initiatives and policies from a social perspective, to try and manage the consumer society so that it doesn't fall into excessive downturn with devastating results, or unsustainable boom with devastating results. To conduct that effective management you also need the democratic authority of people who have well-developed social values. Democratic socialism came into existence partly to redress the capriciousness and instability of capitalism, which frequently prevented millions from adequate consumption. In our age society hasn't just got to do that, it has also got to help to maintain future security and prosperity by safeguarding against the inefficiency and danger of excessive consumption. That challenge is obvious – but I don't see incompatibility between rational socialist purpose and reasonable consumerist appetite. As 'rational' and 'reasonable' aren't semantic refuges – they are the conditions that have to be achieved. Globalisation emphasises that need. If ever there was a chance for trying to practise and universalise the approach to socialism that I've tried to articulate, it's a case that must be applied to the challenges of globalisation.

*Please go on*

Okay. Let's get some perspective. The experience of our grandparents' generation – it's as recent as that – was one of a national economy that was big, buzzing, power-packed system in which the levers of economic and political decision-making were a hell of a long way away, even though they were mainly located in the same country. What did they do? They tried to get education, they strove to get organisation, and they won a substantial degree of political accountability that mitigated and civilised the system. Now, obviously globalisation involves a much, much bigger scale of economic activity and a greater remoteness of decision-making. But most of the difference is in the scale of the challenge, not so much the nature of the challenge. In our generation, we have to match the internationalisation of commercial activity with the internationalisation of democratic power. And in that effort we have to use all our political, legal, technical and communication assets which are far beyond what was available to the last but one generation.

*The reason I've always been a pro-European is because I want to be able to regulate capitalism when necessary on a European and potentially global scale. What is your ambition and your hope for the European institutions to be able to play a role in that?*

Well, I got it wrong at first, nearly thirty years ago, because I thought that the Common Market would make the development of the kind of democratic

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Well, I got it wrong at first, nearly thirty years ago, because I thought that the Common Market would make the development of the kind of democratic

socialist society that I wanted more difficult. But what I failed to understand at that point was that the scale of growing economic interdependence and integration meant that if we focused only on national objectives and national means then our socialist purposes would very easily be confined, or completely circumscribed.

So, the question to be addressed is how can the European Union – which exists to facilitate economic and political decisions – make those decisions more compatible with the needs of human society? The answer is, through a set of internationally democratically agreed and enacted rules that not only regulate and provide for a social dimension to the market, but also offer a means of conveying those practices and values elsewhere in the world, whether it's through negotiating as an immensely powerful economic unit in the World Trade Organisation and other bodies, or being the biggest single provider of development assistance and co-operation on the whole planet. I'm certainly not trying to make a case that the European Union is some kind of wonderful socialist enterprise. But I am saying that, in terms of achieving the objectives of trying to humanise the economic condition, it is making a serious contribution. And it is doing that in circumstances where single nation efforts – however well intended – would be fruitless.

*Can we just touch on a few more contemporary domestic issues. Firstly, the issue of political disaffection; do you think it's disaffection or is it apathy and how do we tackle it?*

I think it is a bit of both actually. To some extent, we can address it through procedure. In Douglas Alexander's piece in a recent issue of *Renewal* he was right to say that some parts of the problem of low turn-out can be dealt with to some degree through procedural improvements such as making it easier to vote. But I also think it means introducing a good system of proportional representation, instead of the party-list, top-up experiments we have had so far. I also have to say I'm in favour of introducing compulsory voting – not as a way of reducing the need for political campaigning, but in order to guarantee participation and to secure much more effectiveness in political campaigning. I believed that when 78 per cent of people used to turn out at elections. Now it's only 59 per cent and I believe it even more strongly.

Of at least equal, probably greater, importance is to ensure that people understand that elections are fundamentally about making genuine choices between purposes and policies. In order to strengthen that understanding, it is essential for political parties, especially progressive parties, to ensure that basic policy purposes are made clear, policy objectives are identified in terms of wide public feelings, and campaigning is conducted on that basis. To borrow from Tawney: show that your idealism is not daft, your realism is not turgid, your recognition of limitations of time and resources is a genuine reason, not an excuse; and then enliven political interest with the implacable truth that

progress has to be voted for because it won't come by itself. The majority of people in the United Kingdom do want higher investment in health and education, do want to ensure the lowest achievable unemployment, do want to get a fair deal for youngsters, do want a liveable pension. That majority also knows that nothing comes immediately, automatically, or free of cost. So the party that focuses on those fundamentals, demonstrates gradual but definite progress, and candidly acknowledges and explains the dilemmas and choices of priorities, is speaking and acting in terms which are understandable, connected to values, and related directly to making voting worthwhile. That focus has got to come from the gut and it has to be expressed intelligently. The aspirations have to be genuinely conceived and presented and the difficulties honestly identified. It's not a spin-doctor's job, it's a political advocate's job. It requires the same combination of heart and head that it always has. If it's done consistently and if it constantly emphasises the necessity and the *power* of voting, it can re-invigorate even a stale democracy. And it must be done. Procedural improvements can help but they can't replace this.

*Labour's trying to make that kind of connection with people by decentralising and diversifying public services and this is leading to policy initiatives like Foundation hospitals which leave a tension between the issue of decentralisation, diversity and equality. How do you feel about these developments?*

Attention must be fixed on extent of provision and standards of provision. My definition of equality has always been equity plus quality. I'm much more comfortable with that than the relatively vague concept of equality which begs more questions than it answers. Access and quality of provision are the vital means of measuring public services, and both, in turn, depend upon the volume and dependability of finance and the quality of the management. Those fundamentals can't be dodged. Choice is nice, choice is desirable. But before choice comes adequate provision. That is basic. And in essentials like health care and education the exercise of choice by one person must not invade the freedom of choice or diminish the provision available to others. That's not regimentation, it is basic to justice and to general standards of quality. Diversity is fine, if that assists with access and with the quality of management. But again it must not be at the cost of the general quality of provision. And we ought to face the fact that sometimes quality requires specialisation and, therefore, some centralisation. A practical example: in France for a long time they have had highly specialised cancer treatment centres. They don't even pretend to provide such treatment in the generality of hospitals. And their survivor rates are sensationally better than survival rates in Britain. To paraphrase Nye Bevan – I'd rather survive in an impersonal specialist facility than expire in a gush of sympathy at a local hospital which is under-equipped because the resources have to be spread too thinly.

In health care, 100 per cent excellence across the system is the only acceptable objective. The same applies to primary, secondary and tertiary education. But when it comes to particular needs, why risk quality by stretching provision? And in higher education, what makes 50 per cent the right target? I went to university, and I'd like everybody who can qualify and can use university education to be able to get it – the Robbins principle from the 1960s is still brilliantly valid. But I don't know why the target should be 50 per cent of a generation – especially if in order to try to ensure that 50 per cent can get it, top-up fees are imposed. That would reduce not increase access.

*So you don't think top-up fees will happen?*

I don't think it will – and, of course, it should not happen. Anyone attracted by the idea really should do their sums about the impact. I don't mean calculating the loss of votes – though that would be certain. I mean assessing what top-up fees would mean in terms of access and quality. If they were introduced two things would happen: The most 'upmarket' universities would make a market response by raising prices. The lowest priced universities would have classes of 250. Then the conclusion would be that a degree in university B does not belong in the same system as a degree from university A. When education and training are, and will continue to be, the commanding heights of the economy, a country cannot afford to take such risks with the quality of provision or the quality of outcome. In higher education or in any other part of the education system, those risks are being taken if access is made price dependent. So, I'm not just against top-up fees because they would bring greater inequality, more unfairness. I'm also against them because they won't work for individuals or in the general national economic, social and cultural interest.

*You kind of came to the constitutional agenda kind of late in life, why was that?*

You cheeky young bugger! I came to proportional representation *publicly* after we'd suffered the 1992 defeat. I could not do it earlier simply because if I had everybody – especially the enemy – would have said, 'Aah, the Leader of the Labour Party has just acknowledged that Labour can't win by itself'. That's all you would have heard, so it had to remain unsaid.

*So when did you come to it privately and why?*

Early to mid 1980s. And for the fundamental reason that I thought it would always be wrong for a party to have 100 per cent of the power, which it could use with ruthless force – as the Tories did – on the basis of, at most, 43 per cent of the vote. I also thought that whilst PR might imply sacrifices for Labour from time to time, it would put extreme Toryism out of business forever. And I'm in favour of doing that because such extremity has always worked against

the interest of our country – and every other bit of the world, come to that. So, basically, I want the right kind of constituency – PR in order to make Britain safe from excess. And because we're never going to have excess of the Left, that means to make Britain safe from excess of the Right.

Devolution might help in this respect. But I think that if we're really going to make it work we've got to have a different form of decentralisation in the United Kingdom. For a start, it's got to apply to the whole country to prevent the dangers of what I call 'sore thumb' devolution, where some parts of the country get levels of provision that, despite being justified objectively, are the target for criticism and the potential cause of resentment. When Wales, Scotland and Northern Ireland have constitutional arrangements that are significantly different from those in England there is always a potential for populist claims that resources should be denied to the peripheral parts of the UK or that taxes should be cut. That would be hideous and unjustified but it is not an unrealistic possibility. For that and other reasons we need to get a form of devolution that provides the advantages of decentralised democratic power without the potential risks.

*Let's finish by asking you to say a few words about what your hopes are for the future of social democracy.*

Simple. That it progresses locally, nationally and internationally on the basis of the reality of interdependence between social justice and economic efficiency. In addition, any socialist, any progressive, must focus on the realities of the present and the calculable needs of the future. The past can be respected, even honoured, and certainly learned from – but it's a lousy place to live in. The old ways might be nice and comfy. But socialists must always be willing to find new ways of achieving justice and efficiency using the means of democracy and the values of liberty. They're easy words to bandy around. But if democratic socialists consistently work within that framework there will be sustained advances in the security, prosperity and freedom of the human race. And that is what we are here for, after all.

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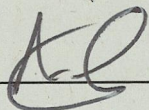
<https://www.amazon.co.uk/Ideologies-Class-Relations-1880-1950-Paperbacks/dp/0198205112>

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The published document that was enclosed on this file has been removed.

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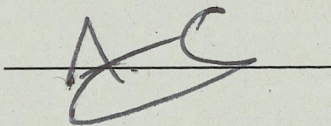
<https://www.nybooks.com/articles/2003/03/13/bushs-tax-planthe-dangers/>

Title: Bush's Tax Plan - The Dangers

Publisher: New York Review of Books

Date: 13 March 2003

Signed

A handwritten signature in dark ink, appearing to be 'AC' or similar, written over a horizontal line.

Dated

69/05/23

**COPRA, Cabinet Office**



10 DOWNING STREET  
LONDON SW1A 2AA

From the Senior Policy Adviser

28 February 2003

Dear Myles,

**Progressive Governance Summit**

I enclose some more information on the Progressive Governance Summit to pass on to Prime Minister Meles's office to follow up the Prime Minister's invitation.

As I mentioned he should appoint a Sherpa who should get in touch with the UK Sherpa Geoff Mulgan (contact details in the attached papers.) The FCO lead is Richard Lindsay (richard.lindsay@fco.gsi.gov.uk) who should also be kept abreast of developments.

As the papers also set out there is a parallel event led by the Policy Network (a UK based Think Tank) which would welcome nominations for Ethiopian thinkers and experts for their workshops and conference.

I am copying this letter to Kara Owen (FCO), Tom Fletcher (FCO) and Geoff Mulgan (SU).

Yours ever,

LIZ LLOYD

Myles Wickstead HMA Addis Ababa

## **PROGRESSIVE GOVERNANCE NETWORK: 2003 SUMMIT**

**This note summarises preparations for the Progressive Governance Summit in July 2003.**

**Annexes set out: working groups undertaking preparatory work; the planned parallel conference at the London School of Economics; the workstream underway on global governance issues.**

### **Background**

The international network for progressive governance was launched by Tony Blair and Bill Clinton at a summit in New York in 1998.

The network consists of Heads of State and Government who share a commitment to use the power of government to improve peoples' lives; to foster a fair society and a dynamic economy; and to ensure that the powerful pressures of globalisation serve the needs of the many, not the few.

Previous meetings in Stockholm in 2002 and Berlin in 2000 and Florence helped to shape a common agenda around a wide range of domestic and international issues.

### **Current members of the network**

Current members of the network include the leaders of UK, Germany, Sweden, Greece, Canada, New Zealand, South Africa, Poland and Chile. The leaders of Romania, Hungary, the Czech Republic, South Korea and Brazil have also been invited to the 2003 Summit.

### **2003 Summit**

This year's Summit will take place at Pennyhill Park near Bagshot in Surrey. It will start with dinner on 13 July and will end with a press conference at lunchtime the following day. At the Summit itself, formal presentations will be kept to a minimum to allow as much time as possible for informal discussions. Some of the issues which may be covered include public service reform, crime, migration, trade, environment, counter-terrorism, as well as international events, particularly in the Middle East.

It is likely that a communique will be issued from the summit.

In parallel, and to prepare the ground for the summit, a number of working groups have been established. These will be coordinated by the Policy Network (an independent international think tank overseen by Peter Mandelson MP), involving experts from all of the countries in the network and beyond. There are six work streams covering: welfare state and the knowledge economy, public service renewal, migration and integration, rights and responsibilities, corporate reform and global governance. Professor Anthony Giddens, director of the LSE, will oversee the workstreams.

Further details are attached at annex A. These will be discussed at workshops at the London School of Economics in April and will culminate in a conference at the LSE on 11 - 13 July, just ahead of the summit. The Conference will be a highlight of the international political year and gives an ideal opportunity to the global progressive policy community to discuss radical new ideas.

A brief and draft programme for the LSE conference prepared by the network is attached at Annex B. The first meeting of the working group (membership list attached at Annex C) on global governance will take place at LSE on 19 March. The network is keen for representatives from Ethiopia to be involved. (Representatives should contact: [nbent@policy-network.net](mailto:nbent@policy-network.net)).

#### **Official level co-ordination:**

All countries which are members of the network have been asked to nominate a senior level representative to act as sherpa and to take part in the preparations for the summit. The UK Sherpa, and coordinator of the 2003 summit is Geoff Mulgan, head of the Prime Minister's Strategy Unit ([geoff.mulgan@cabinet-office.x.gsi.gov.uk](mailto:geoff.mulgan@cabinet-office.x.gsi.gov.uk)).

The sherpa network will work on joint policy initiatives and declarations as appropriate.

Two sherpa meetings are currently planned over the next few months: a videoconference on Friday 2 May and a face to face meeting on 13 June. Geoff will be sending an update to Sherpas very shortly setting out logistics and other preparations.

## **Annex A**

### **Work streams organised by Policy Network**

## **Lisbon Revisited**

### **New Welfare State and the Knowledge Economy**

*Gosta Esping Andersen*

#### **Context**

Demographic trends such as the decline in the birth rate and the ageing of the population are threatening the financial viability of the pensions system, as well as inter and intra generational solidarity that facilitates burden sharing. There are evolving tensions between family life and paid work, and new family structures have increased the risk of child poverty. These challenges do not require policy adjustments, but a fundamental rethinking of the existing welfare edifice.

#### **Core Theme**

How can progressives sustain normative commitments to social justice while aspiring to be a truly competitive force in the evolving knowledge based economy?

#### **Specific Questions**

Does the knowledge-based economy widen income differentials, and should progressives be concerned about life chances or outcomes in this context?

What impact does social change – discipline, family breakdown, and multiculturalism, for example – have on schooling?

What role can Information and Communication Technologies play in schools, and how do we need to rethink the curriculum in the information age?

How can we improve the quality, funding and access in a system of mass higher education?

How can we improve learning for those who do not enter higher education? (Apprenticeships, etc.)

How do we create and sustain new forms of security for workers?

Should participation in employment be the central focus of labour market reform?

How should the additional retirement costs that accompany demographic change be funded?

How can we generate a saving culture in which greater individual responsibility is taken for retirement?

# Public Service Renewal

*Gunnar Schuppert & Elie Cohen*

## **Context**

Growing individualism has been fed by, and in turn generates evermore demand for, greater choice and freedom to succeed. This requires a rejection of 'one size-fits-all' services. Increased interdependence, however, has created new insecurities generating demands for greater solidarity. At the same time, there is an increasing demand for public services (higher education, life long learning, care for the elderly). The challenge for progressives is to reconcile these trends while simultaneously increasing both the efficiency of, and morale within, the public services.

## **Central Challenge**

How can public services be reformed for the 21<sup>st</sup> century to ensure that universal services can deliver personalised provision?

## **Core Themes**

Shift in the role of State from provider to enabler

## **Fields to be Covered**

Health, Education, Transport

## **Specific Questions**

How might we generalise the regulatory function of government?

Why is the concept of diversity in public services so important, and what does the concept of choice mean in relation to public services?

What role can quasi-markets play, and how can new instruments (e.g. vouchers for health and education) be used to increase choice?

Can greater choice be used to promote higher quality services from providers and more responsible behaviour on the part of consumers (e.g. active and informed choices, life-style changes)?

Can devolution of power and responsibility to service providers facilitate innovation and greater responsiveness to local needs while increasing respect for professional judgement and competence?

What new partnerships should be established - both with the private and voluntary sector - in order to push through innovation, increase investment, and drive efficiency?

How can we ensure consistent national standards given ever greater diversity?

# **Migration and Integration**

*Nicola Rossi*

## **Context**

Growing fears of mass migration, asylum seekers, and illegal immigration have accompanied increased economic insecurity aggravating the potential for xenophobia and racism – particularly in areas of with an especially high influx of immigrants. At the same time, it is clear that Europe needs both highly skilled and unskilled immigrants to fill labour shortfalls.

## **Central Challenge**

How can progressives promote a Migration / Integration policy that respects citizens concerns while reconciling them with the apparent need for economic migrants to fill labour shortfalls?

## **Core Themes**

Migration and Labour Market

Illegal Migration

Post-Entry Policies

Integration, Assimilation, and Multiculturalism

## **Specific Questions**

Can governments hope to control migration, and what is the role of the EU in regulation migration flows?

How can the migration of highly talented and entrepreneurial migrants be encouraged in a manner that maintains entrance at tolerable levels?

What are the ethical implications of hiring well qualified immigrants from developing countries?

Which policies / policy mix successfully aid migrants and asylum seekers to make better use of their abilities in the labour market, and to better integrate into society?

What are the obligations of citizenship, for example language and education?

Can urban regeneration programmes be used to ease racial and xenophobic tensions in those areas that experience an especially high-influx of migrants?

Can civic education play a role in promoting a tolerant, multicultural society?

What is the impact of greater multiculturalism for public institutions, for example faith based schools?

# **Rights and Responsibilities**

## **Rebuilding A Civic Society**

*Gavin Kelly & Lisa Harker*

### **Context**

While the language and culture of rights had, by the 1970s, begun to erode the notion of civic duty, the New Right's reinstatement of personal responsibility during the 1980s and early 1990s was overly simplistic. Ideas such as the mutuality of duty and reciprocity of respect were lost. The challenge for progressives, then, is to identify policies that can "rebuild a strong civic society where rights and duties go hand in hand".

### **Central Challenge**

How can progressives establish a new contract between the citizen and state, one in which rights and opportunities come with responsibilities and obligations?

### **Core Themes**

Crime and Social Disorder

Parental Responsibility

Community Initiatives and Voluntary Organisations

### **Specific Questions**

What is the link between public and private morality?

What is the impact of family breakdown and new models of family life?

Which policies are most effective in reducing socially disruptive crime (increased police presence / on-the-spot-fines etc.)?

How can sentences be shaped to individual offenders, and the number of persistent offenders be cut?

How can collaborative partnership be established between the local community and law and order organisations?

Which policies can be used to encourage a greater degree of responsibility from parents for their children's actions?

What initiatives can be undertaken to facilitate the revival of community spirit, and what role can community and volunteer organisations play in this process?

What does it mean to rebuild communities and regenerate urban neighbourhoods?

# Corporate Reform

*John Kay*

## Context

Recent corporate scandals in the US, coupled with an increasing awareness of the power and reach of private actors, have shaken public confidence in large corporations. Nevertheless, the promotion of private enterprise remains.

## Central Dilemma

Promoting responsible behaviour on the part of corporations without increasing red-tape that reduces their capacity to be entrepreneurial engines for growth.

## Core Themes

CSR and Codes of Conduct  
Shareholder Responsibility  
Brand Value and Market Forces  
Role of Government in promoting SMEs

## Specific Questions

Should Corporate Social Responsibility be encouraged through legislation, institutional reform, or the market?

What role can codes of conduct play?

Will the importance of brand management lead inexorably towards more socially responsible behaviour on the part of firms?

Can the new institutional shareholders (pension funds etc.) reshape the relationship between shareholders and management, and what principles should be the basis of this relationship (obligations of disclosure, etc.)?

How can pension funds themselves be made more accountable to investors and pensioners?

How can / should companies consult broader stakeholders (employees / suppliers / communities / investors etc.), and under what conditions?

What role could non-executive directors play in reviewing management performance and building relationship with investors?

# Global Governance

*David Held*

## **Context**

Growing tensions emerged between North and South, there is an increased possibility of a unilateral Atlantic policy in trade and security, and international crises such as the spread of AIDS have increased in public awareness. In the post September 11<sup>th</sup> world, these developments only serves to illustrate the growing need for global governance and global public goods.

## **Central Question**

How can a progressive approach to governance resolve the negative consequences of globalization while simultaneously guaranteeing that the advantages and opportunities it presents remain intact?

## **Core Themes**

North – South Relations

Institutions of Global Governance

World Trade, Finance and Development

International Security

**Specific Questions** What can be done by the developed world – the abolition of debt for the highly indebted, meeting UN targets for aid, pursuit of fairer trade, reform of the EU's CAP – to promote development?

How can private investment and knowledge transfer be encouraged in order to facilitate indigenous wealth creation in Africa?

Is there a need to re-regulate global markets and offshore financial centres, and to put in place a new international financial architecture?

Should the institutions of global governance become more representative?

How can multilateral institutions be reformed / strengthened in order to ensure their survival / efficacy / accountability?

How can relations built on empathy be established between the North and South?

What form of international co-operation is required in the new international security environment?

## **Annex B**

### **BRIEFING ON THE PROGRESSIVE GOVERNANCE CONFERENCE AND SUMMIT 2003**

#### **POLITICAL CONTEXT**

The Progressive Governance Summit and Conference, to be held in the UK in July 2003, are seen by Tony Blair as amongst the most significant international political initiatives of his Second Term in office.

The Summit and Conference are parallel events, running over a long weekend in the middle of July. The Summit of fifteen Heads of State and Government from around the world will be hosted from July 13<sup>th</sup>-14<sup>th</sup> at a private location outside London by Tony Blair.

The Conference will take place at the London School of Economics from July 11<sup>th</sup>-13<sup>th</sup> at the invitation of Professor Anthony Giddens, the LSE's Director. Tony Blair is also hosting this event, and it will have his full involvement and support. Other world Leaders attending the Summit will also be involved in the Conference proceedings, including as speakers at the two Conference Dinners on the Friday and Saturday evenings, as members of the Panel at the final Conference Symposium on the Sunday afternoon and even perhaps at related Conference events in London and possibly other parts of the United Kingdom.

Policy Network, the international think tank chaired by Rt Hon Peter Mandelson MP, has been asked by Number Ten to co-ordinate the organisation and preparatory work of the Progressive Governance Conference alongside the Summit. The Conference will be chaired by Peter Mandelson.

The Conference Process began on February 10<sup>th</sup> with the launch of the official conference website ([www.progressive-governance.net](http://www.progressive-governance.net)) and the latest edition of the Policy Network journal, *Progressive Politics*, by the Prime Minister at an international seminar at Number Ten Downing Street.

#### **THE CONFERENCE POLICY PROCESS**

The Progressive Governance Conference will bring together 300-400 thinkers, policy makers, experts and politicians from around the world. It will include invitees not just from the countries represented at the Summit but also individuals from countries where the Centre Left is not currently in Government. The Conference will be a highlight of the international political year and gives an ideal opportunity to the global progressive policy community to discuss radical new ideas. It is an event the Prime Minister regards as of prime importance for the UK, Europe and the wider world.

The Progressive Governance Conference will address a broad range of policy themes: The Future of the Welfare State and Knowledge Economy; Global Governance; Migration/Social Integration; Public Service Renewal; Rights and Responsibilities; Corporate Reform/Corporate Governance; Science/Risk/Environment.

A unique international policy research process has been organised, chaired by Professor Anthony Giddens and facilitated by Policy Network in close partnership with Number Ten. This process will bring together the best international experts in each field. It will result, after thorough discussions in seven Working Groups, in the publication of seven International Policy Reports. Specific recommendations will be made to the Leaders at the Progressive Governance Conference. This process will include a number of preparatory meetings and seminars before July.

The objectives of the Conference are to facilitate the exchange of progressive ideas and policy practice in the UK, Europe and beyond, including the Southern Hemisphere. Progressive governments and politicians across the globe are, more than ever, facing the same problems, and they need to work closely with each other as well as independent academics, civil society and the business community to identify and implement fresh, practical solutions to shared difficulties. Rising fears about security, economic social and political; the revolution in information technology and the mixed potential of modern science; and the sustainability of traditional welfare and employment policies. All these are among the challenges that affect countries round the world. Never has the need been greater to look creatively at new means to achieve traditional progressive goals.

## CONFIDENTIAL

### *PROGRESSIVE GOVERNANCE 2003*

#### **JULY CONFERENCE, LONDON SCHOOL OF ECONOMICS – DRAFT PROGRAMME**

##### **FRIDAY 11 JULY**

- 1630hrs**      **Opening Plenary: Challenges for Progressives**  
Welcome: Professor Anthony Giddens  
Chair: Rt Hon Peter Mandelson MP  
Keynote Speakers: Rt Hon Tony Blair MP plus Summit participants and other leading international politicians (tbc)
- 1830hrs onwards**      *Reception and Dinner (Guildhall, City of London – tbc;  
Speaker, Bill Clinton - tbc)*

##### **SATURDAY 12 JULY**

- 0900hrs**      **Plenary: Challenges for Progressives (continued)**
- |               |               |
|---------------|---------------|
| Philosophical | - speaker tbc |
| Economic      | - speaker tbc |
| Social        | - speaker tbc |
| Global        | - speaker tbc |

- 1030hrs**      *Coffee*

- 1100hrs**      **Working Groups: Break-out sessions**

1100-1300	}
	}
Lunch	} Eight Working Groups
	}
1400-1600	} spread over
	}
Tea	} three sessions
	}
1630-1900	}

Seven of these Working Groups will be on the seven International Policy Reports, plus one on 'Political Strategy Beyond the Third Way'. For each Working Group we need a Chair and Rapporteur.

- 2000hrs**      **Conference Dinner with the British Prime Minister and International Guests**

## **SUNDAY 13 JULY**

**0900hrs**

**Plenary Report Backs from Working Group Rapporteurs.**

Chair: Rt Hon Peter Mandelson MP

Summation: Professor Anthony Giddens

**0900-1015hrs**

**New Economy – Welfare State; Public  
Service Renewal**

**1015-1130hrs**

**Rights and Responsibilities; Corporate  
Reform; Migration and Integration**

**1130-1230hrs**

**Science; Global Governance**

**1230hrs**

***Brunch***

**1330hrs**

**Symposium on the Future of the Progressive Left with the British  
Prime Minister and Summit participants (with enlarged public  
audience; possible live webcast)**

**1600hrs**

**Conference close**

**Annex C**  
**Global Governance Working Group**

**Author David Held** – Professor at the London School of Economics

**Working Group**

**Kemal Dervis** – Former Turkish Finance Minister

**Justin Forsyth** – Oxfam International

**Charles Grant** – Director, Centre for European Reform, London

**Stephany Griffith-Jones** – Professor and the Institute for Development Studies, Sussex.

**Zaki Laïdi** – Professor at the Institute of Political Studies in Paris, and Adviser to Pascal Lamy

**Fleming Larson** – President, Europe, the IMF

**Allan Larson** – Former DG of OECD and European Commission (Social and Employment Affairs), and ILO Special Envoy to Johannesburg

**Philip Legrain** – Former Advisor to Mike Moore, and Chief Economist of Britain in Europe

**Mark Leonard** – Director, Foreign Policy Centre, London

**David Mephram** – Former Advisor to Clare Short, Senior Research Fellow of IPPR

**Jean Pisani-Ferry** – Adviser to Romano Prodi Former Adviser to Jospin, Currently preparing the G8

**Richard Portes** – Professor of International Finance, London Business School

**Jean-Francois Rischard** – President, Europe, The World Bank

**Jan Aart Scholte** – Professor University of Warwick, and Adviser on Civil Society Participation to IMF and World Bank

**TBC**

**Wlodzimierz Aniol**, Advisor in the Chancellery of the President of Poland

**Roger Hällhag**, Senior Adviser to the Prime Minister

**Thomas Risse** – Free University of Berlin, Commentator on New World Order, and Expert on EU US relations

**Loukas Tsoukalis** – European University Institute

(f)

From: Patrick Diamond  
Date: 24 February 2003

JONATHAN POWELL  
SALLY MORGAN

Stephen Wall  
Jeremy Heywood

### SCHRODER & THE PROGRESSIVE GOVERNANCE CONFERENCE

Ahead of your meetings with Steinmeier and Schroder's team on Wednesday, I am copying to you a short briefing paper on the Progressive Governance Conference on 11-13 July in London.

The Germans are bound to raise it during these discussions.

The paper sets out the political background to the Conference, the policy development process, and identifies the key dates.

There will also be a preparatory event in Berlin on March 17, at which Schroder will speak briefly, co-hosted by Policy Network and the Friedrich Ebert Stiftung. Denis MacShane and Ivan Lewis will represent our side.

*P. Diamond*

PATRICK DIAMOND

**THE PROGRESSIVE GOVERNANCE CONFERENCE**

**London, 11<sup>th</sup>-13<sup>th</sup> July 2003**

**London School of Economics and Political Science**

**Introducing the Conference**

*Political Background*

*Conference Policy Process*

*Key Dates*

## THE CONFERENCE POLICY PROCESS

The Progressive Governance Conference will bring together 300-400 thinkers, policy makers, experts and politicians from around the world. It will be a highlight of the international political year and will give an ideal opportunity to the global progressive policy community to discuss and crystallise radical new ideas. It is an event the Prime Minister regards as of prime importance for the UK, Europe and the wider world.

The Progressive Governance Conference will address a broad range of policy themes: The Future of the Welfare State and Knowledge Economy; Global Governance; Migration/Social Integration; Public Service Renewal; Rights and Responsibilities; Corporate Reform/Corporate Governance; Science/Risk/Environment.

A unique international policy research process has been organised, chaired by Tony Giddens and facilitated by Policy Network in close partnership with Number Ten. This research and writing process, which will bring together the best international experts in each field and will result, after a thorough discussion process in seven Working Groups, in the publication of seven International Policy Reports with specific recommendations made to the Leaders at the Progressive Governance Conference. This process will include a number of preparatory meetings and seminars before July.

The objectives of the Conference are to facilitate the exchange of progressive ideas and policy practice in the UK, Europe and beyond, including the Southern Hemisphere. Progressive governments and politicians across the globe are, more than ever, facing the same problems, and they need to work closely with each other as well as independent academics, civil society and the business community to identify and implement fresh, practical solutions to shared difficulties. Rising fears about security, economic social and political; the revolution in information technology and the mixed potential of modern science; and the sustainability of traditional welfare and employment policies. All these are among the challenges that affect countries round the world. Never has the need been greater to look creatively at new means to achieve traditional progressive goals.

Policy Network's journal, *Progressive Politics*, published by Peter Mandelson, will also publish a special issue for the Conference.

The whole Conference project will be organised in very close collaboration with the Prime Minister's Office, which will be hosting the parallel Government Summit. It is hoped that as many as possible of Progressive Leaders attending the Summit will play an active part in the Conference.

As well as organising the Conference and the seven Working Groups, Policy Network will be working closely with governments, parties, experts and the broader policy community from over 15 different countries, providing them with a range of tools to promote debate and share ideas at the Conference. This fulfils Policy Network's ambition to be a real forum for debate within the international progressive community. Policy Network hosted, in June 2002, a Progressive Summit in the UK with President Bill Clinton, Prime Minister Blair, Chancellor Gordon Brown and other UK Cabinet Members.

SUBJECT  
MASTER  
Filed:



Vladimír ŠPIDLA

PRIME MINISTER OF THE CZECH REPUBLIC

Rec 12/7  
Addeen 15  
Nexus. PM 12/3

PD  
cc JRB  
mr

By fax Geoff Mulgan  
(SU)

FIXED

Prague, 24 February 2003

Excellency, Prime Minister,

Dear Tony

I thank you most sincerely for your letter and invitation to attend the Progressive Governance Summit, to be held in London on 13-14 July 2003.

I am very pleased that I will be able to attend in person such an important event in a country with a long-standing democratic tradition and refined political culture. Naturally, I also appreciate such an opportunity to communicate and to exchange information and experience, which will help us reach mutual understanding, harmonize our positions, and, of course, find joint solutions to the problems of the world today.

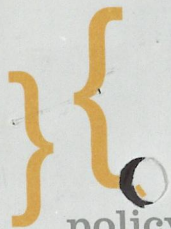
I consider preparations for the Summit to be of key importance and would be very pleased if representatives of the Czech Republic could take part in the preparatory stage.

Dear Prime Minister, to close, I would like to thank you once more for the invitation and I look forward to meeting you and the representatives of other states.

Best regards

Špidla

The R.H. Tony BLAIR  
Prime Minister of the  
United Kingdom of Great Britain and Northern Ireland  
London



policy network

21/02/03

Roger, I thought you might want to see this. Do please let me know if you would like to see any of the other documents. Regards, Nick.

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London SE1 7NX  
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## CONFIDENTIAL

### PROGRESSIVE GOVERNANCE CONFERENCE 2003 – UPDATE FOR PETER MANDELSON FROM NICK BENT, FRIDAY 21<sup>ST</sup> FEBRUARY 2003.

#### ACTIVITIES SINCE TUESDAY 11<sup>TH</sup> FEBRUARY

1. Daily Team Meetings are being held, chaired by NB
2. Detailed, differentiated Funding Proposal [approved by PD and RL] written by FM and NB, giving sponsors a clear steer on the benefits of different levels of support (Core Partner; Policy Partner; Event Partner)
3. Verbal commitment from PWC to sponsor two Working Groups as a Progressive Policy Partner [£100k]; FM and NB met Pat Sherry on the 13<sup>th</sup> and NB wrote subsequent formal proposal
4. Total committed to Conference (not including support for PN itself) is **£490k**, comprising Citigroup (£70k); KPMG (£70k); PWC (£100k); CM (£50k); and DS (£200k)
5. PWC have requested help with finding a senior UK politician to speak at a Senior Management Seminar at PWC's offices in London on May 21<sup>st</sup> [you are free but no promises have been made; we await further details and your reaction]
6. PD has put NB in touch with Lee Whitehead at Fishburn Hedges, who works with Niall Fitzgerald; Niall is interested in joining the Working Group on Science/Risk/Environment and Unilever may be willing to become a Policy Partner of the Conference
7. PD has put Alan Davidson (ex-Millbank, now at Butera Andrews) in touch with NB; FM and NB are seeing him on 25<sup>th</sup> Feb to discuss clients who may support the Conference
8. MB secured verbal confirmation that Commissioner Vitorino can speak at Dinner at Warren House [MB drafting formal invitation]

9. NB has confirmed with HSBC that Board Members of new company need not meet to activate new account; formalities should be complete and account able to receive funds by February 28<sup>th</sup>
10. FM and NB briefed Philip Collins of SMF about the Conference
11. FM and NB briefed Rachel O'Brien of IPPR about the Conference
12. The contract with Warren House has been renegotiated by YH and NB to include a shorter cancellation period (1 month rather than 3 months) and a lesser penalty (50% of the cost rather than 90%) if the international situation forces the postponement of the April event; the last day on which April could now be postponed without a financial penalty is March 25<sup>th</sup>
13. A meeting has been held with TG, PD, FM, NB, MB and PT to clarify roles and responsibilities on the Working Groups/Reports and to agree a detailed guidance note to Authors
14. Letter sent by NB to Maggie Williams inviting Bill Clinton to speak at the Guildhall Dinner on the Friday evening in July
15. The letter from PM to Progressive Heads about July that RL drafted has been reworked by NB and NB has drafted a letter to Ambassadors of Progressive Heads in London to brief them thoroughly [at the suggestion of PD and RL]
16. The majority of the invitations for April have been sent out by JB
17. NB has spoken to John Casson, First Secretary in Washington, about US names for April and July
18. The website has had over 2,000 hits
19. NB and MB met with Matt Carter at Labour HQ
20. NB and YH met with John Watts and Matt Doyle at Labour HQ
21. NB and YH did a recce to LSE to firm up arrangements there
22. YH has briefed JM on PN finances and Conference Budget

23. YH and JB have drawn up detailed financial procedures for the new company, for discussion with PM, TH, FM and NB

24. A total of 375 copies of the new edition of Progressive Politics have been posted out so far (UK Cabinet Ministers, Special Advisers and MPs nominated by RL; DLC; Board of PN and Foundation; Journal Editorial Board; all contributors; all Journal subscribers; 30 European Commissioners and Commission officials; 30 people each in Spain, Italy, Poland and Sweden)

25. NB and MB met with Becky Willis and James Wilsdon, Authors of the Report on Science/Risk/Environment, to discuss their methodology

**THE FOLLOWING DOCUMENTS ARE ATTACHED  
FOR INFORMATION**

- Funding Proposal
- Recent articles from the press mentioning Policy Network
- Action Points from the Core Group on 20<sup>th</sup> February
- Agenda for Core Group on 24<sup>th</sup> February
- Note sent by TG to Report Authors on 21<sup>st</sup> February [drafted by TG, and revised and approved by PD, FM, NB and MB]
- Latest list of Working Group Members
- NB's letter to Maggie Williams inviting Bill Clinton to speak

**THE FOLLOWING DOCUMENTS ARE ATTACHED  
FOR COMMENT**

- Written brief about the Website and Website Editorial Board [drafted by MB and PT]
- Draft Media and Communications Strategy [drafted by PT]
- Draft letter from PM to Progressive Heads
- Draft letter from NB to Ambassadors of Progressive Heads in London [to be sent a few days before PM's letter to Progressive Heads]

**ROMÂNIA**



**PRIM - MINISTRU**

SUBJECT  
MASTER  
Filed

Bucharest, 19 February 2003

*Dear Tony,*

I received with great satisfaction your invitation for the Progressive Governance Summit in London, on 13 – 14 July next and I am particularly pleased to confirm my participation.

It will also be my very special pleasure to have the possibility of seeing you again at Pennyhill Park.

I look at this Summit as a wonderful opportunity for high officials from all over the world to better exchange views and meet each other in a more informal framework.

Following your request, I designate my diplomatic adviser, Ambassador Sabin Pop, to take part in the preparation for the Summit.

Looking forward to seeing you in this context of governmental free thinking in progress,

*I remain yours,  
ever,*

*A. Ibrar*

**Adrian Năstase**

**Rt Hon Mr. Tony BLAIR, MP  
Prime Minister of the United Kingdom of  
Great Britain and Northern Ireland**

AMBASADA ROMÂNIEI  
LONDRA

ROMANIA



① cc *Mădălina Iyagă*  
No 10  
HMA Bucharest  
c GM.

②

GW

*Dan Ghibernea*  
Ambasador

*(Lle)*

Sir John Ramsden  
Head of Department  
Central and North West European Department  
Foreign and Commonwealth Office  
London SW1A 2AA

London, 27 February 2003

*Dear John,*

I have the honour to enclose, herewith, the original letter addressed by Mr. Adrian Nastase, Prime Minister of Romania to the Rt Hon Tony Blair MP, Prime Minister of the United Kingdom of Great Britain regarding the Romanian Prime Minister's participation at the Progressive Governance Summit in London (13-14 July 2003).

I kindly ask you to send this letter to The Rt Hon Tony Blair MP, Prim Minister.

Please accept the expression of my highest consideration.

*Yours Sincerely,*

Dan Ghibernea

File DLO (in inbox)



cc: FLO  
HMA

10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

18 February 2003

Dear Bill,

As you know I will be hosting the next Progressive Governance Summit – which you helped to initiate – later this year.

The Summit will take place on 13 and 14 July at Pennyhill Park near Bagshot in Surrey, just after a parallel conference at the London School of Economics.

At last year's summit in Stockholm, the heads of government agreed that we should invite you to the next summit to report on the work you were doing in Africa, and the steps which needed to be taken by the international community and African governments to tackle many challenges of development, including those posed by AIDs.

I hope very much that you will be able to join us for the evening of 13 July to share your experience and insights.

Best wishes  
Yours ever,  
Tony

President Bill Clinton

ds

19/02/03 14:11

0171 270 5241

Telefax

To:	ROMANIA
Fax:	020 7276 1409
From:	ECPRC RUMARY
Date:	20/02/03
Pages:	1

4/1 ECPO

1) N. Williams  
19/02/03

ROMANIA



PRIM - MINISTRU

originals to

Bucharest, 15 February 2003

Richard  
20/2

SUBJECT  
MASTER

Filed:

Dear Tony:

I received with great satisfaction your invitation for the Progressive Governance Summit in London, on 13 - 14 July next and I am particularly pleased to confirm my participation.

It will also be my very special pleasure to have the possibility of seeing you again at Pennyhill Park.

I look at this Summit as a wonderful opportunity for high officials from all over the world to better exchange views and meet each other in a more informal framework.

Following your request, I designate my diplomatic adviser, Ambassador Sabin Pop, to take part in the preparation for the Summit.

Looking forward to seeing you in this context of governmental free thinking in progress,

I remain yours, ever,

A. Ionescu

Adrian Năstase

Rt Hon Mr. Tony BLAIR, MP  
Prime Minister of the United Kingdom of  
Great Britain and Northern Ireland

**PRIME MINISTER**  
**PATRICK DIAMOND**

**From: Sharon Jubb**  
**Date: 7 February 2003**

**cc: Fiona Millar**  
**Katie Kay**  
**Saeed Khan**  
**Sameena Rizwi**  
**James Harrower**  
**Vikas Gupta**  
**Rachel Cowburn**  
**Facilities Management**  
**Messengers**  
**Custodians**  
**Detectives**

**SEMINAR - MONDAY 10 FEBRUARY 2003 - PROGRESSIVE GOVERNANCE**  
**1115-1300 hrs - STATE DINING ROOM**

Please find attached the final guest list for the above event.

1100 hrs	Joanne Burton arrives - escorted to State Dining Room to set up table
1115 hrs	Guests arrive - escorted to State Dining Room
	Refreshments served
1135 hrs	Prime Minister attends
1145 hrs	Prime Minister departs
1300 hrs	Event Concludes - all guests depart

*Sharon*

**SHARON JUBB**

---

**Full list of Guests to be invited for Seminar - Progressive Governance**

**Invitations Accepted as at 7 February.**

Host: .

---

Event Date: 10 February 2003. From 11:30 to 13:00.

---

**Mr Dan Corry**

NLGN

**Mr Charles Grant**

CER

**Mr David Halpern**

Strategy Unit

**Mr Robert Chote**

Institute of Fiscal Studies

**Mr Nick Bent**

Policy Network

**Mr James Wilsdon**

DEMOS

**Ms Rebecca Willis**

Director, Green Alliance

**Mr Phil Collins**

Social Market Foundation

**Mr Mark Leonard**

Foreign Policy Centre

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**Full list of Guests to be invited for Seminar - Progressive Governance**

**Invitations Accepted as at 7 February.**

Host: .

Event Date: 10 February 2003. From 11:30 to 13:00.

---

**Ms Constance J Milstein**

Milstein Properties

**Mr Barry Townsley**

Senior Partner, Insigner Townsley

**Mr Tony Halmos**

Corporation of London

**Mr Michael Andrews**

**Ms Rachael O'Brien**

**Mr Neil sherlock**

Partner, Public Affairs, KPMG

**Mr Gero Maas**

**Mr Jon Mendelsohn**

**Mr Paul Thompson**

Dept Human Resource Management

**Ms Joanne Burton**

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**Full list of Guests to be invited for Seminar - Progressive Governance**

**Invitations Accepted as at 7 February.**

Host: .

Event Date: 10 February 2003. From 11:30 to 13:00.

---

**Ms Susan Hitch**

**Mr David Sainsbury**

**Mr Reinhard Hesse**

**Mr Ian Hargreaves**

Prospect

**Mr Tom Bentley**

DEMOS

**Mr Matthew Browne**

Editor & Head of Research, Policy Network

**Professor Elie Cohen**

Institut d'Etudes Politiques

**Professor Gosta Esping-Andersen**

Department of Political Science

**Professor Gunnar Folke Schuppert**

Humbolt-Universitat zu Berlin

**Professor Anthony Giddens**

Director, London School of Economics

---

**Full list of Guests to be invited for Seminar - Progressive Governance**

**Invitations Accepted as at 7 February.**

Host: .

Event Date: 10 February 2003. From 11:30 to 13:00.

---

**Mr Philip Gould**

PGA

**Professor David Held**

Polity Press

**Ms Yasmin Holzkamm**

Deputy Director, Policy Network

**Mr Michael Jacobs**

Fabian Society

**Mr John Kay**

John Kay Associates

**Mr Gavin Kelly**

Performance and Innovation Unit

**Rt Hon Peter Mandelson MP**

**Mr Frederic Michel**

Director, Policy Network

**The Rt Hon Alan Milburn MP**

Secretary of State for Health, DoH

**Mr Geoff Mulgan**

Director, Performance and Innovation Unit

---

**Full list of Guests to be invited for Seminar - Progressive Governance**

**Invitations Accepted as at 7 February.**

Host: .

Event Date: 10 February 2003. From 11:30 to 13:00.

---

**Mr Par Nuder**

Prime Minister's Office

**The Right Honourable John Reid MP**

**Ms Nicola Rossi**

Camera dei Deputati, Gruppo Democratici di Sinistra - L'Ulivo

**Mr James Rubin**

Brunswick Group Limited

---

**10 Downing Street**

**Rachel Cowburn**

---

**Minister**

**Ms Ruth Kelly MP**

**The Right Honourable Patricia Hewitt MP**

Secretary of State, Department of Trade and Industry

**Mr David Miliband MP**

Minister of State for School Standards, DfES

**RESTRICTED - POLICY**

**From: Patrick Diamond**  
**Date: 7 February 2003**

**PRIME MINISTER**

**John Reid**  
**Jonathan Powell**  
**Sally Morgan**  
**Katie Kay**  
**Andrew Adonis**  
**Peter Hyman**

**PROGRESSIVE GOVERNANCE SEMINAR AGENDA: MONDAY 10  
FEBRUARY**

I attach the draft agenda for Monday's Progressive Governance Seminar, short biographies of the key European participants, a list of invitees, and articles by Par Nuder and Douglas Alexander on the future of progressive politics, and Antonio Vitorino on 'Taking Asylum & Migration Seriously', that you might find interesting.

This is a small 'off-the-record' occasion with a dozen European intellectuals and senior policy-makers. You are intending to drop in for a short time. It would be great if you could say a few words about the importance of the UK hosting the Progressive Governance Conference in July, and the challenge of renewing centre-left politics for today's world.

Otherwise, John will be in the lead with Patricia and David.

Agenda

- |       |   |
|-------|---|
| 11.30 | Introduction: Peter Mandelson and Tony Giddens  |
| 11.40 | 'Where does the Third Way go from here?'<br>Gosta Esping Andersen, Folke Schuppert and Nicola Rossi |
| 11.55 | Response: David Miliband  |
| 12.0  | Response: Par Nuder   |
| 12.05 | The New Labour perspective and progressive politics: John Reid                                      |
| 12.15 | Open Discussion   |

**RESTRICTED - POLICY**

13.15 Close: Peter Mandelson

European Experts

**John Kay** is one of Britain's leading economists. His work is mostly concerned with the application of economics to the analysis of changes in industrial structure and the competitive advantage of individual firms. His interests encompass both business strategy and public policy.

**David Held** is Graham Wallas Professor of Political Science, at the London School of Economics. David's main research interests include rethinking democracy at transnational and international levels and the study of globalisation and global governance.

**Gosta Esping Andersen** is currently professor and dean at the University of Pompeu Fabra (Barcelona). He has previously been professor at the European University in Firenze and at Harvard University. He has also worked widely for international organizations, such as the OECD, the United Nations, and the World Bank, and for the recent Portuguese and Belgian presidencies of the European Union.

**Folke Schuppert** is Professor at the Humboldt University in Berlin. An adviser to the German Government, his research interests include public service renewal and the modernisation of the regulatory state.

**Elie Cohen** is the Research Director at the National Centre of Scientific Research (CNRS) in Paris, and Professor at the Institute of Political Science, Paris. In addition to being a member of the Prime Minister's Economic Advisory Council (CAE), he is also Vice President of both the High Council on the Public Sector and the High Council on the Financial Sector.

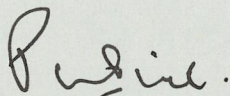
**James Wisldon** is Head of Strategy at Demos, where he focuses on developing a network of project partners across the public, private and voluntary sectors. His research interests include new technologies, sustainability, innovation, constitutional renewal and corporate responsibility.

**Becky Willis** is Director of Green Alliance, where she is responsible for the overall management: including strategic planning and management, fundraising, and representation of Green Alliance to its stakeholders, the public and the media. Rebecca joined the organisation in 1998. Previously, she was a policy adviser at the European Parliament.

**Nicola Rossi MP** has worked in the Research Department of the Bank of Italy as well as in the Fiscal Affairs Department of the International Monetary Fund. He has been Chief economic advisor to the Italian Prime Minister (1998-2000) and Economic Advisor to the Minister of the Treasury (2000-2001). He is currently Member of Parliament and Secretary of the Parliamentary Group of Democratic Left.

**David Halpern** is a member of the Prime Minister's Strategy Unit

**Tom Bentley** is a former adviser to David Blunkett MP British Home Secretary, Tom works on a range of issues including democracy, technological change, education, the future of government, globalisation, innovation and institutional strategy. He has been described as 'one of Britain's leading policy entrepreneurs' by the Australian Financial Review, and as 'among the most intelligent critics of New Labour' by the London Evening Standard.



**PATRICK DIAMOND**

Invitation Status	Term of Address	Comments
Sent	Mr Tom Bentley	YES
Sent	Mr Wouter Bos	YES
Sent	Mr Matthew Browne	YES
Sent	Professor Elie Cohen	YES
Sent	Professor Gosta Esping-Andersen	YES
Sent	Mr Pierre Moscovici	YES
Sent	Professo Folke Schuppert	YES
Sent	Professor Anthony Giddens	YES
Sent	Mr Philip Gould	YES
Sent	Professor David Held	YES
Sent	Rt Hon Patricia Hewitt MP	YES
Sent	Ms Yasmin Holzkamm	YES
Sent	Mr Michael Jacobs	YES
Sent	Mr Manuel Marin	YES
Sent	Mr John Kay	YES
Sent	Mr Gavin Kelly	YES
Sent	Rt Hon Peter Mandelson MP	YES
Sent	Mr Frederic Michel	YES
Sent	Rt Hon Alan Milburn MP	YES
Sent	Mr David Miliband MP	YES
Sent	Mr Geoff Mulgan	YES
Sent	Mr Par Nuder	YES
Sent	Rt Hon John Reid MP	YES
Sent	Ms Nicola Rossi	YES
Sent	Mr James Rubin	YES
Sent	Mr Adair Turner	YES
Sent	Dan Corry	YES
Sent	Charles Grant	YES
Sent	David Halpern	YES
Sent	Robert Chote	YES
Sent	Nick Bent	YES
Sent	James Wilsdon	YES
Sent	Becky Willis	YES
Sent	Phil Collins	YES
Sent	Mark Leonard	YES
Sent	Connie Milestein	YES
Sent	Barry Townsley	YES
Sent	Alvaro Pinto Scholtbach	YES
Sent	Tony Halmos	YES
Sent	Michael Andrews	YES
Sent	Thomas Steg	YES
Sent	Matthew Taylor	YES

# Pär Nuder

A few years ago the centre-left governments of Europe seemed exceptionally strong. A huge demand for change translated into electoral victories that swept European social democracy to power in almost all EU-countries. EU-summits were regular manifestations of social democracy's dominance.

Today, in September 2002, on the eve of the Swedish and German elections, the European political landscape has dramatically changed. Some claim a pan-European trend of populism and mistrust belies the swing to the centre-right, while others assert that is a fluke, a political coincidence. However, despite increased support for right-wing parties and the re-emergence of populist forces across the continent, social democracy is standing strong in Sweden. Contrary to recent trends witnessed by our neighbours Denmark and Norway, no populist party has entered the political scene.

Swedish social democracy has a long tradition of governing. Social democrats have governed for 61 of the last 70 years in Sweden. If 'Homo social-democraticus' is to be found anywhere, it is in Sweden. But Sweden is not an isolated island,

## A Manifesto for Reformers

unaffected by international phenomena and trends. On the contrary, Sweden is one of the most export-dependent countries in the world, and has a population that is well educated with regard to foreign languages

and cultures. Sweden has also taken on a massive responsibility for refugees: Since 1980 Sweden has received over 866,000 refugees, a figure equivalent to almost ten per cent of the total Swedish population.

In light of these contrasting fortunes, one may well question if there are any common lessons and challenges for European social democracy?

Despite real differences, I still believe that there are five principle challenges that all social democrats should address, regardless of whether they are in government or opposition.

**} A clear connection between macro achievements and micro improvements**

The European left reconciled itself to global capital markets in the 1980s and made a commitment to the 'safety-first' approach to fiscal policy. From the Delors package in France in 1983, to the Persson budget reconsolidation in the mid-1990s in Sweden, and Gordon Brown's fiscal prudence in the UK after 1997, left-of-centre parties came to terms with the fact that unless they were economically credible they would be politically unelectable. "It's the economy, stupid!"

This was an important lesson to learn. However, when practising and communicating this lesson, progressives around Europe sometimes became too concerned with presenting themselves as the most skilled craftsmen of fiscal policy. The bigger – more ideological – picture was put to one side, and sometimes not even painted. At the same time the need for sound fiscal policies became widely accepted, and was thus no longer a hallmark of the centre-left. This often gave European voters the impression that there was only one political road being taken, regardless of who was in office.

Progressive governments must always paint the broader picture. Stability has to be part of a larger narrative, credibility given a clearer purpose. Social democracy can only thrive when it forwards a 'productive' as well as a 'distributive' agenda. The challenge is to build a solid, intellectual bridge between these two dimensions and in practice show their interdependence.

Swedish social democracy has learnt this lesson the hard way.

After three years in opposition, Swedish social democrats came back to power in 1994 with a strong mandate: The Social Democratic Party won over 45 per cent of the vote. Bearing in mind the high turnout – 86.8 per cent – this was a remarkable victory. But the new government inherited the largest public deficit in modern history and the worst employment situation since the 1930s. Mr Göran Persson, then Minister of Finance, introduced one of the toughest budget reconsolidation programmes ever seen in Europe.

**Left-of-centre parties came to terms with the fact that unless they were economically credible they would be politically unelectable.**

Major cuts to the welfare sector, higher taxes for all, and an open conflict with the blue-collar trade unions were the main ingredients in a policy-mix that proved economically successful, but almost ended in political disaster.

The deficit, which amounted to 12 per cent of GDP, was turned into a surplus in only three years. However, the electorate judged this policy harshly, despite the market's satisfaction. In the 1998 election the social democrats lost over nine per cent of the vote, and reached an all time low of 36.4 per cent. The party continued to govern, and support was slowly regained as unemployment rates fell and the growth rates improved. The real political breakthrough came when the

government managed, in both theory and practice, to translate these macroeconomic achievements into concrete improvements in peoples' daily lives. Trust in the government increased as new resources were visibly invested into the education and health-care systems, bringing marked improvements in the public sector.

In light of this experience, it is clear that all social democratic governments should follow a two-track strategy.

Mass unemployment, in particular long-term unemployment and the social exclusion it entails, is the environment most likely to breed the kind of populism and xenophobia witnessed in France. It is not enough for progressive governments to rely on high growth rates, low inflation and low unemployment. These are not vaccines against the far right, as testified to by experiences in the Netherlands, Norway and Denmark – three countries that are, socially and politically, very close to Sweden. Sweden has been able to avoid this kind of populism, which is fed by mistrust in the government's ability to deliver safety and security for all.

The first challenge for the European centre-left can be summarized in one sentence: social democrats must simultaneously combat long-term unemployment and improve the public sector without risking macroeconomic stability. This is indispensable. If we fail Europe will become a hothouse for the far right.

**} Politics matter – policies differ**

It is commonly argued that the political paradigm has moved beyond left and right, that there are no differences in

values only in methods. This is a right-wing notion. However, it is one that, from time to time, is also used by progressives, particularly those in government who believe they can rely on their experience and technocratic competence to defeat a weak, diverse and inexperienced opposition.

It is true that governing, in and of itself, is an important dimension of successful political leadership. Obviously, British voters regard Tony Blair as a better Prime Minister than the expert of experts, 'Sir Humphrey'; good political leadership is much more than simply managing competence. True political leaderships should have five dimensions, which can be viewed as the steps that should be followed in policy creation and political communication: empathy, analysis, value, vision, and policy.

Unfortunately, too many politicians do not live up to this, particularly when it comes to expressing empathy, or to articulating values and visions. We see a parade of expert-politicians who know every single detail about the social security system, politicians who talk and behave as if they were civil servants. At the same time, there is a genuine demand for political debate based on and expressed by and through values. The more informed the citizens become, the more they demand a clear response from their elected representatives to the question "What kind of values do you want to build our society on?" The Swedish experience clearly illustrates this.

In 1999 a survey of young people showed that their awareness and knowledge of the Holocaust was poor.

In combination with racist tendencies, this set alarm bells ringing. The Prime Minister, therefore, undertook an initiative aimed at spreading knowledge about the Holocaust. The response was overwhelming. Over one million copies of a book about the Holocaust were distributed to households with teenagers – at their own request. An international conference with representatives from 47 countries was held, among them 20 Heads of State and Government. Clearly, this initiative – one that sought to teach today's youth about one of the worst crimes ever committed by mankind – touched nerves across Europe.

Our societies are in need of a major and thoughtful dialogue about

**Progressives must be "Proud, but not self-satisfied."**

fundamental values. One of the major challenges facing the progressive movement is to respond to this need and to build arenas to meet it. Through such a dialogue the ideological differences between left and right will become clearer, more obvious than they are today.

The second challenge for social democracy is to formulate the ideological differences in a manner that does not scare off all but the most committed scholars of political sociology. This has not always been the case. Communicating the divergences in values between right and left must be clearly tied to visual policy results. Keeping clear water between left and right should be an essential goal of any social democratic leadership.

### **} The governance of constant opposition**

The mobility of voters, the emergence of new parties and movements, the media's growing impact on our societies, developing international cooperation, and the globalization of capital – all these well-known factors make it increasingly more difficult to govern. In combination with an opposition that knows it is more successful to exploit mistrust and failures than present an attractive alternative, elections have become more like referendums: "Are we for or against the present government?" While it is getting more difficult to govern, it is becoming even harder still for incumbents to be re-elected.

However, no true social democrat can blame these external factors if the fundamental, ideological approach is forgotten.

Regardless of whether they are in opposition or in government, progressives must be in opposition to injustice and unfairness. Too often, governance is reduced to defending the status quo or explaining earlier decisions. But all societies have flaws. Policies can always be improved upon, and new injustices are constantly emerging. The call for change – actually the call for improvement – is always legitimate and attractive. Thus, centre-left governments that become part of the establishment, ie seek to defend policies rather than advocating improvements, give those who desire any kind of change only one alternative – to side with the political parties that call for change in the form of a new government.

It is when progressive parties, in government or otherwise, represent

versions of the status quo that populists can (mis)present themselves as the only political force offering change, the only ones in touch. The results of the French and Dutch elections can be interpreted in this manner.

The third challenge for all social democrats is thus to constantly articulate their opposition to injustice and unfairness. If not, then centre-left governments will cease to be seen as a credible tool for change. Progressives must be "Proud, but not self-satisfied."

### **} The democratic deficit must be defeated**

The increased support for populist parties has stimulated widespread debate on immigration at many political levels. However, the populist story has another equally unpleasant chapter that needs to be dealt with.

The populist forces thrive on feelings of political discontent, exclusion and the democratic deficit. This sets two equally difficult tasks for politicians and policymakers: to truly acknowledge widespread feelings of distrust, and to take measures to decrease the democratic deficit. There is no miracle cure. However, increasing transparency and decentralising power are necessary ingredients of our response.

The perceived standards of political representatives should not be underestimated. The role of political representatives must always be carefully monitored, and this should never be seen as a simple question of executing power, but rather one of representing voters. The centre-left must work to provide politicians with answers for the voters. This includes an ability to feel genuine empathy with

the voter's situation, clear insight into why things are the way they are, concrete values that speak for the majority, a compelling vision of the future, and competent plans to put that vision into effect. As stated earlier – empathy, analysis, value, vision, and policy – the central dimensions of good political leadership.

The trend towards increasingly low turnout rates in most European elections must be broken. The quality of any democracy can never be high when one out of five do not vote, when roughly 20 per cent of the population have not had their say on which policies and values to prioritise. The first round of the French presidential election illustrates what may happen if we continue to ignore this issue. Despite this, the importance of increasing voter turnout rates is not

**It is not enough to win elections. We must win with a high turnout, and share power when in government.**

commonly understood within the European Left. Hopefully, the French lesson can inspire a general change in attitudes.

In Sweden the governing right-wing coalition of Stockholm has decided, for the first time ever, to withdraw its support of pre-election measures aimed at increasing voter turnout rates in suburbs populated by immigrants and low-income groups. The right-wing leader of Stockholm justified this decision by claiming "It is a human right not to vote". As much as that is formally true, progressives can never accept the

ideas that underpin this kind of statement. Shared responsibility is a necessary ingredient of any response to common challenges and problems.

Defeating the democratic deficit requires that we take a number of decisions, some of which will prove successful, others failures. In this area the exchange of best practices and lessons is vital. However, any decisions taken to improve democratic participation – be it through reforms for increased turnout rates, the introduction of student boards in high schools, increased cooperation with NGO's, simplified procedures for

**Progressives have to acknowledge people's fears, and relate to them with clear response: immigration enriches our societies, not weakens them.**

raising issues in the local municipal assemblies, or more frequent open meetings with political representatives – are initiatives that send a clear message to voters.

It is important that voters understand and believe that, although we are in power, we still want change, that we are not self-sufficient in our governance, that we take their opinion seriously, and that we would like their input. We must tell them: "Your voice and vote make a difference." Such messages respond to our need for constant opposition, show that political representatives listen, and undermine populist accusations of political detachment.

The fourth challenge for social democracy is thus to strive for higher

participation rates when shaping our common future. It should be an imperative for all who claim they are progressives. It is not enough to win elections. We must win with a high turnout, and share power when in government.

**} Politics is not powerless. The future is not fate.**

The low level of democratic participation needs to be understood in the light of the widespread notion that politics is powerless in a globalised world. Political statements from the right and the far left have, in trying to explain the complexity of today's interdependent world, unfortunately bred this notion. When carelessly articulated, these statements give the impression that politics is no longer a tool for change and improvement.

If we are to change attitudes about the future, and convincingly argue that the future is the outcome of human decisions not fate, the centre-left must rise to this challenge.

This requires new attitudes and strategies to deal with organized mistrust.

Reviewing the political responses to the rise of populism – parties that are characterized by a mix of xenophobic messages and calls for better welfare, parties that use language that combines nationalistic and leftist rhetoric – one clear conclusion can be drawn: we have yet to formulate a full-fledged strategy. This should be a cause for deep concern, as populist parties thrive on sentiments of exclusion among groups that, historically, are regarded as social democracy's heartland.

Our response to debates on immigration and cultural clashes, often initiated by populist leaders, should not focus on answering the one-liners designed for the evening news. Instead the debate should, ideally, be reframed. For example, we should ask how a lack of workforce might be reconciled with high unemployment rates within some groups of often well-educated immigrants? Or, how the international composition of our population might be organised in order to make our society responsive to the demands of internationalism in today's globalised world? However, whichever approach we choose, the reframing of negative debates must be dealt with in a manner that does not marginalize the concerns of the population at large. Political silence could easily send one clear message to the voter – your concern is not worthy of our time.

The fifth challenge for European social democracy is thus to distinguish between real concerns, and those that have been exaggerated and exploited. Progressives have to acknowledge people's fears, and relate to them with clear response: Immigration enriches our societies, not weakens them.

### } Conclusions

The changes in the European political landscape demonstrate that the challenges for social democracy concern practical policies, attitudes towards politics, and strategies of communication. The cross-border exchange of best practises and political innovation is an essential component in the formulation of social democracy's comeback.

Are the progressives equipped and ready for such cooperation?

The Socialist International (SI) has proud traditions and is of defining importance for our family of parties. But, at the same time, the SI faces challenges of coherence. Diplomatic considerations sometimes make the message fussy and less principled. The SI's activities are often more focused on providing national leaders with an attractive stage than with creating an environment in which we can really work together. The SI also lacks a strong American voice.

The Socialist International, as well as the Party of European Socialists, is now likely to attract more attention from parties that find themselves in opposition. They should, therefore, be reinforced. However, additional fora and formats are needed. In spite of being 'governance-oriented' these could be less formal and perhaps even temporary. This is the approach of the Progressive Governance network,

**Recent European developments may cast a dim light, but time is on social democracy's side.**

which focuses on best practices and detailed policy options.

A new generation of progressives has the responsibility of defining and organizing cooperation for the 21st century. Recent European developments may cast a dim light, but time is on social democracy's side. Social democratic policies are policies fit for the future.

Social democracy's core values – opportunity for all, responsibility from all, and community for all – are

timeless and have a new relevance in a world that is changing rapidly. Social democracy recognises the opportunities of globalisation, without denying the dangers. 'Domestic' and 'International' are obsolete notions in today's world. We live in a world of mutual interdependence.

At the same time, social democracy is the only political force to recognize the interdependence between economic development and safety for all. It is only through policies of strong social security that people feel safe enough to dare to embrace the new challenges of the future. {

**Pär Nuder is a Member of the Swedish Parliament. Since 1997 he has served as State Secretary in the Prime Minister's Office in Stockholm, Sweden.**

# Douglas Alexander

Recent elections in Sweden, Germany and the US have given us a perplexing picture of the fortunes of the left. Whilst the right has gained control in France, the Netherlands and America, it has been narrowly defeated in Germany and decimated in the UK. Centre-left Governments with strong economic records have been ousted by opposition from right-wing parties which pander to anxiety. Others have consolidated their position despite facing the same problems, and offering similar solutions. Writing in the *New York Times*, Alan Cowell suggested Europe

## Progressive Outlook: Winning the Battle for Hearts and Minds

was “rubbing its eyes at the ascent of the right” and stated “what appears to make this shift more acute than the routine pendulum swing from left to right is a sense among voters that the left-wing parties who promised tolerance and social justice have become

exhausted...beyond this, the right appears to be benefiting from a deep-seated fear that Western Europe – cosy and prosperous – is the target of a wave of chaotic immigration from Afghanistan and Kurdish Iraq, from the struggling Maghreb, from the imploding sub-Saharan Africa.”

Yet to see the past two years of electoral history in Europe as about issues alone – from public services to the role of the European Union or immigration – is to miss the more fundamental insights these election results offer and the opportunity these insights bring to shape the future of the left. To understand the results – the victories and the defeats – achieved by centre-left parties across Europe and beyond we need to appreciate the extent to which narratives within contemporary politics help the electorate to make sense of the choices being offered. Put simply, the political parties which were successful understood the emotional as well as the rational dimension to politics, and were correspondingly able to translate their values into a set of policies whose grounding in a narrative made them resonate to the electorate. As a consequence of underestimating the emotional content of politics, too much of our shared conversation in Europe has focused on policy alone.

So in the run up to the Progressive Governance Conference this July, there is a need to rebalance our shared political discussions away from an exclusively policy focus

<sup>1</sup> Alan Cowell, ‘Europe “is rubbing its eyes” at the ascent of the right’, *New York Times*, May 17th 2002

and towards a more holistic view of the relationship between ideology, policy and campaigning. The common thread which joins these is the political narrative which sustains both our message and our mission. This ideological narrative is not only the

### We must let go of 'pocket book' politics.

grounding for a progressive policy agenda, but the key to our campaigning. It is the basis of the story we want to get across to the electorate about our vision for the future. The ability to define a clear narrative is a key test for incumbent parties facing re-election – it is clear that although being in office should *not* stop us from campaigning it all too often *does*. This leaves incumbent parties peculiarly vulnerable to those campaigners who can communicate an alternative political perspective which catches the attention and so secures the support of the electorate. The results achieved by progressive parties at the ballot box in the past two years bear particular testament to this and show that the left must be clear about the narrative which it uses to stake a claim to the future.

Perhaps the best example of this comes not from Europe but America – it was George W Bush himself who said, "It's amazing I won. I was running against peace, prosperity and incumbency."<sup>2</sup> Al Gore entered the campaign benefiting from a strong legacy of policy achievements, from economic growth and job creation to falling poverty, yet Bush was able to run Gore to within half a million of the popular vote and secure the

presidency in part through his disciplined recital of his vision for America – 'compassionate conservatism'. Ironically the Democrats' very success in strengthening the economy allowed economic management to recede from the issue agenda, with Gore failing to 'own' this success in the eyes of the voters. The results of the 2002 mid-term elections show that two years on the Democrats have yet to establish a new compelling narrative. Many Democrats recognise this themselves – Senator John Edwards of North Carolina, himself a potential Presidential candidate, admits "It's not enough to critique Bush, we have to lay out a clear vision and substantial ideas about where we want to go."<sup>3</sup> In essence, in 2002 the absence of a compelling Democrat story about the future of America meant the election solely reflected the dominating concerns – terrorism and Iraq – which advantaged the Republicans.

There are parallels in the experience of our Dutch and French sister parties in the Democrat's experience. In the last edition of *Progressive Politics*,<sup>4</sup> Dick Benschop and Pierre Moscovici described the difficulties in aligning good economic management with social progress in a way which connected with voters. In contrast, the right provided a narrative which caught the imagination of the public – whilst in America that was centred on a vision of tax cuts providing personal freedom, in Europe it peddled fear. Superficially grounded in a language of integration, Pym Fortuyn's campaign advocated a suspicion of 'outsiders' just as did Le Pen – who was simply more explicit about it. Those elections reflect how the success of the far right across

<sup>2</sup> George Bush to the Swedish Prime Minister Göran Persson, June 14th, 2002

<sup>3</sup> 'Democrats Seek New Messenger and a Message', *New York Times*, November 17th, 2002

<sup>4</sup> 'The Challenge of Renewal', *Progressive Politics*, Vol 1.1, September 2002

<sup>5</sup> John Lloyd, 'No to Brussels, No to immigration: how rightwing populism entered into the mainstream', *Financial Times*, November 28th, 2002

<sup>6</sup> Charles Wallace, 'Down to the Wire', *Time Europe*, Vol 160 No 13, September 23rd, 2002

<sup>7</sup> Mathias Muller, *Der Spiegel* reprinted in *World Press Review*, September 23rd, 2002

<sup>8</sup> 'Holed and Sinking', *Times Editorial*, November 28th, 2002

Europe has been achieved through creating an identity for its supporters based on demonising others who are 'different'. Diversity within society then becomes a focal point for the fears of those who do not consider themselves different because, by default, they are not a member of the 'outgroup'. John Lloyd describes the appeal of the far right as "they are the liberators of their people from chains put round them over decades by Social Democrats, Christian Democrats, Conservatives and Liberals who have one thing in common: they do not listen to the people."<sup>5</sup> This is an identity which uses immigration as a foundation and now

The test is to understand what resonates with voters, to appreciate their desire to see our policies as part of a grander vision.

looks to the European Union as its next target. Just as the far right has sought to vilify immigrants, it now seeks to portray the EU as an enemy for electoral gain. Thus, it is not the particular policy issues *per se* – be it public services, the European Union or immigration – which we have to tackle, but a need to 'narrate' an alternative identity grounded in a progressive vision for Europe which can underpin our policy agenda and anchor the electorate to our cause.

The lessons from these elections are twofold. Firstly, in ensuring the continued success of social democratic parties in Europe and beyond, we must let go of 'pocket book' politics – the

belief popular in the eighties that voters only think through their wallets – and turn our attention to the core ideological principles which define our identity. For decades the perceived wisdom was that politics was a choice between head and heart – between a right that was competent but uncaring and a left that was socially compassionate but economically unreliable. In the last decade we have proved ourselves economically proficient, but, in this new climate, the test for progressive politics is higher than it has ever been before – our financial competency is a necessary but not sufficient claim to power. Understanding what resonates with voters requires recognising the appeal of vision intrinsic to politics and appreciating the electorate's desire to see our policies as part of a grander plan.

Indeed, in countries where the left has been successful often its economic record has been secondary to the narrative it has attached to its policies. In the recent German elections the SPD used two issues – that of Iraq and the flooding experienced by the south and east of the country – to communicate to voters its social values. As Charles Wallace described in *Time Magazine*, Schröder "broke the most basic rule of politics"<sup>6</sup> by delaying a tax cut to pay for the flood damage reparations in an election year but in doing so managed to make those concerned with economic issues appear callous. The debate never returned to economics because as Mathias Muller noted, "without mercy, Schröder exploited his voters' fears of a new war against Iraq".<sup>7</sup> In contrast to the strong positions taken by Schröder on these

issues, the CDR looked managerial and uninspiring; a party obsessed with tax cuts compared with the claimed radicalism of those speaking against American interests.

However, the German election also shows the second lesson that the narrative must be one which helps sustain progressive policies and does

There is a need to rebalance our shared political discussions away from an exclusively policy focus to a more holistic view of the relationship between ideology, policy, and campaigning.

not have the potential to undermine the possibilities open to the victors. Elections are about mandates for action. It is not yet clear whether securing victory on these two issues along can be translated into support for wholesale change including economic reform. Indeed, a recent *Times* editorial describes falling support for the SPD and anger at rising taxes less than a month after the election which is “buoyed by the widespread perception that Herr Schröder did not tell the truth about the economy during the campaign”.<sup>8</sup> The evidence from other countries across Europe suggests that structural economic changes can most easily be secured on a broad coalition of support grounded in an electoral mandate.

This is certainly the case for the UK. We have learnt this not least from our opposition – by the start of her second term Margaret Thatcher was beginning to link policies such as the right to buy, lower personal taxation and trade

union reforms to her broader goals of an individualistic and market-based society in a unifying narrative of reactionary politics. Of course both the nature of the British electoral system and the low turnout contributed to the scale of Labour's victory in 2001. However the lessons we learnt about the use of narrative are relevant to contemporary European debate. Given the relative weakness of the right there was a danger the press would turn the 2001 election into a referendum on New Labour rather than recognising it as a significant choice between two political positions. Through a clear and persistent focus on the need for public service investment and reform, Labour was able to ensure the election was an ideological battle between those who wanted better public services and those who wanted bigger tax cuts. By dominating the value agenda and translating this narrative into policy ideas Labour was able to show it had not just achievements but further ambitions on the issues that mattered most to the electorate.

Thus, we should not take at face value the challenge of the far right and its politics of fear but see it as a reminder to reassert our ideological identity. It is identifying with the narrative a political party has of the society it wants to create which anchors policies – from good financial management to plans for the health service – and so helps voters navigate between rival parties. Where the left has failed to humanise the gains of politics and so make real to the electorate the outcomes of our policy agenda, it has failed to either win or maintain power. In contrast the right across Europe has with some electoral success advanced a divisive politics which targets

<sup>8</sup> ‘Holed and Sinking’, *Times*, November 28th 2002.

<sup>9</sup> See for example *19th Report of British Social Attitudes*, National Centre for Economic and Social Research, December 2002

<sup>10</sup> ‘None of the Above: Non-Voters and the 2001 Election’, Mori/Hansard Society, December 2001

individual groups, such as asylum seekers, and seeks to blame them for the problems of modern society. Indeed, increasing insecurity and fear amongst the electorate is proving a key campaigning tool of most right wing parties. However, let us be clear – we should never try to compete on the terms set solely by our opponents in this way. This would serve only to validate their chosen electoral ‘frame’ and miss the opportunity to advance a contrasting progressive agenda. Rather than giving in to these insecurities, the left needs to challenge them and show how collective action can mitigate the risks of modernity and reap opportunity for all. The right has been endeavouring to demonise those who are ‘different’ – instead we must be clear on whom we consider to be the true opponents of social justice.

How then can we build this progressive narrative? To paraphrase Durkheim, the electorate is moving away from a deferential approach, where supporting political parties is a mechanical reflex grounded in tradition, to one in which support for political parties comes from a more organic conception of the benefits a party can bring to voters. The evidence in the UK shows that rather than people losing interest in politics, they remain as politically concerned as they were 20 years ago.<sup>9</sup> Instead, people are increasingly participating in activities – such as single-issue campaigns – without seeing these as political activities.<sup>10</sup> This creates an electorate which is more specialist in its needs and wants and means a ‘one size fits all’ campaign cannot adequately engage voters. Thus, when addressing those who are involved in

specialist campaigns and engaging them in a discussion about a progressive policy agenda we need to be explicit about where their concerns match – or do not – and articulate how those interests link to other issues with our value agenda. On a practical level this means customising our message to voters to suit the different ways in which they wish to engage with politics. In 2001 in the UK this led us to using direct mail on specialist issues, personal contact

**Elections are about mandates, so the narrative must be one that helps sustain progressive policies, not one that undermines the possibilities open to the victors.**

through our national call centre and new forms of getting our message across such as videos or text messaging. There is much to be gained from a conversation amongst progressive parties in Europe about the campaign practises that will best allow our message to be heard by this increasingly diverse electorate.

Yet even the most successful campaigning machinery must be sustained through a strong political mission. Our narrative must be based on a clear sense of what progressive politics means in the contemporary age, demarcating how we are distinct from those who are merely populists. It is thus inherent in the argument in this article that policy is sustained by narrative. Too often in the past

discussions amongst the left in Europe and beyond have taken place at the level of policy debate only, without explicitly sharing either campaigning tools or philosophical roots. With a clearer discourse on the philosophical dimensions of progressive politics, the development of both our communications strategy and our policies will be a natural consequence of that discussion. In order to sustain a progressive policy agenda then we should seek to use our next opportunities for discussion to fashion that narrative and the principles through which policies and campaigns emerge – a conversation our recent electoral fortunes show is both timely and important.

Here in the UK the scale of the election victory achieved now presents Labour with both the opportunity and responsibility to refashion the political landscape as surely as it has the electoral landscape. From this perspective there are four issues which would benefit from a shared discussion with our European partners, and so help us shape our narrative for the coming years. The first is that of the relationship between the state and the individual; the rights and responsibilities which sustain citizenship. It was the left who created social citizenship through institutions such as the NHS and state education, but it is also the left which recognises these institutions need to change to reflect the complexities of modern life. In the context of current choices that the left is facing throughout Europe about the future shape of our key social institutions, never has the need to strengthen the level at which individuals engage with public services been more apposite. In particular we should ask ourselves how to reconcile

choice with outcomes; how to bring together the consumption of public services with their production. We must develop a clear narrative about what people can expect from such a progressive agenda, and what they will be expected to do in return.

Secondly, in defining a progressive agenda there is a need for equality and liberty to be linked. For too long we have allowed the right to define equality and liberty as opposites and characterise an interest in equality as a desire for uniformity. Rather than letting the desire for a more egalitarian society be perceived as somehow a bar to individual freedom, we must find ways of reconnecting equal participation in public life with greater personal freedom. We must show how the ability to achieve one's potential is linked to the ability of all to achieve their potential, illustrating the way equality and liberty are intrinsically social conditions which require social actions by all for each to experience. In essence we must make the concept of collective action meaningful, helping social institutions – from local to national Government – bring greater freedom for the individual.

Thirdly, as we become increasingly aware of the inter-related nature of the problems each nation faces – whether environmental degradation, terrorism or globalisation – we become aware that solving these problems will require collective action. Only the left fully realises that such solutions must be grounded in a rhetoric that appreciates that we do achieve more together than alone. Developing a clear sense of the values which underpin policy will help foster the co-operation necessary between countries to tackle problems that

transcend national borders. Just as we need to develop a conception of citizenship fit for the modern world, we need also to develop a conception of political engagement which reflects the different levels of decision-making we now require. This means developing a route map for participatory democracy at all levels of the public sphere, seeking to connect up participation at different levels such as regional or local Government, tenants associations and on-line communities, international conferences and global summits to a common identity as bearers of a progressive future.

Finally, as we recognise that many of the forces which shape modernity are outside the traditional bounds of political life so we must seek to challenge those boundaries. This means making real the political content of everyday life; instead of politics shrinking into a four-yearly choice between political parties, we should seek to broaden our political conversation to encompass not just the Government but the structures and organisations which give meaning to people's lives. The workplace, civic and voluntary institutions and the family are not distinct entities but part of the social fabric which forms the public realm. In determining the nature of a socially progressive society in the modern age, we must also develop narratives which help understand the roles of those institutions in such a society as well as the more traditional discussions around the role of the Government. This in turn will help to ground our conception of citizenship in a new vision of participation which is about more than voting but instead seeks to truly empower individuals and communities through collective engagement within all these public spaces.

These are not matters of policy, but politics. We cannot hope to find the policies which will advance a progressive society without an appreciation of the ideological narrative which sustains them. In a world that is increasingly uncertain, it is our values and our confidence in their application that can and must anchor progressive politics. These values sustain both our mission and our message; they shape our policies and our communications. Furthermore, by anchoring our politics in a value agenda we can be confident about taking on the right because a politics borne out of opposition is most exposed in the face of principled argument. We know that the far right only offers simple solutions to complex problems – it is a story without a happy ending and as the right begins to falter across Europe we must seize the chance to show how we are distinct. This is the challenge for UK participants at the Conference in July; to have a conversation with our European partners which will both share campaign techniques and hammer out our ideological answers to the above issues. The objective will be able to respond to modernity with a coherent policy agenda which is grounded in our values, not defined by others. By showing that the right has an unsustainable agenda with no clear policy alternatives and contrasting this with a clear sense of the opportunity afforded by policies based on social justice, the left can and does triumph. Thus amidst all the present international uncertainties, rather than being pessimistic about the future of the left, we need to be confident in our capability to win the battle for the hearts and minds of the people of Europe. }



**Douglas Alexander MP is Minister of State in the Cabinet Office. In 2001 he co-ordinated the Labour Party's General Election campaign in the UK.**



I think it is high time we woke up to some realities about immigration policy. The policy is encumbered by too many myths and fantasies. They are circulated – we have to be frank and admit – both by the right and the left. And it is also high time we made up our minds about what we wish to achieve at the European level. I have been Justice and Home Affairs Commissioner at the European Commission since September 1999 and I wish to share some experiences and conclusions I have reached since then.

The myths are many: that immigrants take away jobs from workers of host societies, which leads to increased unemployment; that instead of migrants, one should train women, the unemployed, extend the retirement age or even promote ‘fertility’ policies; that multi-cultural societies are *per se* a good or a bad thing; that immigration does not bring about an increase in insecurity (or, conversely, that immigration equals terrorism and crime); that immigration is not needed and can be reversed; that asylum has very little to do with immigration.

I will deal with these myths one by one. But first I would simply like to point out the essential feature of the problem. As *The Economist* survey of November 1st rightly put it, migrants come to the rich world first and foremost because the differences in wages between the origin and host societies are simply much greater than the differences in the price of goods. The individual gain is huge. Therefore, those willing to come are prepared to endure enormous difficulties and will always find ways of evading controls, short of having a border as ‘efficient’ as that which separated East from

West Berlin before 1989. Nobody wants that ‘efficient’ a border. This obviously also implies that there is a market for such labour force. This is stating the obvious, as otherwise migrants would not come. And another extremely important feature of this picture is that our societies and administrations work in a way which makes it extremely difficult to send people away once they are in. So it certainly pays to come in illegally.

### } Migration and employment

I will start with the relationship between unemployment and migration. Often politicians – again, both on the left and on the right – make the point that it makes little sense to open the door to migration because of our (unfortunately often still high) unemployment rates. I disagree. Migrants find jobs that locals

## Taking Asylum and Migration Seriously

António Vitorino

are not willing or are unable to take up, even if they are unemployed. The truth of the matter – and I believe the left cannot have a coherent view on migration without recognising this fact – is that, to a large extent, our welfare states allow unemployed people to refuse work they cannot or are not willing to take up. The solution is obviously not the dismantling of the welfare state. But it has to be admitted that by providing a comfortable safety net to all it discourages the beneficiaries from taking up unpleasant jobs.

**I am not prepared to sacrifice religious freedom or equality between men and women on the altar of a multicultural society.**

The alternatives are therefore to reduce the welfare state or accept the fact that its working makes the importing of a certain amount of labour to perform unskilled jobs unavoidable. I certainly prefer the latter.

It is also useless – at least as far as the unskilled spectrum is concerned – to argue that the unemployed should be trained to do jobs that immigrants are happy to take up. Unskilled jobs need no training and lack added value besides providing an escape from poverty. As far as the skilled spectrum is concerned, it is indeed true that our education policies and infrastructures could probably be better oriented towards professions sought by the market. Nevertheless, one should bear two things in mind: first, education takes time; secondly, not all the unemployed have the capability to perform highly-skilled jobs. Therefore some opening to migration is necessary here too.

I therefore refuse the argument that migrants as a source of labour could be replaced by women, people of old age and the unskilled unemployed. For the reasons I have just set out, our welfare systems are made in such a way that such categories will not be interested in the lower-skilled segment and cannot all quickly be trained to perform higher-skilled functions. But I

am obviously not against training inactive segments of the population to perform the jobs wanted by the market. I see therefore no incompatibility between an employment policy as set forth by the Lisbon European Council and a migration policy.

The argument that fertility should be encouraged at the expense of migration – an argument of the right – is also fundamentally flawed. Firstly, for ethical reasons, fertility choices are a matter for individuals in which public authorities should interfere as little as possible. Secondly, there are no signs that social or work legislation has any significant effect on fertility patterns. Thirdly, there is no reason to believe that the new generation would be more interested in the jobs that attract migrants than their parents.

All the research tends to agree that migration (for the reasons set out above) does not bring about higher unemployment and has – in the worst cases – an anodyne effect on growth and on wages. If anything, it would tend to restrict the increase in wages for unskilled jobs – in practice affecting earlier immigrants. In my view the problem, the benefit or the challenge – depending on how one sees it – is much more political and cultural than it is economic.

**} Diversity and change**

Public opinion – in particular that of the Member States of the European Union – dislikes diversity and change. This is in part due to Europe's history of relatively stable population patterns – at least by comparison with the US – over recent centuries. The collective memory of our public opinion is that of

the nation state, when all shared the same language, cultural tastes, food, and collective idea of themselves.

The world has changed a lot in a relatively short space of time. In my country, Portugal, in the seventies, flying was a luxury (as well as foreign phone calls). There were two State TV channels that everyone watched, a few radio stations (all obviously broadcasting in the national language), very little foreign press and a very clear sense of 'us' and 'them'. Today, one can easily find newspapers in Cyrillic sold in Portuguese streets and Portuguese consumers are often served in cafés and restaurants with a different Portuguese accent – Brazilian Portuguese. From one of the most homogeneous societies in Europe, it is

**Migrants should learn the national language. Allowing them to remain aloof in the name of 'freedom of expression' encourages a 'ghetto' culture.**

difficult nowadays in Portugal not to come into contact with a foreign migrant in everyday life. The truth is that all European societies have become immigrant societies.

I certainly think that diversity is positive and a catalyst for a dynamic society and economy. But I also think that the integration of migrants works better if one has a clear vision of oneself. And there I have never feared putting forward the argument that one should not refrain from asking migrants to abide by our core

European constitutional values. There should be a contract between host societies and migrant communities in that the former should be ready to accept greater diversity whereas the latter should have to learn our core constitutional values. To that extent, the European Charter of Fundamental Rights would certainly serve as a valuable benchmark.

Therefore, if asked whether I favoured a multicultural society, I would reply, "it depends". I am not prepared to sacrifice religious freedom (or the right not to profess a religion) or equality between men and women on the altar of a multicultural society. I certainly do not see why stating this need be a 'right-wing' argument. On the contrary, it aims at safeguarding the values that have always been at the heart of the struggles of the left. In the same manner, I do not see why States should not require that migrant communities learn national languages. I am not of the opinion that it is more humanitarian to 'allow' them to communicate only in a language that will limit them to their family and to low wage economic sectors. Allowing them to remain aloof in the name of 'freedom of expression' ends up by encouraging a 'ghetto' culture.

It is also pointless to deny that migration can bring about greater insecurity to our societies. And I am not talking here about terrorism. I mean especially petty street crime, which could be fostered by a state of desperation in the youth of unintegrated migrant communities – which is itself the result of the absence of a feeling of belonging.

So, to reiterate my earlier point, the challenge is societal and cultural much

more than purely win or lose economics. And the integration policies of the European Member States have lacked a sense of direction. To a great extent, because the initial immigration waves of the post-war re-construction period were thought to be temporary, integration was considered unnecessary. The results are there to see in many suburbs of our cities.

Of course, we should also object to all sorts of statements according to which immigrants would be vehicles of terrorism or that every immigrant is a potential terrorist. From Northern Ireland to the Basque country we have

**We need to combine a toughening of the asylum procedure with an opening of legal channels of immigration for labour market purposes.**

Unfortunately many examples within Europe of terrorist organisations which show that our own populations are not immune to the 'disease'. But, understandably, there was much talk after 11th September about not allowing our asylum and immigration laws to be used by terrorists to reside in our societies. The Commission has put forward a detailed description of the ways of reconciling the Geneva Convention on refugees with anti-terrorism action and highlights how it has inserted 'terrorist proofing' provisions into its proposed asylum and migration legislation.

### **} Reconceptualising asylum and migration**

Often politicians also talk as if immigration could be opened or closed by policy-makers with a handy tap at their disposal. I have made above the case for the need for immigrants to fill our labour market gaps. However, one must admit that even if one could organise migration flows to suit one's economic needs there would still be much illegal migration. Many that would not fit into one of the pigeonholes would still manage to come in and evade expulsion. The truth of the matter is that a democratic society cannot have borders that are so efficient that they only allow people to enter legally. This is not to say that we should not have borders that are as safe as possible. If it were not for the present stringent border controls – in particular developed within the so-called 'Schengen' framework – the phenomenon would be unacceptably out of control.

The point is also often made that asylum, a sacrosanct individual right given by the Geneva Convention following the horrors of the Second World War, is a human right that has nothing to do with the will to improve one's standard of living. I wish to be clear that I do not want to reverse the Geneva Convention. But one has to honestly recognise that situations have changed. Asylum before the end of the Cold War meant mostly giving refuge to a few politically-engaged individuals that managed to escape Orwellian nightmares. One has in mind Rudolf Nureyev jumping the gates at the airport and refusing to go back to the Soviet Union.

The situation has clearly evolved.

Especially since European Member States, after the oil shocks of the seventies, stopped legal migration for labour market purposes, asylum, together with family reunification, became one of the two legal channels into Europe. As a result, you find a category of individuals escaping situations of poverty combined with political unrest (or even the absence of a proper State) – a category that often can only be dubiously brought within the Geneva framework – and a category of individuals that simply abuse the asylum system in order to find a legal path to the ‘promised land’.

Let us face it. Asylum procedures are being abused. Rates of rejection are often extremely high. The fact that – especially in the Northern European Member States – the request for asylum often entails interesting social security packages leads to the system being discredited. I therefore think we need a combination of some toughening of the asylum procedure – in order to enable authorities to quickly discern which are the *prima*

**Following enlargement it would make sense to have a European Corps of Border Guards.**

*facie* valid claims – with the opening of legal channels of immigration for labour market purposes. In that sense, I am of the opinion that although asylum and migration policies have completely different conceptual routes they are inextricably linked from a political point of view.

I have also favoured, from the very

beginning of my mandate, as regards those in real fear of political persecution, the ideas put forward by Jack Straw. In his view, which I share, instead of doing our best to stop those escaping political nightmares from coming in and then allowing them all sorts of procedural and social security rights, we should organise the flow. That is, either organising and financing their stay in neighbouring countries (which makes return far easier once the situation at the root of the problem is eradicated) or by organising their transport and installation in one of the Member States of the EU. I totally share the view that it is much more worthwhile spending our resources on this type of aid than on costly futile administrative procedures. I am happy to acknowledge that the UNHCR, under the leadership of High Commissioner Lubbers, is also pointing very much in this direction.

#### **} Europe's record**

As the first European Commissioner in charge of coming forward with the first European policy on asylum and migration, what have I tried to do? In a nutshell:

} On asylum, I have put forward all the necessary pieces of legislation for a minimum common level playing field on asylum. In a – to a large extent, at least – border-free area, differences in legislation and jurisprudence can lead asylum seekers (a great number of whom, as we have seen, will never see their claims accepted) to shop around for the best system. The aim of our proposed legislation has therefore been that of ensuring a common European interpretation of the Geneva Convention while curtailing abuse and procedural

inefficiency;

} On legal migration, my ambition of intense action at European level has been lower. I do not think we can decide in Brussels (Commission and Council) how many immigrants should be allowed to join our societies. But I do think that there should be some transparency at European level of the immigration policies that Member States are *de jure* or *de facto* conducting. Again, in a border-free area it is obvious that the policy of one ends up by having an effect on the policy of the other. The open method of co-ordination appears to be adequate for a successful management of legal migration;

} On illegal migration, the Commission has also produced many ideas. The emphasis here has been not so much on legislation but on operational co-operation or integration. We have put forward our views on reinforcing visas as an instrument to prevent illegal migration (in particular the creation of a visa database to avoid forgery), on return policies and, last but certainly not least, on border management. I believe – in particular with enlargement in mind – that it would make sense to have in the near future a European Corps of Border Guards to complement national border guards. I have also supported the idea that the burden of external border management should be shared;

} The foreign relations dimension of migration has not been forgotten either. It will be possible to get third countries to the negotiating table to collaborate in the fight against illegal

migration. However, Europe and its Member States need to offer something in return. The Commission is now assessing how to pursue a line here. It seems eminently sensible to me that we should accept an organised flow of legal migrants from third countries in exchange for their co-operation in the fight against illegal migration;

} On the integration of migrants legally residing with us, I believe that the gist of the policy should happen at national (or even local) level. I suggest that at European level one should act both on some of the ground rules of integration – in particular family reunion and a catalogue of rights of long-term resident third country nationals and create a platform for the exchange of best practice. Europe is perceived as being bad at integrating migrants but I am sure that many good things are being done and could be shared.

What has been achieved so far? Undeniably, progress has been slow. Several of our legislative proposals are blocked in the Council. Or – which can be as dangerous – some of the Commission's proposals are diluted to a point where one could ask what their added value is. Despite the Commission's proposals, Member States are reticent to agree on aspects such as the number of appeals an asylum procedure should be subject to, whether an appeal should suspend expulsion, whether an asylum seeker should be allowed to work or not during the procedure. Free movement of workers from one Member State to the other is also increasingly limited by 'vague' integration criteria. On family reunion, Member States only managed to agree on the very concept

of the core family that should be allowed to come in. On migration for labour market purposes, I have suggested that Member States should simply co-ordinate their unilateral policies. Even this is seen as too much.

It is also true that some progress has been made. Plans aimed at fostering co-operation in the fight against illegal migration or on the return of illegal migrants have been approved as well as a plan on external borders. A directive on temporary protection of

**If no action is taken we shall help ignite the public's frustrations, and fuel the extremist parties that have mushroomed in recent years.**

mass displaced persons has been approved. A fund aimed at sharing the cost of refugee policy has been established. A regulation defining which third countries should be exempt from visas and which should be subject to visas has been adopted.

The Commission has not started its legislative or political work out of the blue. Our policy is firmly anchored in the conclusions of the Tampere summit of Heads of State and Government and have been more recently upheld by a similar summit in Seville. The latest Council in Seville has even given dates for deadlines for the approval of some of the main legislative pieces of the puzzle. However, despite the determination of Heads of State and Government

matters have made slow progress in the Council of Ministers. The way to bring the Union into this policy area had been legally paved by the Amsterdam Treaty of 1997.

### **} The road ahead**

In order to overcome such a situation we need both a change in the political mood and a change in the rules of the game.

As to the political mood, decision-makers around the European capitals should understand the dangers of pretending that we are making more progress than we are in this policy at the European level. More and more the public is told that real solutions to problems can only be found by concerted action at European level. They see riots and crime in their downgraded suburbs. They watch newsreels where hopeless people disembark desperately on European beaches. They know about the asylum queues. They expect action. If no action is taken, we will simply help to ignite the (already very high) level of frustration that public opinions have vis-à-vis this matter which in turn will fuel the extremist parties that have mushroomed in the recent years. Concerted action implies some sacrifice of self-pride. There can be no harmonisation of legislation or policies without some sacrifice of present rules or practices. As with the Euro, one cannot have bold results without bold sacrifices.

There is no rule that could substitute for lack of political will. However, I believe that there are indeed procedural obstacles nowadays that make it extremely difficult to achieve significant results at European level.

And if I had to single out one obstacle, that would be unanimity. We all know that qualified majority voting does not replace seeking consensus in Council. However, it creates a climate where dragging discussions on endlessly becomes certainly more difficult.

The Convention on the Future of Europe now taking place, and of which I am a member, is the appropriate forum to debate what institutional tools need to be adapted to face the

**The way our administrations work makes it extremely difficult to send people away once they are in. So, it pays to come in illegally.**

future. Besides bringing about qualified majority voting, it is also my opinion that the Commission should have sole right of initiative in this field. It is an oddity of the Amsterdam Treaty that Member States have a concurrent right of initiative with the Commission on asylum and migration. Although the Commission is clearly in the driving seat as main initiator of policy and legislation, much time is spent on ill-prepared national initiatives that lack a European perspective. Qualified majority voting would also mean bringing in the European Parliament. It is no longer tenable to leave out the directly-elected Parliament on an issue that is of such great interest to our public opinions.

As to the substance of the policy, my position is that the Convention should allow Europe to avail itself in the future of a fully common asylum

procedure and status. The present harmonisation of minimum standards – albeit interpreted loosely – is not enough to bring about the level playing field we badly need in this area. Immigration policy should allow for the possibility of co-operating while leaving the fundamental decisions on admission at national level. Integration as an objective *per se* should be fostered and the Union should be allowed to legislate on migrants voting in local elections. I have suggested for some years that the European level should give migrants an alternative status to nationality which I have designated as civic citizenship. This would allow migrants to anchor themselves on a core legal status irrespective of nationality (the legislation of which would be kept in national hands). Finally, I also think that the new Treaty should allow the Union to build a European Corps of Border Guards to share the burden of policing the common external border.

Nevertheless, irrespective of the institutional changes brought about by the Convention I am still confident that some progress might be achieved before the deadline put forward by the Amsterdam Treaty to ensure a common political and legislative body by 2004. The matter is simply too important to allow this slow progress to continue. }



**António Vitorino is European Commissioner for Justice and Home Affairs.**



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Ian Roper,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

This event will bring together progressive leaders from around the world for informal discussions on issues of international policy concern.

Previous meetings in Stockholm in 2002 and Berlin in 2000 helped to shape a common agenda around a wide range of domestic and international issues, involving heads of government from six continents.

This year's Summit will take place at Pennyhill Park near Bagshot in Surrey. It will start with dinner on 13 July and will end with a press conference at lunchtime the following day. Formal presentations will be kept to a minimum to allow as much time as possible for informal discussions.

In parallel, and to prepare the ground for the summit, a number of working groups will be organised by an independent organisation, the Policy Network, involving experts from all of the countries in the network. These will be discussed at workshops at the London School of Economics in April to which

pl

I hope you will send some of your senior policy advisers, and will culminate in a conference at the LSE on 12 and 13 July, just ahead of the Summit.

As well as attending, I hope that you will be able to nominate a senior representative to act as a sherpa and take part in the preparation for the Summit, and to ensure that your views can feed into the parallel working groups as well.

I look forward to seeing you at what I hope will be a stimulating and fruitful Summit, and to your future participation in what I believe is a crucially important network of like-minded governments.

Yours ever,  
Tony

His Excellency Mr Peter Medgyessy



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Lea Leszek,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

The Summit, which will follow on from our successful meetings in Stockholm and Berlin, will provide an opportunity for us as like minded heads of government to review developments and share experiences in domestic and international policy.

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Our Sherpas will be working over the coming months to prepare our agenda, but the issues I expect that we shall wish to discuss will include public service reform, crime, migration, trade, WSSD follow up and counter-terrorism, as well as international events, particularly in the Middle East.

I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

*Yours sincerely,*  

---

*Tony*

His Excellency Mr Leszek Miller



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Adrian,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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Yours ever,  
Tony

His Excellency Mr Adrian Nastase



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Helen,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

Yours ever,  
Tony

The Right Honourable Helen Clark MP



10 DOWNING STREET  
LONDON SW1A 2AA

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THE PRIME MINISTER

SUBJECT  
MASTER  
Filed: /

21 January 2003

Dear Paulo,

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Yours ever,  
Tony

Mr Thabo Mbeki



10 DOWNING STREET  
LONDON SW1A 2AA

Greece

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bc hma  
fco.

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Sir,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

Yours ever,  
Tony

His Excellency Mr Costas Simitis



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Jean,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

Yours ever,  
Tony

The Right Honourable Jean Chrétien PC QC MP



10 DOWNING STREET  
LONDON SW1A 2AA

Germany

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bc FCO  
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THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Gerhard,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

Yours truly,  
Tony

SE Herrn Gerhard Schroeder



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Goran,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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Yours ever,  
Tony

His Excellency Mr Goran Persson

Brasil

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10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

SUBJECT  
MASTER  
Filed:

21 January 2003

Dear President,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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Previous meetings in Stockholm in 2002 and Berlin in 2000 helped to shape a common agenda around a wide range of domestic and international issues, involving heads of government from six continents.

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As well as attending, I hope that you will be able to nominate a senior representative to act as a sherpa and take part in the preparation for the Summit, and to ensure that your views can feed into the parallel working groups as well.

I look forward to seeing you at what I hope will be a stimulating and fruitful Summit, and to your future participation in what I believe is a crucially important network of like-minded governments.

Yours ever,  
Tony Blair

His Excellency President Luiz Inacio Lula da Silva



10 DOWNING STREET  
LONDON SW1A 2AA

**SUBJECT  
MASTER  
Filed:**

THE PRIME MINISTER

21 January 2003

*Dear President-Elect,*

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Yours sincerely,  
Tony Blair

His Excellency Mr Roh Moo-hyun



10 DOWNING STREET  
LONDON SW1A 2AA

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for

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Aleks,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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I look forward to seeing you at what I hope will be a stimulating and fruitful Summit.

Yours ever,  
Tony

His Excellency Mr Aleksander Kwasniewski



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

21 January 2003

SUBJECT  
MASTER  
Filed:

Dear Ricardo,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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Yours ever,  
Tony

His Excellency Señor Ricardo Lagos Escobar



10 DOWNING STREET  
LONDON SW1A 2AA

THE PRIME MINISTER

SUBJECT  
MASTER  
Filed: /

21 January 2003

Ivan Vladimirov,

I am pleased to invite you to participate in the Progressive Governance Summit which I will host on 13 and 14 July.

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Yours ever,  
Tony

His Excellency Vladimir Spidla

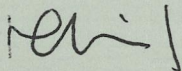
TO : ~~Jonathan Powell.~~ Geoff Mulgan

FROM : Denis MacShane

15 January 2003

**Progressive Governance – Jorge Castaneda**

Jorge Castaneda, the left intellectual who was Foreign Minister of Mexico, has just resigned so take him off my list of suggestions as possible participants in the progressive government conference.



Denis MacShane

file

**From: Patrick Diamond**  
**Date: 15 January 2003**

**PRIME MINISTER**

**JP, JJH, SM, AA, PH**

**POLICY NETWORK JOURNAL ARTICLE: THE RENEWAL OF THE THIRD WAY**

I attach a draft article for the Policy Network journal on renewing the Third Way. It is intended both as a scene-setter for the Progressive Governance Conference in July, and sets out our thinking on where the progressive left should stand in relation to new challenges that have emerged since the 1990s. It draws in part on the note I put to you before Christmas.

The final section raises some of the key questions that we believe will define debate on the centre-left in the next decade. You may feel that these are not quite the right questions, or that they raise difficult issues that we may not yet want to discuss in public, in which case this final phase of the argument can be removed.

**Otherwise, are you content with the article as drafted?**

*P. Diamond*

**PATRICK DIAMOND**

## **POLICY NETWORK JOURNAL ARTICLE**

### **THE RENEWAL OF THE THIRD WAY**

**TONY BLAIR**

Whatever the critics may claim, the Third Way has fundamentally been a great success since its inception in the mid-1990s. It was the right approach for its time as the centre-left's response to the Thatcher-Reagan hegemony.

A wave of liberalisation and technological advance stimulated a new dynamic in global capitalism. The end of the Cold War and the collapse of Communism fuelled optimism in the West about the future of civilisation encapsulated by Fukuyama's thesis of 'the end of History'. It was in many respects an age of innocence.

But the challenge for centre-left modernisers is always to find our distinctive voice in a changing world. We stand in the tradition of revisionist social democracy, prepared always to draw a consistent distinction between ends and means. We apply our enduring values to new circumstances. That should also be the case with the Third Way.

A decade on, we can more easily discern the limits and tensions unleashed by globalisation. We are witnessing increasing insecurity in all its forms: terrorism and WMD on our television screens; the impact of migration and crime on our streets. In the global economy the optimism of the late 1990s has dissipated. Financial markets have fallen. The risks of deflation and prolonged slowdown exacerbate structural problems in much of Western Europe and Japan. Trust towards those in authority has diminished, and the legitimacy of politics is under threat.

The urgent task for today is to respond not simply by repeating the Third Way mantras of the last decade. 2003 should be the year of revival for modern social democracy. But the Third Way has to be reinvented and renewed. To achieve that, we must forge a new and distinctive agenda for the centre-left relevant to a new age of different and unprecedented challenges. In doing so, we should aim to define ourselves positively, not negatively; what we are for, not what we are against.

The Third Way, as we defined it originally, to me consists of four distinctive stances: each takes Centre Left progressives decisively beyond the old dividing lines between left and right.

- on the economy, acceptance of fiscal and market disciplines together with investment in human capital, science and knowledge transfer – in other words “flexibility plus”;
- in civic society, a rights and responsibilities approach based on conditionality in welfare, strong on law and order, but also social programmes to address the causes of crime;
- in public services, investment to secure equality of opportunity, but also restructuring and reform to build more diverse, individually tailored services built around the needs of the modern consumer;
- in foreign policy, robust on defence, but international in outlook: pursuing a broad agenda of engagement with the aim of building a new global partnership based on shared values.

These dominant third way ideas enable us to espouse positions that in the past the Left had wrongly regarded as impossible to reconcile: patriotism *and* internationalism, rights *and* responsibilities, the promotion of enterprise *and* the attack on poverty and social injustice.

These ideas have attracted the support of a remarkable number of political leaders, and successfully marginalised other currents on the left; such as the anti-globalisation movement or 'vested interest' defence of the welfare state 'status quo'. They offered a bridge between New Democrats in the US, and European social democrats. The Third Way has successfully established itself as a central point of reference in debates on the future of the Centre Left from continental Europe to Brazil and even China.

The Third Way has also succeeded in uniting the two great streams of centre-left thought: it asserted both the primacy of individual liberty in the market economy; and the promotion of social justice with the state as its central agent. In UK terms, it had firm roots too in the social liberalism of the Edwardian era which was broadly subscribed to by Asquith, Keir Hardie and Keynes.

This was emphatically a Third Way *within* the British Labour tradition. It reached deep into the traditional social democratic values of a strong society enabling every individual to fulfil their potential, while advancing innovative approaches to new policy challenges.

If the Third Way has been so successful, why does it need to be renewed?

First, it needs to respond to its critics on the Left. They have attacked the Third Way as providing no more than a smokescreen for social democratic conservatism and providing a justification for acceptance of prevailing neo-liberal orthodoxy, for example on the role of markets and the direction of economic policy. Within the Labour Party, some ridiculed the Third Way as an attempt to define a wholly new politics "beyond the Left and Right". We need to root the Third Way firmly in the Labour modernising tradition of Durbin, Gaitskell, Crosland, Healey and Kinnock.

Second, we need to bring sympathetic academics more on side who themselves adopt a pro-market, egalitarian position, but are sceptical whether the Third Way represents more than a decent humane political pragmatism (not itself an unworthy ambition) rather than a distinctive agenda for radical change. It is also true that our thinking has not forged close enough links with the more exciting and dynamic intellectual currents in economics, management theory and social policy.

Third, politics in Britain has moved on. The Third Way has in part lost momentum as the very consequence of its success. All political ideas gain strength through argument and vigorous contest. But in Britain, the energy that New Labour gained from defining itself against Old Labour and the New Right has substantially diminished since 1997. We need to think through how our political and intellectual enemies will attempt to reposition themselves. That will enable us to define the next phase of progressive politics.

Fourth, the world has changed and politics with it. While the Third Way provided a transatlantic bridge to the Clinton Democrats, the contours of US politics have changed fundamentally post 9-11 and the collapse of the dot com bubble. Within Europe, the grip on power that governments of the modernising Left enjoyed in the late 90s has been weakened.

The ultimate test of any political brand is whether it enables social democratic parties to win, use and retain political power; where it is not succeeding it needs to be recast. But such rebranding has to be based on solid intellectual and philosophical roots in order to anchor it firmly to modern social democracy's renewal as a political project and insulate us from drifting back towards the failed ideological dogmas of the past.

The Third Way should not be rejected, but it does need to be renewed. Our political experience in the UK suggests how.

Social democrats need to develop a political response to the failure of the post-war 'big state'. The central state has under-performed as the primary agent of greater equality and meritocracy in society. Our purpose in modernising public services is not merely to respond to the demands of the modern consumer, but to recognise that centralised state-funded and provided services have done relatively little to combat poverty and promote social mobility in post-war industrial societies.

For example, in the UK, Julian Le Grand of the LSE has shown that the richest 20% of households today receive three times the national expenditure on education as the poorest 20%. He argues, "the provision of free state education has created neither equality of use, cost nor outcome. Indeed, it is possible that it may even have created greater inequality". A similar pattern of distribution occurs in the NHS where disadvantaged areas tend to have worse heart disease and cancer facilities, and suffer lower standards in primary care.

This debate about the failings of the post-1945 social democratic settlement is increasingly relevant to centre-left parties everywhere. It is part of a wider

argument about how governments respond to the growth of individualism, re-create a strong society, tackle new global challenges, and address the failure of traditional politics to inspire: all these challenges require a transformation of the post-1945 nation state. This debate gives social democrats definition against both Right and Left. The Right wants to weaken the State because they don't believe in the power of collective action to change people's lives. Elements of the Left support a hopeless defence of the post-1945 big state in the belief that without big government, a fairer society is impossible to achieve. Reform of the state should be the core animating idea of the progressive governance agenda this year. We must apply this new progressive analysis of the state to define our emerging vision of 'enabling' government and achieve greater clarity across a wide field of policy.

It is not for me to prejudge this debate, but let me highlight what I see as some of the key questions.

On the future of the European socio-economic model, how we devise new forms of security for working people in response to a more rapid and destructive change? In a world of ever sharper competition, how much is it legitimate to ask of the private sector in terms of training, flexibility, pay and conditions, and meeting environmental concerns, without imposing unnecessary social costs that damage enterprise? How do we apply an analysis of rights and responsibilities to business, for example by seeking to balance employee commitment to the firm for the long term, with employer-provided benefits?

How do we finance the increased spending needed to expand further and higher education, modernise transport and infrastructure, and meet the challenges of an ageing society? We must define a set of principles that enable us to make tough and clear choices about tax and spend, and set the parameters for the future

partnerships we will need between tax-funding and personal contributions, for example through user charges for road use or university courses. Can we devise innovative ways of increasing investment in human capital as a means of distributing wealth more equitably in the knowledge economy (including radically rethinking the school curriculum, vocational and work-based training)?

On public services, we need to explore the usefulness of markets and quasi-markets to extend opportunity and equalise life chances. Social democrats must reconcile both the claims of choice *and* equity. We must develop an acceptance of more market-oriented incentives with a modern, reinvigorated ethos of public service. We should be far more radical about the role of the state as regulator rather than provider, opening up healthcare for example to a mixed economy under the NHS umbrella, and adopting radical approaches to self-health. We should also stimulate new entrants to the schools market, and be willing to experiment with new forms of co-payment in the public sector.

We need to be clear about the limits of private involvement in the public sector. In achieving reform, we need to clarify the balance between bottom up reform, and command and control approaches in restructuring public services. For example, the principles underlying Foundation hospitals need to be applied far more systematically across the public sector.

We should adopt a more rigorous approach to the question of work/life balance. Our thinking should no longer presume that work is the 'be all and end all' of life. Instead we should seek to meet an increasing public demand to, for example, trade money for time, take one year off in five, work longer but more flexibly, and exercise entitlements to maternity and paternity leave. Our conception of an active labour market should be less fixated with paid work as the determinant of

participation, and treat volunteering, caring and unpaid employment as equally deserving.

We should seek to expand the principles of the New Deal in lifting families out of poverty. But we must ensure that family relationships and child rearing do not suffer, as this can itself limit educational achievement for younger children.

In international affairs, we need to face up to the challenge of pooling sovereignty in Europe in order to gain real influence in the world. We should develop clear plans for modernising the current institutions of global governance, to cope with the unprecedented challenge of global terror and weapons of mass destruction. We should seek to strengthen the international community's nation-building capacity, building on our successes in humanitarian military intervention. We should use development aid, debt relief and trade liberalisation in partnership to advance the cause of Africa.

On migration and integration, we should think through the duties and obligations of migrants as citizens in western societies: on questions such as language learning, employment rights and difficult questions of cultural identity such as arranged marriages.

The working programme for the progressive governance conference next year encapsulates precisely these themes. What unites these themes, and draws them into a compelling project of reform for the centre-left, is a continued belief in the power of collective action to expand the possibilities of individual self-fulfilment and advance social justice, while at the same time, fundamentally recasting the role of the State for today's world.

There are no prizes for standing still. Politics abhors a vacuum. The charge is always that reform has been insufficient, never that it has been too sweeping or radical. If we fail to take the modernisation of social democracy forward, it will inevitably create the vacuum for an alternative left project to emerge. More seriously, it will hinder our own renewal. Ideas are more important than ever.

The time has come to build on the Third Way and all that it has achieved, and in the true spirit of revisionism, move boldly beyond it. This is a necessary step to ensure that progressive politics can meet the urgent challenges of the times.

✓  
From: Patrick Diamond  
Date: 20 December 2002

PRIME MINISTER

JP, AC, SM, AA, PMcF,  
PH

**THE THIRD WAY PROGRESSIVE AGENDA: NEXT STEPS FOR NEW CHALLENGES**

Whatever the misplaced objections of its critics, the Third Way has been a great success since its inception in the mid-1990s. It was fundamentally the right approach for its time as the centre-left's response to the Thatcher-Reagan hegemony.

But the challenge for centre-left modernisers is always to find our distinctive voice in a changing world. We stand in the tradition of revisionist social democracy, prepared always to draw a consistent distinction between ends and means. We apply our enduring values to new circumstances. My argument is that it should be the case too with the Third Way.

The collapse of the cold war stimulated a new dynamic of global capitalism, creating a wave of optimism in the West about the future of civilisation encapsulated by Fukuyama's thesis of 'the end of History'. It was in many respects an age of innocence.

But a decade on we can more easily discern the limits and tensions unleashed by globalisation. We are witnessing increasing insecurity in all its forms, from terrorism and WMD, to migration and rising crime. Trust towards those in authority has diminished, and the legitimacy of politics is under threat. In the global economy the optimism of the late 1990s has been overtaken by fears of increased volatility in the financial markets, as well deflation and prolonged

slowdown exacerbating problems of higher structural unemployment in much of Western Europe.

**The urgent task for today is to respond not simply by repeating the mantra of the Third Way, but boldly re-inventing it. 2003 should be the year of revival for modern social democracy. To achieve it, we must forge a new and distinctive agenda for the centre-left relevant to an age of unprecedented challenges.**

As part of this reappraisal, we need also to invest our energies in strengthening the ideological underpinnings of New Labour to develop a more compelling vision of the type of society that Britain should become. New Labour's challenge is fundamental. To maintain and renew its political definition positively, not negatively; what it is for, not what it is against.

Your note of 3 November sets out four distinctive characteristics of the Third Way that are beyond old left/new right:

- on the economy, fiscal discipline plus investment in human capital, science and knowledge transfer
- in civic society, a rights and responsibilities approach based on conditionality, law and order, and social programmes to address the causes of crime
- in public services, investment to secure equality of opportunity, but also change and reform; services built around the needs of the modern consumer

- in foreign policy, strong on defence, yet pursuing a broader international engagement agenda than anti-terrorism: a new global partnership based on shared values.

These are the dominant third way ideas, and they are worthy of a more considered debate than they have so far received in Britain.

Indeed, they enabled us to reconcile themes that in the past were wrongly regarded as antagonistic on the left: patriotism *and* internationalism, rights *and* responsibilities, the promotion of enterprise *and* the attack on poverty and social injustice.

These ideas also attracted the support of a remarkable number of political leaders, and successfully marginalised other currents on the left. They offered a bridge between New Democrats in the US, and European social democrats. The Third Way has established itself as a central point of reference for these debates from continental Europe to Brazil and even China.

The Third Way as it was conceived in the late 1990s also succeeded in uniting the two great streams of centre-left thought: it asserted both the primacy of individual liberty in the market economy; and the promotion of social justice with the state as its central agent. It had firm roots too in the liberal socialism of the Edwardian era embraced in practice by Keir Hardie and Lloyd George.

Of course, this was emphatically a Third Way *within* the British Labour tradition. It rejected the ideological rigidity of nationalisation and state planning of the old left. But it was equally dismissive of the old Labour right's cautious, small 'c' conservative orthodoxy. This had no ideological alternative to that outdated

agenda, but simply promised a slower pace of change. The old right elevated electoral pragmatism into a principle and adopted an authoritarian set of attitudes to go with it, while ignoring the world of ideas. The Third Way in contrast reached deep into the traditional social democratic values of a strong society enabling every individual to fulfil their potential, while advancing innovative approaches to new policy challenges.

**Yet, despite all the achievements that could be claimed for it, the Third Way has not performed as effectively as it might as a vehicle for advancing progressive ideas:**

- the Third Way remains clearer about what it excludes than what it includes, and it has not always provided a consistent ideological route map to guide policy choices
- within the UK, it has failed to inspire a broader debate beyond the immediate confines of the New Labour governing class, and is too often seen as little more than a justification for what Labour is doing in government. It allowed itself to be positioned as a wholly new politics 'beyond left and right', and as antithetical to the Labour tradition, despite the modernising roots planted by Durbin, Gaitskell, Crosland, Healey, and Kinnock
- is seen by too many as merely a smokescreen for social democratic conservatism, not serious about radical change. Too often it seemed to promise merely an acceptance of the prevailing orthodoxy, for example over monetary and fiscal questions and the direction of macro-economic policy

- it has lost momentum as the very consequence of its success. All political ideas gain strength through argument and vigorous contest. But the energy that New Labour gained from defining itself against Old Labour and the New Right has substantially diminished since 1997.
- internationally, while the Third Way succeeded in providing a bridge to the Clinton Democrats, US politics has moved on especially with Gore's decision to depart the scene. Schroder no longer finds the Third Way useful and it acts as a barrier to co-operation with our two key European partners, the SPD and the PS
- finally, it is viewed even by sympathetic academics who adopt a pro-market, egalitarian position as political pragmatism, not a distinctive agenda for radical change and as a result most books on the Third Way (Giddens' latest on 'Where Now for New Labour' is symptomatic) are ex-post rationalisations, not serious strategies that could act as a guide to governance. It has also forged fewer links with the more exciting and dynamic intellectual currents in economics, management theory and social policy.

**To be a lasting legacy, the Third Way should not be rejected, but it does need to be renewed and re-branded.** In this note, we propose to use the progressive governance summit and the preparations for it as an opportunity:

- First, to re-energise the new politics that the centre-left is forging in Britain and beyond, and to develop a new phase that builds on the Third Way, but also moves beyond it. The ultimate test of the brand is whether it enables social democratic parties to win, use and retain political power; where it is not succeeding it needs to be recast.

- Second, to examine how we go about advancing our ideas by enriching the social democratic values and philosophical roots, and anchoring them firmly to New Labour's renewal as a political project.
- Third, wrenching the modern centre-left even further from the failed ideological dogmas of the past.

The core, animating idea of this new progressive agenda is responding to the crisis of the post-war 'big state' with a coherent modernising project to transform the nation-state as we know it. It must reconcile the mission of reform in the public sector with the traditional goals of equity and social justice.

This advances the case for modernisation on the basis that the central state has under-performed as the primary agent of greater equality and meritocracy in society. It builds directly on the Fabian Pamphlet and Conference speech.

This accepts as its founding premise that public services should not merely respond to the demands of the modern consumer, but that state-funded and provided services have done relatively little to combat poverty and promote social mobility in post-war industrial societies.

For example, Julian Le Grand has shown that the richest 20% of households today receive three times the national expenditure on education as the poorest 20%. He argues, "the provision of free state education has created neither equality of use, cost nor outcome. Indeed, it is possible that it may even have created greater inequality". A similar pattern of distribution occurs in the NHS where

disadvantaged areas tend to have worse heart disease and cancer facilities, and suffer worse standards of primary care.

This debate about the crisis of the post-1945 social democratic settlement is increasingly relevant to centre-left parties everywhere, gives us definition against other currents on the left, and is sufficiently contested to re-energise the battle of ideas. This is part of a wider argument about the nature of the modern state. How governments respond to the growth of individualism, re-create cohesive communities within a strong society, tackle new global challenges, and address the failure of traditional politics to inspire.

**This new critique of the state should drive through our Progressive Governance agenda next year. It should form the basis both of your speeches, articles and statements, and a declaration on 'the future of the centre-left' launched at the Summit and signed by the 200 leaders and senior politicians who attend it.**

To advance a stronger, more coherent account of progressive centre-left politics we need to sharpen the positions, clarify differences with others and take on new intellectual and ideological enemies. These might emerge in the form of a reheated classical liberalism (anti-regulation, anti-targets and national standards, new forms of 'laissez-faire' localism), a reaction against multiculturalism, or indeed new forms of anti-globalisation from the far left.

We must apply this new progressive analysis of the state and our emerging vision of 'enabling' government to achieve greater clarity over key questions:

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- on investment, we must define a set of principles that enable us to make decisive choices about tax and spend, and the legitimacy of user charges in funding public services (we are at the point of accepting this principle for roads and higher education, but what are the limits and on what basis?)
- on the economy, how we devise new forms of security for working people in response to a more rapid pace of industrial change; and strengthen the underlying productive capacity of our economic base?
- on public services, explore the potential of markets further, the extent to which regulation can substitute for monopoly, and whether there are in fact limits in principle to private involvement in the public sector?
- on reform, clarify the balance between bottom up reform, and command and control approaches in restructuring public services; also reconciling in our account both the claims of choice *and* equity, and the belief in market incentives with re-inspiring the public service ethos or 'covenant'?
- on rights and responsibilities, how do we apply the concept of responsibility across the entire scope of our policy agenda? At the same time, to the extent we believe that crime and disorder are in part the consequence of social breakdown, how do we ensure that sanctions to enforce responsibilities (i.e. benefit withdrawal or imprisonment) do not exacerbate existing strains in the social fabric?
- on liberty and devolution, explicitly defining where we stand on civil liberties and the scope for further constitutional reform?

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- on the environment, developing a stronger account of sustainability and the impact of environmental change on economic development?
- on international affairs, to what extent are we prepared to pool sovereignty to gain real influence in the world?

But this should not only define a framework for responding to future policy challenges across centre-left parties internationally. We must also sketch out an ambitious governing agenda that is capable of sustaining New Labour for a third or fourth term. It should explore, for example:

- a distinctive approach to new forms of ownership including assets, pensions, corporate reform and housing strengthening the role of mutuals and the third sector. For example, the principles underlying foundation hospitals need to be applied far more systematically to each institution in the public sector
- innovative approaches using increased investment in human capital as a means of distributing income and wealth more equitably in the knowledge economy (for example, radical experimentation on class sizes, curriculum design and teaching and learning to narrow the class divide in educational attainment)
- applying an analysis of duties and obligations to business, what it is legitimate to ask of the private sector in terms of training, flexibility, pay and conditions, and meeting environmental concerns, without imposing unnecessary social costs that damage enterprise. Increasing employee commitment to the firm in return for employer-provided benefits

- a rigorous approach to the question of work/life balance that no longer presumes work is the 'be all and end all' of life, but which instead meets an increasing public demand to, for example, trade money for time, to take one year off in five, to work later in life but more flexibly and to strengthen even further entitlements to maternity and paternity leave. Our conception of an active labour market could be less fixated with paid work as the determinant of participation, and treat volunteering, caring and unpaid employment as equally deserving. Also, while employment-promoting programmes have helped to lift families out of poverty, we must examine the evidence that these may quality in family relationships and child rearing (which can itself limit educational achievement for younger children). For example, NCSR has recently shown that in only 12% of families do both parents work 'typical' (8.30-5pm) hours. Addressing the impact is a crucial future challenge.
- on public services, be far more radical about the role of the state as regulator rather than provider, opening up healthcare for example to a mixed economy under the NHS umbrella, and adopting radical approaches to self-health. Also stimulating new entrants to the schools market, and experimenting with new forms of co-payment in the public sector.
- on migration and integration, examining in the light of the new threats to multicultural values the duties and obligations of migrants as citizens in western societies. For example, responsibilities to learn the language, find employment, and negotiate cultural conventions (such as arranged marriages).
- on global governance, reforming international institutions initially designed for another era, the UN, NATO and the European Union, to cope with the unprecedented challenge of global terror and the new forms of insecurity it

engenders. Developing effective nation-building capacity, building on US-UK success in humanitarian military intervention, and making more effective use of development aid to advance the cause of Africa.

The working programme for the progressive governance conference next year encapsulates precisely these themes of corporate reform, rights and responsibilities, global governance, migration and integration, public service reform, and the future of the welfare state in the knowledge economy. What unites this agenda for a 'new social democracy' into a compelling project of reform is a continued belief in the power of the state to advance individual fulfilment and social justice, yet fundamentally recasting government for today's world.

Our aim must ultimately be to sustain momentum, demonstrating that there is a distinctive New Labour agenda with third term potential, and a coherent international centre-left project led by you that can begin to revive the fortunes of social democrats across the world.

There are no prizes for standing still. Politics abhors a vacuum. The charge is always that reform has been insufficient, never that it has been too sweeping or radical. If we fail to break out of both the nervous caution and the knee-jerk culture of protest that has becalmed wider debate in the PLP and the Party, it will inevitably create the vacuum for an alternative left project to emerge. More seriously, it will hinder our own renewal. Ideas are more important than ever.

**The time has come to build on the Third Way and all that it has achieved, but in the true spirit of revisionism, move boldly beyond it. Next year's Progressive Governance activities provide the vehicle to do it. It is in my view**

essential we take these steps to ensure that progressive politics can meet the urgent challenges of the times.

Revised.

PATRICK DIAMOND

This is a good paper. I agree we need to take the 2nd way further & develop a new policy agenda from it. The key is the issue raised on pp 7-11. But we need a policy process for identifying these questions & opening up internal debate. What is it? People should think about it & let us discuss in Jan.

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*What of the forward proposals I have P.G. developments? File  
gone to John Reid about as to P.G. developments?  
mis x it?*

From: Patrick Diamond  
Date: 14 November 2002

PRIME MINISTER

JP, SM, AA, GM, PH, MR

## PROGRESSIVE GOVERNANCE CONFERENCE 2003

We need to take quick decisions to plan for next year's progressive governance summit and expert's conference in London (a note will follow this shortly on our long-term plan of action for the international centre-left network).

1. Annex 1 sets out the criteria for participation in the London Conference. We want to transcend the rigid organisational structure of the PES/SI to develop an active network of leading experts, politicians and advisers from progressive governments and parties throughout the world. **Do you broadly approve of the approach set out here?**

2. We have agreed a date for the conference and summit of 11/12/13 July 2003 at LSE. An April pre-meeting for the conference is also being planned. John Reid's office is involved in this to ensure the Party is fully engaged. The new Party think-tank, Forethought, will be integrated into the preparatory seminars and the conference itself.

3. We would like to do a seminar with the five working group experts (New Welfare State - Esping-Anderson, Immigration/Migration - Nicola Rossi, Public Service Reform - Elie Cohen, Corporate Governance - John Kay, Rights & Responsibilities - Gavin Kelly/Stuart White) and UK think tanks/European politicians to launch the process here in late January. This will help to ensure the progressive governance agenda encapsulates politically salient themes, and that we have firm control over the intellectual process. **Are you content to do this seminar?**

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4. Both Tony Giddens and Peter Mandelson could chair the London conference. They did an excellent double-act on the future of the Third Way at Geoff's Sherpa meeting this morning. Each has their advantages. Our preference would be for co-chairs with Tony Giddens acting as the intellectual figure-head leading the working groups, and Peter M. chairing the conference itself and leading the planning process. **Are you content with this designation?** ✓

5. The full engagement of the US New Democrats is vital not just for the success of next year's conference and for sustaining the next phase of the international Third Way, but for the future of the progressive network. We should invite a small group of key DLC people (including Al From, Will Marshall and a newly elected state governor) to London in January for preparatory discussions. **Would you be prepared to see them for half an hour?**

Yes

Pat Diamond

PATRICK DIAMOND

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## ANNEX 1

### PROGRESSIVE GOVERNANCE EXPERT CONFERENCE

This note sets out the broad criteria to determine who should be invited to the progressive governance conference in April/July 2003. The aim is to transcend the formal representative structures of the PES/SI.

Note that the countries currently participating in the progressive governance summit under Geoff Mulgan's direction are the UK, Germany, Sweden, New Zealand, Greece, South Africa, Poland, Canada and Brazil.

### APRIL WORKING CONFERENCE INVITEES

- (i) Experts by personal invitation of the Prime Minister.
  - We need PN to identify who the relevant experts are across Europe. (Trawling European think-tanks and policy publications. List advisers to European Commission.)
- (ii) Heads of Government sherpas.
- (iii) PES nominees (leaders in opposition as well as Government).
  - Letter from TB to PES leaders asking them to nominate two personal representatives for discussions on future of centre left/political strategy preferable to formal invite to parties (would end up with international secretaries).
- (iv) Personal invitees of the Prime Minister.
  - Non-PES progressives (e.g. from Italy Rutelli, Enrico Letta)
  - DLC, other New Democrats (Al From, Will Marshall)
  - Eminent Europeans who wouldn't be nominated by Party Leaders (DSK, Lamy, Vitorino)
  - Bright young things (eg Michael van Hulten – Dutch MEP; Michael Roth - Bundestag)
- (v) UK participants
  - Special Advisers
  - Think Tanks/Academics

- Ministers
- Backbenchers

#### JULY INVITEES

All the above plus (our instinct is that it will be better to have the same core group on both occasions):

- (i) [Five] nominees of each participating Head of Government.
- (ii) Distinguished US Democrats and state governors e.g. Bill Clinton; Al Gore; John Edwards.
- (iii) Suitable Opposition Party Leaders outside Europe or their nominees e.g. Australia. We suggest not inviting the whole of the Socialist International on the basis that this is a network of progressive governments.

This would leave the total number of participants for April at **100** and **300** for the July conference.

**PD 12.11.02**

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right answer here. I suggest  
Hardy For. but this is in hand  
other ideas  
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of the the

From: Patrick Diamond  
Date: 14 November 2002

PRIME MINISTER

JP, SM, AA, GM, PH, MR

## PROGRESSIVE GOVERNANCE CONFERENCE 2003

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3. We would like to do a seminar with the five working group experts (New Welfare State - Esping-Anderson, Immigration/Migration - Nicola Rossi, Public Service Reform - Elie Cohen, Corporate Governance - John Kay, Rights & Responsibilities - Gavin Kelly/Stuart White) and UK think tanks/European politicians to launch the process here in late January. This will help to ensure the progressive governance agenda encapsulates politically salient themes, and that we have firm control over the intellectual process. **Are you content to do this seminar?**

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10 DOWNING STREET  
LONDON SW1A 2AA

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From the Policy Adviser

30 October 2002

Dear Tony

### PROGRESSIVE GOVERNANCE SUMMIT - JULY 2003

I promised you a note setting out the key themes that we ought to cover in our presentation to the meeting of the Progressive Governance Network sherpa's at No.10 on November 15 (we may need to discuss some of these issues further at our meeting on November 12 with Peter Mandelson, Fiona Millar, Andrew Adonis, Matt Browne, Geoff Mulgan and Frederic Michel who will form the core of the steering committee for the summit).

1. Timing of the summit: 11/12/13 July 2002 at the LSE. There will also be a preparatory seminar in April and possibly a launch event for the forward programme at No.10 in January (dates to be agreed).

2. Organisation: preparation for the conference, including the commissioning of expert papers and initial discussions, will be led by Tony Giddens with a steering group composed of us, key academics and think-tanks. Policy Network will provide the secretariat and funding for the preparatory work. The LSE will provide the venue for the conference. This will take place alongside the leaders meeting though we expect that many of the leaders will also participate in the expert's conference.

3. Overall theme: 'opportunity and security in the knowledge economy - renewing progressive politics' i.e. centre left renewal. This will be a 'fightback' event on the part of modernising social democrats in Europe - a Lisbon summit for the left.

The key issues to be addressed through expert papers and working groups are:

- public service renewal
- migration and integration
- the modern state in the knowledge economy
- national and international corporate governance
- rights and responsibilities (i.e. crime, the family)

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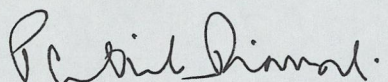
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4. Who will this involve? We want each country to nominate experts to take part in the working groups and subsequently the conference itself. Advisers from Prime Minister's Offices will also be eligible to participate.

5. Outcomes: our objectives for the summit are first to articulate a confident modern social democratic agenda for the future. Second, to generate a stream of favourable media comment and analysis. Third, to produce a series of publications and a major final report following the conference to sustain the dialogue. Fourth, to strengthen the political identity of the Progressive Governance Network.

You may also want to share with the meeting broader reflections on the current state of progressive politics to provide a context for the work of the summit and expert's conference. The sherpas may also query whether we envisage a communiqué emerging from the conference that sets out the future challenge for progressive politics, particularly on international issues – sustainable development and the Doha round, progress on Kyoto, debt relief and poverty, and the international economy and its governance. Let's discuss this further when we meet.

I am copying this letter to Jonathan Powell, Andrew Adonis, Geoff Mulgan and Roger Liddle here and to Frederic Michel (Policy Network).

  
PATRICK DIAMOND

Professor Tony Giddens  
Director, London School of Economics

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