

SOCIAL DEMOCRACY — VERSUS — LIBERTARIANISM



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There is a considerable lack of clarity about the ideological principles of New Labour. While there may be numerous policy documents emerging of varying degrees of specificity, what is lacking is a clear declaration of the principles underlying these new policies. The new clause IV of the party constitution is vacuous. The party declares itself to be a democratic socialist party, but fails to replace the old definition of socialism as nationalisation with any other one that goes beyond platitudes. One obvious place to seek those underlying principles is in the social democratic ideas of Anthony Crosland, author of the classic text *The Future of Socialism*.¹ However it is accepted by modern social democrats that Crosland needed revision because of the collapse of his optimistic view about continuous economic growth that would pay for ever increasing public expenditure. Therefore I thought it useful to examine a book by social democrats who sought to update Crosland in 1981 in *The Socialist Agenda: Crosland's Legacy*.² Most of the contributors are now prominent intellectuals in and around the New Labour party. David Lipsey writes for the *Economist*, Dick Leonard is an influential journalist, Colin Crouch is co-editor of *Political Quarterly*, Maurice Peston and Raymond Plant are Labour spokesmen in the House of Lords, and Giles Radice MP is a Labour spokesman in the Commons. They are now more constrained from fully and clearly stating their real principles in order to avoid internal disruptions and damaging electoral consequences, so their real opinions may best be discovered through their earlier writings.

This book was reviewed primarily as the social democratic response to the left dominance of the Labour party. Certainly the authors made their opposition to the left clear, but there remained a certain ambiguity in that rejection, following Crosland himself. Their most serious objection to the left was that it would irresponsibly condemn the Labour party to permanent opposition, a claim reinforced by the experience of Labour's successive electoral defeats. Dick Leonard's essay on "Labour and the Voters" stressed the deep gap between Labour principles and the views of ordinary Labour voters. However, this emphasis on electoral considerations and the relatively little discussion of the totalitarian and authoritarian aspects of the left suggests that social democrats remain unreliable defenders of freedom. When it comes to the crunch, "this concern for holding the party together" (p. 12) which Crosland demonstrated over the European Community, and for which Harold Wilson was praised, contributed to the continuing domination by the left. While the book was treated as an attack on the left, in fact the contributors were more concerned with attacking the Conservatives. They were still in thrall to the idea of 'pas ennemis de la gauche'.

Their attack on the right was much more vitriolic than anything they said about the left. "Thatcherite Toryism" is treated with "whole-hearted disgust", associated with a "dog-eats-dog society ... and its accompanying attitudes of intolerance, whether of blacks,

'scroungers' or trade unionists" (Lipsey, p. 31). The attempt by the Conservatives to reduce the rate of government growth is described as "violent ideological hostility to all public spending apart from the police and the armed forces" (Crouch, p. 156). Peston even doubted the Conservative commitment to freedom and democracy. Nowhere was such strong language used against the left. Their debate with the right, and especially libertarians, will be the main theme of this discussion.

SOCIALISM

The first problem must be to define socialism and its relationship with social democracy. Professor I. M. D. Little reminded us of Crosland's own definition of socialism: "a reformist movement towards a society of greater economic and social equality in which class distinctions will be greatly reduced (especially in the UK) and poverty eliminated to the extent which is possible by means of social action. A high degree of liberty of the subject (in the 'liberal' sense of non-coercion) is also an end, which precludes the predominant state ownership of the means of production" (p. 63).

This definition immediately raises problems. It rejects the classic definition of socialism as the common ownership of the means of production, distribution and exchange. That Crosland did reject public ownership as a major aim (although willing to consider it in particular circumstances) was made absolutely clear in Dick Leonard's memorial (p. 10). Peston gets into great difficulties here. He stated that "the distinguishing characteristics of a fully socialist economy (in the traditional sense) must be public ownership of capital and public enterprise" and recognised that "economic freedom ... must be severely limited in a purely socialist system" (p. 192). However, his main concern is to refute any suggestion that socialism could be a threat to liberty, by saying that "socialism for me is represented by the policies of the Labour party or the Swedish Social Democrats or their equivalent in Norway or Holland". If one ignores the strange claim that an ideology is best defined by the policies of parties associated with it, the continental parties he identified are notable for not calling themselves socialist and for giving a low role to public ownership. In other words, they show very few of Peston's "defining characteristics" of socialism. It would appear to be another example where social democrats are unwilling to abandon the 'hoorah' word of socialism, while seeking to distance themselves from its substantive content.

A contradiction in Crosland's own approach should be noted. He took an "empirical" approach to the question of state ownership. (He would have disliked the term "pragmatic".) He was a passionate advocate of the public ownership of land. "He advocated nationalisation of land twenty years before the Community Land Act was placed onto the Statute Book" (p. 10), and that Act was described as "his major legislative achievement" (p. 13). Whether public ownership of land is compatible with the wealth-creating market economy Crosland favoured is not considered. The State or its agencies would have to decide to whom land is to be allocated, which would involve judgements between the merits of factories versus housing, or a factory producing shoes versus one producing CDs. Such decisions by the State, as Crosland should have realised, will be economically inefficient. More seriously, it would go against the deeply felt desire by most of the working class to own their own home. Crouch noted that "council housing is not administered primarily in the interests of the people who inhabit it, but on behalf of an entirely depersonalised public" (p. 176). Crosland's scepticism towards public ownership was as valid in land as in any other area.

EQUALITY

There can be little doubt that the objective closest to Crosland's heart was equality, and it was this concern which he felt most sharply divided him from the Conservatives. Raymond Plant thus devoted a chapter to equality. He examined the inadequacies of the concept of "equality of opportunity" because of its impossibility of achievement and the loss of other values required to equalise starting points. Plant might prefer the term "a career open to the talents", as suggested by Hayek.³ Plant also rejected "equality of results" as "inconsistent with political and civil liberties" and weak in efficiency (p. 140).

Plant tried to save "equality" by adopting Crosland's "democratic equality": "a principle of presumptive equality coupled with a view



Political Notes No. 112

ISSN 0267-7059 ISBN 1 85637 302 9

An occasional publication of the Libertarian Alliance
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FOR LIFE, LIBERTY AND PROPERTY

about the range of justifiable inequalities which are required as a rent of ability if important economic functions are to be performed" (p. 144). Therefore any inequality can only be justified if it is necessary to achieve a necessary task. Crosland associated his ideas with John Rawls as a philosophical defence of distributive justice. However, there is a significant difference between Crosland and Rawls over whether justifiable inequalities exist only if "differential rewards work to the benefit of the community as a whole" (p. 142), as Crosland argued, or whether it must work for the benefit of the poorest as Rawls suggested. These are in fact two different principles and not, as Plant suggested, merely the practical application of Rawls's more abstract theory. Plant then concentrated on defending this concept against four conservative and libertarian criticisms. His response to the left barely occupied a page.

The meritocrats, who believe that rewards should be distributed on the basis of moral merit, were rejected because talents and abilities are morally arbitrary "in the sense that the individual is not fully responsible for them and they are in large part the result of genetic endowment and fortunate family background" (p. 141). Hayek made a similar point that "it is neither desirable nor practicable that material rewards should be made generally to correspond to what men recognise as merit" but on the basis of value or usefulness to particular people.⁴

The second objection was that "the greater the relative equality prevailing, the more all surviving inequalities (and Crosland permitted some) will be resented" (Colin Welch, p. 145). Plant's reply appeared to be that those inequalities will be recognised as legitimate by the creation of a moral consensus. However, the point about a free and pluralistic society, in which people have different values and priorities, is that there is no consensus on the distribution of goods and services, or on justified inequalities. This is at the heart of Hayek's attack on "distributive" or "social" justice, now one of the popular phrases of New Labour. Agreement would have to be imposed. Any attempt to realise the concept of social justice must be coercive, as the history of every socialist society demonstrates.

The third objection was from Ian Gilmour: that social democrats refuse to specify how much equality is desired.⁵ Plant's reply is that "democratic equality ... cannot specify in advance and for all time the range and nature of inequalities which will be made legitimate by the rent of ability criterion" (p. 144). In other words, there is no "end-result" of equality, but distribution will vary with circumstances. Plant gave a reference to Robert Nozick (p. 137), yet ignored his argument that Rawls's concept of justice necessarily involves "end-result" principles.⁶ Plant however appeared to share with Nozick a 'historical' conception of justice, that "circumstances or actions can create differential entitlements or differential deserts to things".⁷

The final objection considered is Hayek's view that social justice is a mirage. "Since difference in wealth and income are not the effect of anyone's design or intention, it is meaningless to describe the manner in which the market distributes the good things of this world among particular people as just or unjust ... no test of criteria have been found by which rules of 'social justice' can be assessed ... they would have to be determined by the arbitrary will of the holders of power."⁸ Hayek's objection is rejected not as untrue but as irrelevant. "Hayek wishes to draw the conclusion that because there is no distributor or agency, there can be no injustice, and the outcomes of exchanges have to be accepted for better or worse as unjustifiable" (p. 151). This is portrayed as abandoning the search for just principles to govern the distribution of benefits (p. 136). "We have to have either more equality or less, or the present amount; and politicians, in deciding which of these is the correct objective cannot but make some supposition about the welfare of the community" (Crosland quoted, p. 137). This provides another opportunity for social democrats to express their smug self-satisfaction, that they are concerned with moral values, while libertarians have none.

Anyone who has read Hayek's philosophical works will recognise that his central concern is to establish the moral principles of a liberal society. The distinction between social democrats and libertarians is not between morality and amorality, as social democrats like to believe, but in their conception of the nature of the moral principles that should govern society. Hayek would disagree with the Crosland quote. It implies what Hayek would call 'constructivist

rationalism' — which assumes that all social institutions are, and ought to be, the product of deliberate design.⁹ The principles of society arise, and should arise, through spontaneous action, such as the market, rather than by the deliberate decision of someone or some body, the result of human action but not of human design.¹⁰ This is not only how society has evolved, but also how it should evolve, because the alternative is to concentrate power into the hands of one person or group to decide how society should be, and therefore how the individuals within that society should act.

Does this mean, as Plant implied, that libertarians have no conception of justice? Emphatically not. Hayek saw justice as the establishment of general, abstract rules which apply equally to all to enable the individual to pursue his own values to the maximum extent without destroying the freedom of others.¹¹ Nozick developed a libertarian theory of justice as entitlement. It is not an 'end-result' principle, but a historical principle of entitlement (how the distribution comes about). Provided that all holdings were obtained voluntarily (i.e. without the use of coercion), then the distribution is just. One result of the adoption of this view is that, *contra* Crosland, politicians do *not* need to decide whether there should be more or less equality. That should be left to the voluntary transactions of individuals.

This leads to an objection to which Plant only alludes. Inequalities can be justified as necessary as "a rent of ability — the amount of material (or for that matter non-material incentives) which would be necessary for individuals to perform tasks without which the whole community would suffer" (p. 142). This sounds similar to the market price for labour, where the wage paid is that necessary and sufficient to obtain the quantity and quality of labour required. The difference, of course, is who decides whether the community would suffer without the task. The market only requires that someone wants the task and is willing to pay the price necessary to obtain it. The community does not share a single purpose and any state action will benefit (and harm) some more than others. Who is to decide which inequalities are justified either for the good of the 'community' or, *à la* Rawls, requires that the task is to the benefit of the least advantaged. The assumption is that the decision-makers would have the same values as the social democrats themselves. If the decision was left to the 'working class', the 'masses' or the majority', is it certain that they would justify resources being spent on Crosland's preferences for classical music and jazz, tennis and art, or "open air cafes, brighter and gayer streets at night, more local repertory theatre, better and more hospitable hoteliers and restaurateurs ... more murals and pictures in public places, better designing in furniture and pottery" ... etc. (p. 10)? Could they really be justified as helping the least advantaged, and more important, for Crosland's argument, would a democratic majority recognise that justification?

Crosland's commitment to equality was based on "the assumption that the things which he himself liked and enjoyed should be available to everyone" (p. 10). He neglected to consider the possibility that having been offered them, the working class might have other preferences. It reminds one of the occasional productions of opera on ITV, put on to please their political masters and their intellectual peers, accompanied by a massive switch to other channels. If the provision of opera cannot be justified to the majority as helping the weakest, then it would disappear under "democratic equality", and yet it was precisely such provision that was central to Crosland's desire for equality.

LIBERTY

Peston goes on the offensive to reclaim liberty for social democrats back from the right. He asserts three propositions: "(i) most people have more freedom today than at any time in Britain's history; (ii) in the twentieth century this freedom has stemmed more from the activities of the socialist movement in this country than any other political movement; (iii) it is not the socialist movement in this or any advanced society which today threatens freedom" (p. 189). Indeed he implied that libertarianism is the real source of danger to liberty.

Peston spent little time justifying his first two propositions. They were simply assumed. The belief that the growth of the State involves a serious threat to our liberties, referred to as believing in "The Path to the Gulag Archipelago" is described as "ludicrous" (p. 196). The libertarian argument is not, as Peston suggested, that

movement towards a totalitarian state is inevitable, but that if socialist ideas are taken to their logical conclusion that would be a totalitarian state, an argument Peston seemed to accept (p. 192). The problem with his argument about increased freedom (and also that of some right-wing doomsayers) is the lack of specificity.

Nowhere does Peston explain his conception of liberty. This much disputed term apparently required no explanation. This perhaps is not so surprising when one considers that Crosland himself, despite his frequent references to his belief in liberty, provided very little discussion or analysis of the concept. Indeed the two quotations from Crosland on liberty in Peston's essay provided virtually his only major discussion of the concept. It is true that most people's freedom of choice of goods and services has increased considerably, but this is mainly due to the increased prosperity created by the wealth producing private sector. In the important areas of education, health, freedom of employment, etc. where the State has played the greatest role, freedom of choice is far less. The question is not whether the individual has more freedom today than in the past, but whether those freedoms that have increased are due to capitalism or socialism, and whether a free society would increase freedom more than socialism. The weakness here as elsewhere in social democracy is its ahistorical approach of judging the past in terms of the ideas, knowledge and resources of today.

However, Peston's real concern was to taint the right with a lack of attachment to liberty. "It has not been a uniform characteristic of those on the Right that they immerse themselves in the struggle for freedom" (p. 186). He is correct that the attachment to liberty is not uniform on the right but libertarians are not the sole element on the right, indeed they are not the main element. Peston, like most of the other contributors, preferred to blur any distinctions by describing his opponents variously as the Right, Conservatives, the radical Right, capitalists, libertarians and the extreme right. Peston correctly stated that many Conservatives are concerned only with certain sorts of freedom, particularly economic, but Conservatives are not necessarily libertarians. Libertarians favour liberal causes in noneconomic fields, but their emphasis is often on economic liberalism because of the fundamental importance of economic freedom to the exercise of other freedoms.

Much confusion arises over the term 'capitalism', the private ownership of capital, and the favoured term of abuse in this book. Libertarians prefer to talk of the market, the voluntary exchange of goods and services. Private ownership of capital is a necessary but not sufficient condition of the market. The danger that capitalist businessmen will manipulate the government to protect their position is more likely to be found in the social democrats' moderate interventionism than in a libertarian state which concerns itself, not with detailed legislation, but only with the establishment of general rules, and has constitutional balances to discourage the take-over of government by special interests. Libertarians do not claim, as Peston suggested, that "capitalism is the basis of freedom and leads inevitably to it" (p. 191). They argue that only those societies with a high degree of economic liberty have a tendency to have a high degree of political and civil liberty as well. This is not to state that capitalism is a sufficient condition for liberty, only that it is a necessary one. There does not appear to be any society which has a state controlled economy which is also free and democratic.¹²

Peston is confused about the term "freedom". In his attack on capitalism, he assumed that one man's increase in material goods (more freedom) must be at a price of less goods for another (less freedom) (p. 193), but the point about a voluntary transaction is that it does not occur unless both sides believe they benefit. The market is not zero-sum. He also confused 'rights' with freedom. Thus he implied that freedom includes the right of alternative points of view to be published in Tory newspapers. That might be beneficial, but it is not a denial of freedom. You have freedom to express your opinions, but I also have the freedom not to listen or report your opinions. Newspapers should have the freedom to choose what they print as should any group or individual. Who should decide what the papers should print is not made clear.

His favourite accusation is that libertarians are really dictators. "Given a choice between capitalism and parliamentary democracy, they will choose the former" (p. 200). He is correct that faced with such a choice, freedom has priority over politically determined deci-

sions, whether approved by a democratic majority or not, but this is not an argument for dictatorship but for less government. Libertarians (except for anarchists) believe in democracy for those issues *which must be determined collectively*. Libertarians deny the right of the State, whether controlled by powerful interests or by a majority, to do whatever it wants — an objection to unlimited political rule. Political freedom is not, as Peston suggested, that the State has unlimited freedom to do as it wishes. Government is always coercive, but may be justified if it reduces private coercion. It is for this reason that libertarians often believe in constitutional reforms, such as a Bill of Rights, bicameral legislatures, and the separation of powers. To translate a belief in limited government (which surely social democrats share to a lesser degree) into hostility to parliamentary democracy is an unjustified and mischievous claim.

In summary, Peston's claim that the Conservative commitment to liberty is not total may be correct, but no libertarian would claim that all Conservatives are, or ever have been, totally libertarian. There are certainly Conservatives who have a weak commitment to liberty and limited parliamentary democracy, but libertarians are not to be counted among them.

TRADE UNIONS

There has been considerable debate about the changes in the relationship between the Labour party and the trade unions with regard to their internal role and power. Less attention has been directed to the more significant question of the relationship between a future Labour Government and the unions. The popular assumption is that reducing their power within the party would reduce their power with the government. But the influence of the unions is determined more by the nature of the policies pursued than by the nature of intra-party power. Thus post-war Conservative governments were strongly influenced by them without any formal relationship, indeed combined with expressions of public disapproval. Evidence that a Labour government will develop a close relationship with the unions, even perhaps a return to corporatism, can be found in Blair's proposal that the minimum wage should be determined by the government, unions and business together, a classic corporatist arrangement. If Labour pursues a policy of increased regulation of the labour market through such policies as the Social Chapter, and seek to reduce unemployment without relying on the market, it is difficult to see how they can avoid a dependency relationship on the unions.

The greatest threat to liberty and parliamentary democracy may still lie in the trade unions, a possibility that some of these social democrat writers are willing to consider, unlike so many in the Labour party who still treat the unions with reverence as the embodiment of the working class. A third of the book discusses the question of whether "modern trade union power" is compatible with non-inflationary growth. The virtue of this discussion is not that a coherent social democratic view emerges (the four authors' views are highly divergent) but that they recognised the existence of a problem.

Little raised the question "whether widespread strong trade unions and professional associations are compatible with social democracy at all" (p. 72), or even democracy. He argued that inflation and slow growth is "primarily the result of a growth of nodules of power outside democratic government". His analysis of the situation is highly pertinent, but he provides absolutely no suggestions on how this power can be constrained within social democracy.

Professor James Meade presented the case for an incomes policy. He provided a superb analysis of the problem, although he did not recognise that his five causes of union power are directly or indirectly the result of government intervention. He condemned free collective bargaining as "uncontrolled monopoly bargaining", without emphasising that it is the monopoly aspect that is most damaging. Meade's solution was moderate monetarism and some "method for fixing rates of pay which ensured the attainment and preservation of full employment" (p. 84). Meade provided a masterful attack on comparability, productivity and low pay criteria. He was full of numerous useful suggestions for improving job mobility; expressed considerable scepticism towards labour co-operatives; and rejected corporatism and a centralised incomes policy. There is much of considerable value here.

However he explicitly rejected the logical conclusion of his argument, the market solution of increasing competition in the labour

market, despite his recognition of its sense as an economic solution (pp. 92-94). He justified his rejection of the market, and his support for an incomes policy, on four claims. Firstly, he believed that the market would have to rely on the threat of starvation for the unemployed to maintain incentives, which he regarded as unacceptable. However, for the vast majority of people, the desire to improve their own conditions would be sufficient incentive, provided they felt they could keep the rewards of their efforts, and could not achieve an equal or even higher standard of living by not working. If the obstacles to entrepreneurship, and thereby employment creation, are removed then this will not be a major problem (unless equality between the employed and unemployed is goal). That small minority who would not respond to such incentives would be catered for by charity, especially if, as Meade believes, most people shared his rejection of allowing people to starve: they could join him in contributing to charities.

His second objection was the need for a sense of community among workers, expressed through trade unions. One may doubt the degree to which trade unions still provide that sense of community for most workers, but the market (voluntary exchange) does not require "bashing or eliminating the unions", only that the state itself does not actively support their power and prevents their use of coercion. Voluntary unions would be allowed to bargain with employers, but employers would not be obliged to negotiate with them. The decision must be left to the employers themselves. Those who make the wrong decisions will soon feel the pressure of competition. Meade underestimated the many forms that community can, and does, take other than unions.

His third objection, that economies of scale would mean few employers against a dispersed work force, would require more of a detailed economic response. One can point to the increasing recognition of the disadvantages of large scale enterprises, the resurgence of small work units, the surge in the number of the self-employed and small businesses, and the role of government itself in promoting and protecting large companies. The greatest defence for an employee is the ability to go elsewhere and that is best protected in a flexible market economy.

His final objection was that the movement of labour will often be slow, and will never be free and costless. Much can be done to improve mobility, as Meade recommended, but the problem will exist in a market economy. However the problem will always exist in any dynamic economy, even with his incomes policy. The libertarian argument is not that the market works perfectly, but it works better than state intervention. The cost of labour movement will be lower in a market economy than either in one with an incomes policy or with the highly regulated labour market Labour currently favours.

Ultimately Meade must be rejected because of his basic theme that the state must fix money rates of pay. He proposed a moderate, decentralised incomes policy, but nonetheless an incomes policy. Meade's incomes policy shares the economic weakness of all incomes policies, the rigidity it introduces into the economy, the political weakness that it requires some group of people, in Meade's case a Pay Commission, to determine people's pay, and a moral weakness that income is coercively decided by force of law. Even if Meade was correct in his assumption that "there is a widespread measure of support" for an incomes policy, there is no equally widespread consensus on how each should be paid. Support for an incomes policy is very different from support for any particular incomes policy. Meade assumed (as social democrats so often do) that the people making the decisions would have similar preferences to himself. There is no reason for the rest of us to be so optimistic.

If Meade must be rejected, at least he is to be preferred to McCarthy and Radice, who offered a refurbished 'social contract' solution. McCarthy argued for a permanent, long term and centralised incomes policy with all the predictable unacceptable results. Moreover, because he required the great majority of trade union leaders (note: not members) to co-operate to obtain success, he was willing to pay the trade unions' price of price controls, import controls, restrictions on the self-employed, repeal of Conservative union legislation, and the restoration of union immunities. In other words, another Social Contract where the unions obtain their demands in

return for promises on pay control on which they are unable to deliver. At least Meade learnt something from recent history.

However, Radice is even worse. He refused even to accept the social democratic critique of unions, and vigorously defended the closed shop. It is not clear whether this is due to a real commitment to unionism, or to his belief that "Labour's link with the unions remains amongst the party's greatest assets" (p. 125). The desire for political power was probably uppermost.

Radice believed that "the Labour party will be entitled to make the kinds of demands of trade unions that will normally only be justified in wartime" (p. 126) because of the grave economic crisis. He offered to the unions: government intervention in industry, which he modestly admitted "has not always been successful"; import controls, a betrayal of any internationalism in social democracy; a wealth tax reducing private investment and entrepreneurship; industrial democracy, in which unions have displayed little interest; restrictions on multinationals which would require a degree of international co-operation at which governments have not proved very adept; and improved "staff status", which seems mainly a plea for reduced differentials, the case against which Meade expressed and for which unions are not great advocates. In return unions are to make promises to accept a long term incomes policy, increased productivity and internal union reform all of which are not only unacceptable to the unions, but could not be enforced even if they agreed. Radice and his fellow corporatists must recognise that a government-trade union agreement can only succeed if the unions have sufficient power to enforce that agreement on their members. Even if we ignore the coercive aspects of that power, the result would be to strengthen the unions' bargaining power much more in the future. The fundamental problem raised by the existence of union power would remain untouched.

Underlying most of the economic discussion in the book is a recognition that many of the problems are a consequence of state intervention in the past, together with the view that if only the intervening was done by us, well meaning, educated, public interest oriented social democrats, all would be well. If we are to be ruled by philosopher-kings, social democrats may not be such a bad choice. The point is that free people should not be governed by philosopher-kings, and if there was a government of such people, they would not be social democrats.

CONCLUSION

Identifying the principles that a Labour Government would follow, as distinct from the policies they will articulate to win an election, is an important task, which they are keen to make as difficult as possible. To identify their ideological predispositions before they are in power is a useful exercise. What does this tell us? Whenever the choice becomes one of increasing state power or reducing it, the attraction to social democrats of controlling the power is too great. It is for this reason that Britain's future would not be safe in their hands.

FOOTNOTES

1. Anthony Crosland, *The Future of Socialism*, Jonathan Cape, London, 1956.
2. David Lipsey and Dick Leonard, *The Socialist Agenda: Crosland's Legacy*, Jonathan Cape, London, 1981.
3. Friedrich Hayek, *The Constitution of Liberty*, Routledge, London, 1960, p. 92.
4. *Ibid*, p. 94.
5. Ian Gilmour, *Inside Right*, London, Quartet, 1977, p. 175.
6. Robert Nozick, *Anarchy, State and Utopia*, Blackwell, Oxford, 1975, pp. 198-204.
7. *Ibid*, p. 155.
8. Hayek, *Law, Legislation and Liberty, Volume 2, The Mirage of Social Justice*, Routledge, London, 1976, p. 77.
9. *Ibid, Volume 1, Rules and Order*, Routledge, London, 1973, p.5.
10. Hayek, *Studies in Philosophy, Politics and Economics*, Routledge, 1967, chapter 6.
11. Hayek, "The Mirage of Social Justice", *op. cit.*, chapter 8.
12. Milton Friedman, *Capitalism and Freedom*, University of Chicago Press, Chicago, 1967, chapter 1.