The first project is what I have called ‘vanguardism outside the vanguard’. In the wake of the decline of mass production, a new style of production begins to emerge in the world, characterised not simply by the accumulation of capital of technology and knowledge but by a new set of methods: the flexible de-standardisation of goods and services transform production into permanent innovation. However, this advanced form of production is characteristically confined to isolated vanguards in each national economy. The vast part of the labour force remains excluded, so what you need is a strategy of growth and a style of industrial policy that has small and medium-sized firms as its chief addressees and beneficiaries. Above all, this will begin to move in the direction of a change in the institutional framework. The principal method should not be the distribution of subsidies but the expansion of access to technology, credit, knowledge and advanced practice. What one should seek to develop is a form of strategic coordination between government and SMEs that is decentralised, competitive and competitive.
experimental, disseminating advanced practices that follow from mass production to large parts of the economy.

My view is that Britain has a remarkable set of advantages in the pursuit of such a project. In British society there are many of the pre-Fordist elements that would be conducive to a successful post-Fordism. There is a dense network of associational connections of social capital, and there are longstanding conditions of craft that could be built upon.

The second project is to do with the status of labour. What we think of as the natural form for the organisation, representation and protection of labour is intimately related to the ascendency of mass production in the period from the mid-19th to mid-20th century, being an assembly of a large labour force in large productive units underneath large corporate entities.

What we see now in the world is that this system is giving way to a scheme that in many ways resembles the regime that preceded this form of organisation. Labour begins to be organised on the basis of decentralised networks of contractual relations on a global scale. We lack a regime capable of organising, representing and protecting labour in this new circumstance. We should not allow the emerging system to degenerate into a universal economic insecurity. Therefore labour must propose a second regime to master this regime – and that would be one of the great economic projects of a Labour party.

And the third theme of this re-founder of the market is the reshaping of the relationship between finance and the real economy. This project has special meaning in an economy that is as financialised as in Britain. Currently we have a system in which finance is largely indifferent to the real economy in good times, and positively harmful in bad times. What we want is to make finance a good servant, rather than a bad master; to enlist finance in the service of the real economy, not simply speculative activity. What that means in practice is a series of tax and regulatory changes that would encourage financial activity related to the expansion of output and the enhancement of productivity, and to discourage financial activity that is unrelated to those goals. At the same time, the state should attempt to both encourage private venture capital and to create parastatal forms of intervention that mimic the activity of private venture capital, so that finance is coaxed into performing its major work: to be enlisted in the service of the real economy.

These are the projects that seem to me to give practical content to the general idea that it is not enough to regulate the market, it is not enough to come to balance the inequalities generated in the market through retrospective tax and transfer. It is necessary, step by step and piece by piece to transform and democratise the institutional content of the market economy, rather than just to compensate for its inequalities.

**SW:** Let’s turn to the state and politics. You’ve talked about ‘fast-time politics’ versus ‘slow-time politics’, and the function of the state in unleashing democratic energy and innovation. What do you see as the barriers to fast-time politics? What do we have to overcome and by what means?

**RMU:** Everything. The obstacles go all the way from institutions to practices to assumptions to ideas. Let me start with how one could state the general goal with respect to democratic politics. Our aim should be a politics which has three characteristics.

First, you can say that you want a style of democratic politics that is capable of mastering the restructuring of society so that the structure is not just there on a ‘take it or leave it’ basis. Second, politics should not require crisis, historically in the form of war or ruin, as a condition of change. And third, politics must be high energy – it must raise the temperature of politics and hasten the rapid resolution of impasse. Achieving this must develop from both the bottom up and top down. From the bottom up, some of the proposals I mentioned before would contribute to such an energising of democracy – ‘vanguardism outside the vanguard’, for example, would establish a superior form of agency and innovation in daily life. The state should also help to engage civil society in the provision of public services. Third, devolution can play a vital role, with more power devolved in a way which does not slow down politics but which instead allows for radical innovation and experimentation.

Thinking about the energising of British politics from the top down, rather than just from the bottom up, presents the question of how we are to approach that goal. My view has been that [it happens] through the cumulative outcome of a series of initiatives – more facility for earlier and more frequent elections, more opportunity for comprehensive programmatic plebiscites and referenda, more public financing of political activity, more extended free access to the means of mass communication in favour of the organised social movements as well as the political parties – and therefore also a decisive strengthening of the constitutional status of the electoral commission to oversee these measures.

The idea is that all of these initiatives each on their own has limited effect, but when taken together would begin to raise the temperature and hasten the pace of British politics.

This kind of energised democratic politics then becomes the political setting hospitable to the repeated practice of structural reform – hospitable to the economic project that we previously discussed.

**SW:** One risk is that this kind of high-energy politics is not necessarily progressive in its direction. What do we say about high-energy government that produces change which progressives feel uncomfortable with?

**RMU:** First let’s begin with an empirical observation: to the extent that high-energy politics now exists in the North Atlantic world, the left is humanising and pietistic and the blood and passion is on the right. Your question reflects this context.

But it is a mistake to suppose that you have to choose between a cold institutional politics and a hot anti-institutional politics. It is as if you are choosing between Maddison and Mussolini. As experimentalists we have to want institutional politics, because that is the basis for having change without crisis and the overthrowing of the dictatorship of the dead over the living, of the power of past generations to hold society to decisions. Each generation should govern itself; it should not have to accept the past ruling over it without the potential to change.

Having said that, it remains the case that this intuitional direction that we are exploring is not a perpetual motion that somehow abolishes political risk or guarantees that history will evolve in the direction that we desire. We believe that democracy is a form of education and that all of the defects and dangers of democracy are best dealt with by having more democracy. And so there will be a deepened national debate, and we might lose. It is not as if this is a guarantee – it is an act of faith in the constructive genius of ordinary men and women, and in the power of the deepened democracy to learn from experience and to cure its own defects.

**SW:** One of the tensions in British politics is the ‘European question’ – what is our place within Europe and how far we want powers to be transferred to the EU or otherwise. Could you say a little on how you think progressives should approach the European project?

**RMU:** One might say that the European Union has developed according to the following principle: that the power to define the forms of social and economic organisation is increasingly centralised in the government of the EU. The power to define the social and educational endowments of the citizens is delegated to the local authorities – national or sub-national.

What the democrats and experimentalists should want is the exact opposite; they should want the inversion of this commanding principle of the European Union. The chief responsibility of the EU should be to secure the endowments and capabilities of its citizens, including providing safeguards against economic insecurity. On that basis, to ensure the greatest possible latitude for institutional divergence and experiment in the nation states, for instance in a progressive European government like Britain, engaging with the EU should seek not to primarily exact favours for the city, but to reorient this principle of organisation and introduce an-alliance with the southern and eastern European countries that share the same interests.

Britain should therefore engage with Europe with the aim of changing the direction of the EU and of reversing its generative principle, so that the main task of the EU becomes to hasten the rapid resolution of impasse. Achieving this must develop from both the bottom up and top down. From the bottom up, some of the proposals I mentioned before would contribute to such an energising of democracy – ‘vanguardism outside the vanguard’, for example, would establish a superior form of agency and innovation in daily life. The state should also help to engage civil society in the provision of public services. Third, devolution can play a vital role, with more power devolved in a way which does not slow down politics but which instead allows for radical innovation and experimentation.

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This kind of energised democratic politics then becomes the political setting hospitable to the repeated practice of structural reform – hospitable to the economic project that we previously discussed.

**SW:** Another element of high-energy democracy that you mentioned was a bigger role for civil society in public services? Some on the left are anxious that bringing outside actors into the provision of public services somehow corrupts the character and ethos of public services?

**RMU:** As a critic of conventional social democracy, I recognise that the greatest historical achievement of European social democracy has been the massive investment in people. Anything that we do in the future has to build on that historical achievement, rather than undermine it. Because that, at the end of the day, is the real significance of the provision of public goods and making people bigger – this is the whole aim of such a project. We cannot advance if we undermine this historical achievement.
The question then comes: how are we to do this at the next stage? What now exists in the world by way of provision of public services is chiefly what could be described as an administrative counterpart to mass production: the provision of standardised low-quality public services by the bureaucratic apparatus of the state. I call this administrative Fordism. When I say low-quality, I mean services that are of relatively lower quality than analogous services that can be bought on the market by those who have money. The only alternative to this administrative Fordism appears to be the privatisation of public services in favour of profit-driven firms.

But I believe that there is a third option which will become increasingly important in the 21st century and has special appeal for progressives.

Under this third option the state should operate at the floor of the provision of public services guaranteed to everyone at a universal minimum. At the same time the state should operate at the ceiling developing the services that are most complicated, most costly and most advanced, and beyond the reach of particular social groups. However, in the broad area between this floor and this ceiling the state should engage independent civil society not for profit, but in the experimental and competitive provision of public services without ever endangering the universal minimum. The state should help to organise civil society so that it can act in this way; it should finance, equip, train and it should monitor.

It must also engage. With this engagement in the broad middle zone between the floor and the ceiling we have two great advantages. This approach is the best way to enhance the quality of the services. But it also represents the most powerful provocation to the independent self-organisation of civil society outside of the state. We progressives believe that this enhancement of the powers of agency of civil society is not simply an instrument but a value in itself. That is the fundamental conception and I see it as an enrichment rather than an abandonment of the historical commitment of social democracy to a high level of investment in people.

**SW:** Another social democratic hallmark policy is education. And you note the traditional debate in Britain has been about whether education should be something for which responsibility lies at the centre or locally. Your remarks cut through that and say such an approach misses the point – it is about the way in which education is conducted and moving away from a national substance-based curriculum towards a more analytical creative approach. Is the response to that observation just substituting one kind of content-based national curriculum for an analytical, creative educational curriculum, or is it to reject a national curriculum all together?

**RMU:** If we want a society in which the governing principle is the experienced agency of creation and construction then we have to struggle for a different form of education. It should be a form of education which is oriented chiefly to the acquisition of analytical capabilities, capacities for verbal and numerical analysis and synthesis. It should also prefer cooperation in teaching and learning to the combination of individualism and authoritarianism. It should be radically dialectical in its approach; every subject should be taught at least twice from contrasting points of view.

The family says to the child ‘become like me’. The state says to the child ‘serve me’. But somehow the school in a democracy has to be the voice of the future – it has to treat every child as a tongue-tied prophet and give them the equipment for engagement and transformation through a form of education that is rigorous but not narrow. That is the beginning of everything.

**SW:** One of the things that Ed Miliband says is that when he travels the country speaking to voters, the thing that concerns him the most is the often heard remark that ‘you politicians are all the same and none of you can make a difference to our lives’. That view that politics is essentially impotent to transform people’s lives is a big barrier that the left in particular has to overcome – how can we set about addressing this problem?

**RMU:** By demonstrations of transformative efficacy – politics when it is serious must have a prophetic element and the message of the practical prophet is always to provide small-scale changes that can be seen as down-payments on bigger changes. Only by that demonstration can one then succeed in breaking through this disillusionment and inspiring people to become disillusioned with disillusionment.

For me, propheticisation raises another concern. It is fatal in the development of a political party and transformative practice to conflate two different stages. The first stage is not to persuade others, but instead to persuade ourselves by finding a path in the imagination. The second stage is when a proposal is translated into a simple tangible discourse which meets where people are – for example, by being associated with particular incremental changes seen as these down-payments. What is fatal is when the politician begins to identify the second stage with the first stage. If the path is powerful then it will always be capable of being translated into a discourse that everyone can understand – it should prove universally seductive.

If I may conclude on a wider point. We are always threatened with squandering our supreme good, life right now – we do not live in the future. The dominant ideas and tradition always locate the good in the future, whether it is the providential future of divine redemption or the historical future of the better society. But we don’t have a future, we only have right now – so the witches’ cry to Macbeth that ‘thou shalt be king hereafter’ fails to understand that ‘hereafter’ means ‘never’. It is giving people a better chance to do more with their lives in their own time, the only time they have – which is their biographical time – and so that means that they won’t go through life in a slumber, in which their own highest good would be wasted. They will have a chance to awaken and to do something with the time of their lives within a broad range of human alternatives – that is the most important thing that the state can do for its citizens. One could analogue this relation to a parent and child – the parent says to the child ‘I love you unconditionally, and as a result of my unconditional love you have a secure place in the world, now go out and raise a storm’. That is what we should desire from society for everyone – not just for an elite of heroes, geniuses and saints, but for ordinary humanity.