

Political Ideas – Socialism (core ideas)

Politics Edexcel and AQA – revision notes – based on Hodder Education revision guides

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- (1) The origins of socialism.
- (2) The different types of socialism.
- (3) Core ideas and principles.
- (4) Differing views and tensions.

(1) The origins of socialism

Socialism is traditionally defined as being opposed to capitalism.

Capitalism = an economic system that is organised by a free market and based on private property, free enterprise and competition between individuals and various business organisations.

The term 'socialism' was firstly used by utopian socialists Charles Fourier and Robert Owen in the early 19th century.

Socialism can be broadly divided into:

1 – Revolutionary socialism = Marxism and utopian socialism.

2 – Evolutionary socialism = democratic socialism, social democracy and the Third Way.

Key values

1. **Collectivism** = people should work collaboratively to achieve collective aims; "by the strength of our common endeavour we achieve more than we do alone."
2. **Common humanity** = human nature is based on human beings being social creatures that seek cooperation in a rational way.
3. **Equality** = egalitarian society, focus on equality of outcome rather than mere equality of opportunity.
4. **Social class** = the most significant construct of identity in society, the working class is exploited by the ruling class within a capitalist oppressive system that is perpetuated by all other institutions. Class conflict is based on the control of the mean of production. Socialism aims 'to end' this situation.

5. **Workers' control** = to achieve the aim of socialism, workers should be in control = via democracy, social democracy, or revolution if need be.
6. **The difference between socialism and communism** = in socialism private property still exists and citizens control their own labour. Communism advocates utter abolition of all private property that is held, instead, in the collective body without any exclusion or hierarchy.
7. **The difference between socialism and Marxism** = in socialism, the means of production are owned and controlled by the state for the benefit of all citizens. Thus, the state is still an important concept and system. In Marxism, the final goal of the revolution is stateless and classless equal society with no private property whatsoever: utopia, an end to the dialectical forces between the infrastructure and superstructure and to the dialectic between economic forces and social political arrangements. "Workers of the world unite."
8. **Marxism is a philosophical theory whereas communism is the 'practical manual'** that translates Marxist ideas into a system of universal classless and stateless existence. While Marx's final destination was also related to workers owning the means of production, the 'mid-stages' in communist states is when governments own the means of production.

(2) The different types of socialism

2.1: Revolutionary socialism (utopian socialism and Marxism).

2.2: Democratic socialism (evolutionary socialism).

2.3: Social democracy (evolutionary).

2.4: The Third Way (evolutionary).

2.1: Revolutionary socialism

Utopian socialism

It is not the main branch of revolutionary socialism that is mostly associated with Marxism. Utopian socialism refers to various thinkers that were characterised by their radical rejection of exploitation and greed that capitalism is accused of.

Both Robert Owen and Charles Fourier proposed utopian ideal society that is organised around small-scale collective communities in the 19th century.

Marx criticised this doctrine because it is utopic and thus unattainable. He thought of it as a fancy fantasy that does not take into account the complexities of life, mankind and the forces governing the relationship between the economy and everything else in life. The irony is that communism is no less utopic.

Marxism

Marxism is a conflict structuralist and revolutionary theory that was developed as a reaction to capitalist society and the control of the ruling class on the means of production. It seeks to establish a communist classless and universal society that is based on common ownership to eradicate inequality that is inherent to free-market capitalism.

Another key principle of Marxism is the link between economic forces (infrastructure) and all other organisations/institutions and spheres in life such as culture, media, education (superstructure).

The infrastructure determines the superstructure.

- The economy determines every other aspect of life, society and politics.
- Human beings suffer from false consciousness that was promoted and ingrained by the ruling class to enable their continuous exploitation. Indoctrination and therefore the need for re-education of the masses.
- Society is divided between the proletariat and the bourgeoisie. The ruling class is controlling the means of production and is perpetuating the conflict and its power over the working class by nurturing a state of false consciousness.
- The revolution = the ruling class will always entrench its control over the means of production and its power over the working class, through various institutions, and therefore, no real option emerges for evolutionary peaceful solution. No one gives up power voluntarily; hence, the power of the ruling class needs to be conquered by force.
- Class war is based on the dialectic between the infrastructure (economic forces) versus the superstructure (all other dimensions and institutions in society).
- Common ownership means all members of society can benefit from state ownership and participate in the organisation and functioning of the means of production. In contrast to private ownership that features in free-market capitalist economy.
- Perpetuation of the conflict and the control over the means of production; only a revolution can end the class war because the ruling class is perpetuating its control over the means of production and socialise the masses into false consciousness by its control over all other organisations and institutions in society.
- When revolutionary socialism was implemented as a political system it was likely to become a dictatorship with governmental control over property (former USSR and China).

Context

Dialectic = a clash/conflict between antagonist forces at each stage of history. The dialectic refers to careful progression from thesis versus antithesis creating synthesis, and again and again.

Marx based his theory on **historical materialism** = economic conflict is the catalyst for historical and social development within society.

The historical development is galvanised by a dialectic, which is the continuous tension between contradictory forces, one is the exploiting force and the other its victim, the exploited. These forces are rooted in the economic relationship between these two forces. The ending stage for this dialectic is via the revolution in the road to communism which is effectively the end of history.

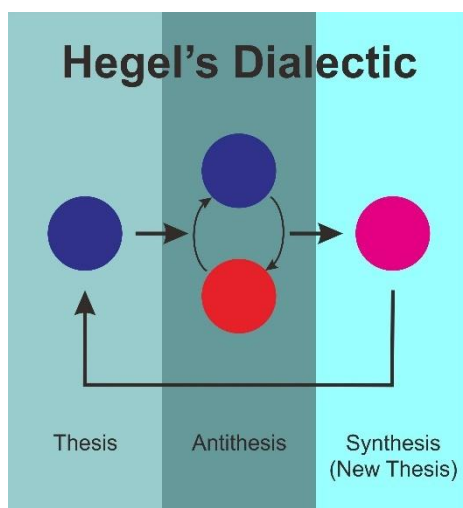
At the beginning of history:

Primitive societies with no economic organisation--- slave societies--- feudalism--- primitive capitalism--- Capitalism--- proletariat and the ruling class, then leading to the consolidation of class consciousness through educating the masses. The working class has been brainwashed and needs to be re-educated. Class consciousness will spark the revolution that is necessary in this dialectic.

It needs to move towards:

Revolution and the destruction of capitalism--- dictatorship of the proletariat--- withering away of the state and the emergence of communism--- communism.

Communism = a classless society with collective ownership on the means of production, no private property; goods and services are owned by everyone and available on the basis of need.



Hegel = reality is shaped by the mind and consciousness is the highest form of reality.

Thus, the ultimate reality is the mind, not matter; idealism.

The human mind evolves through series of stages, in dialectic, between the mind or spirit, and matter, they are interconnected but it is a critique of dualism.

Key thinkers

Karl Marx (1818-1883) and Friedrich Engels (1820-1895)

Key work: *The Communist Manifesto* (1848); *Das Capital* (1867)

Key concepts and ideas

- **Social class** = at the heart of the theory.
- Humans are **social beings**.
- **Class struggle** and capitalism.
- **The dialectic** between economic and social forces.
- **The emergence of capitalism as yet another exploitative system**, only one that focuses on the class conflict between the proletariat and the bourgeoisie.
- **International revolution** and the development of communism as a classless and stateless society.
- **Equality**.
- Communism is the only system that paves the way for the fulfilment of individuals' potential and 'true' nature that is not distorted and contaminated by exploitation.
- They believed they are offering a scientific and empirical theory of history and human and economic development. In fact, the theory is altogether **unscientific** if only because of the dialectic ideas; it can neither be tested and confirmed nor refuted. Like psychodynamic theory in psychology.
- While they criticised utopian socialism, **their theory is utopia par excellence**.
- Influenced various ideologies and revolutionary reactionary movements.

Key quotations

"Accumulation of wealth at one pole is at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation at the other pole."

"Workers of the world, unite! You have nothing to lose but your chains."

Marx and Engels' ideas were adapted by many thinkers and influenced various disciplines, often called post-Marxist or neo-Marxist. For example, Rosa Luxemburg agreed with their determinism wherein human beings are slaves to forces beyond their control, including the force of history.

Rosa Luxemburg (1871-1919)

Key work: *The Accumulation of Capital (1913); Reform or Revolution*

Key concepts and ideas

- **A revolutionary socialist**, Marxist, and the co-founder of the Spartacist League in Germany.
- Evolutionary socialism and revisionism are impossible because they would retain the capitalist economy with its inherent exploitation that would be resistant to reform.
- **Rejected moderate ideas such as social democracy** or any revisionist socialism because they are naïve and misunderstand the true nature of capitalism.
- She argued that **Marx's historical materialism is flawed** because capitalism did not need to reach its final stage before it could be abolished and therefore there is no need to 'wait' for the right time to spark the revolution. Her doctrine vying for swift activation of the masses, from the bottom rather than through centralised party mechanisms.
- She **disagreed with Marx's historical materialism** by arguing that less economically developed societies can indeed have communist revolutions and there is no need to 'wait' for the conditions of capitalism to ripen (to reach its final stage) before the revolution can be triggered.
- Liberation of the working industrial class can be achieved only by **revolution rooted in the masses** rather than by a leadership of a small party.
- **She disagreed that there would be no need for democracy after the revolution**, in that sense her ideas are considered to be libertarian.
- Luxemburg is often regarded as someone who predicted the dictatorship of the party that developed in countries that went through Marxist-inspired revolutions, and became totalitarian regimes; such as Russia and China, rather than 'true' communist systems. The counter argument could be that their system was a phase, as communism can be genuinely communism only internationally.

Key quotations

"Most of those bourgeois women who act like lionesses in the struggle against 'male prerogatives' would not trot like docile lambs in the camp of conservative and clerical reaction if they had suffrage."

"Without general elections, without unrestricted freedom of the press and assembly, without free struggle of opinion, life dies in every institution."

2.2: Democratic socialism (evolutionary socialism)

Evolutionary socialism was developed as an alternative to the revolutionary strand.

Therefore, it is sometimes called **revisionism** = reviewing and adapting a political theory to revise its ideas and core tenets.

The first revisionist doctrine was called democratic socialism and it was developed in the late 19th century until the end of the Second World War.

After the war it evolved into social democracy.

In short, democratic socialism advocated a socialist state that would be achieved via elections rather than revolution, let alone a violent one.

The Fabian Society = led by Beatrice and Sidney Webb, believed that elite groups could be persuaded by the moral supremacy of socialism.

Key thinker

Beatrice Webb (1858-1943)

Key work: *The Minority Report of the Poor Law Commission (1909); The Cooperative Movement in Britain*

Key concepts and ideas

- **The inevitability of gradualness** = a gradual parliamentary strategy to achieve evolutionary socialism.
- **The expansion of the state** = as opposed to overthrowing the state, is essential for achieving socialism.
- Together with her husband, she wrote the Labour Party's constitution in 1918, including the famous **Clause IV** that commits the party to socialism by asserting the common ownership of the means of production.
- Clause IV was removed under Tony Blair.
- **Gradualism** = a founding member of the Fabian Society, a British Socialist organisation, that is focused on reforms and gradualist advancement of social democratic principles, rather than revolutionary reactionary efforts.
- **Technocratic state** = the state, to be able to deliver socialism, needs to rely on an educated and skilled bureaucracy.
- Socialism will evolve gradually through political action and education.
- **The working class will vote for socialist parties** which in turn will initiate and push forward social, economic and political reforms that would eventually lead, gradually, to socialism.

Key quotations

“Nature still obstinately refuses to cooperate by making the rich people innately superior to the poor people.”

“Are all Cabinets congeries of little autocrats with a super-autocrat presiding over them?”

2.3: Social democracy (evolutionary socialism)

- **Improving capitalism** rather than eradicating and replacing it with alternative economic and political systems.
- Therefore, it is possible to argue that social democracy is not really a type of socialism.
- **Gradual reforms** rather than radical revolutionary sentiments.
- **Social justice is possible in a capitalist society**, to the extent it is accompanied by effective mechanisms to secure welfare, comprehensive education and healthcare, a minimum wage, employment rights, etc.
- **Social justice** = provides the justification for redistribution of wealth in a way that will mitigate inequality and provide equality of opportunity for all individuals regardless of class, gender or any other sociological attributes.
- **Support for mixed economy** = some industries and services are owned and regulated by the state, in combination with free market economy.
- **Capitalism can produce immense economic growth** and accumulation of wealth and the state could intervene to redistribute this wealth to foster greater equality and social justice.
- Social democracy proposed it is possible to utilise the wealth created by capitalism by a certain degree of **state intervention**. Keynesian regulation of the economy to ensure full employment and economic growth.
- **The welfare state** = as another pathway to redistribute the wealth.
- These steps can be part of **gradual changes** and **peaceful reforms** within the democratic political system. Thus, a progression of peaceful transitions at various stages.
- In the late 20th century, a crisis of social democracy because New Right politics has gained further ideological momentum in politics in all spheres of life.

Key thinker

Anthony Crosland (1918-1977)

Key work: *The Future of Socialism* (1956)

Key concepts and ideas

- A Labour Party politician.

- **The inherent contradictions in capitalism** = while capitalism cannot galvanise social change, if it is managed appropriately, it can deliver social justice and equality.
- **State-managed capitalism** = a mixed economy, full employment and universal social benefits.
- Criticised revolutionary ideas that are the focus of Marxist ideology: in many ways capitalism improved the living conditions of the poor.
- He argued that after the Clement Attlee government, the UK is not a capitalist society but rather a social democracy in practice.
- **Nationalisation is not necessary** to achieve and guard social justice and equality. Thus, ending poverty and improving public services are more important for the working class than who is owning the means of production.
- **Support for comprehensive education.**

Key quotations

“Nationalisation...does not in itself engender greater equality.”

“In Britain, equality of opportunity and social mobility are not enough. They need to be combined with measures to equalise the distribution of rewards and privileges so as to diminish the degree of class stratification, the injustices of large inequalities and the collective discontents.”

2.3: The Third Way

- **Practically, the middle way** between socialism and free-market capitalism.
- It is a revived form emerging out of the ideology of social democracy and the challenges it faced in modern contemporary world.
- Associated with **Anthony Giddens** who is considered to be the architect of the emergence of the Third Way, Labour prime minister **Tony Blair** and the consolidation of **New Labour**. In the US, similar ideas were advocated by Clinton.
- Use of regulation of various industries and public services is provided by the market, rather than being owned by the government.
- **Welfare state** should help people come out of the cycle of poverty by providing ‘a hand up, not a handout’.
- Focus on **social inclusion**.
- **Private providers can be in charge of public services.**

Key thinker

Anthony Giddens (1938--)

Key work: *The Third Way: The Renewal of Social Democracy* (1998)

Key concepts and ideas

- A sociologist, the architect of the Third Way which shaped Blair's policies.
- **The rejection of state intervention** = free market together with equality of opportunity rather than equality and responsibility and community rather than class conflict. This can encourage **social mobility**.
- **The role of the state** = social investment in infrastructure and education rather than economic and social regulation.
- **Free market economy** can bring in the wealth that is needed to nurture social justice.
- The role of the state is **to pay for healthcare and education** rather than be preoccupied with redistribution of wealth.
- Greater equality of opportunity will be achieved by redistribution of the wealth created by the free market to fund infrastructure and public services: increased access to higher education and replacing comprehensives with academy schools, etc.
- **Social cohesion**, community and social responsibility.
- The welfare state needs to provide 'a hand up not a handout'.
- **Radical centre**.
- **The stakeholder society** = individuals will become stakeholders and will possess both rights and responsibilities within society.
- **Structuration** = argued that there is a mutual exchange between how the individual's autonomy is influenced by structures, and how structures are influenced by individuals' agency. Structuration is the interface wherein an actor interacts with a structure.

Key quotations

"An attempt to transcend both old-style social democracy and neo-liberalism."

"Every left of centre party that gets into power is doomed to disappoint – more so, probably, than governments of the right, since the left aspires more definitively to reshape society."

(3) Core ideas and principles

1. Common humanity

- All branches of socialism regard human beings as **social creatures** that are generally predisposed for **cooperation** rather than competition.
- **Fraternity and community** = the idea that human beings should consider themselves as siblings rather than rivals; solidarity and generosity.

2. Collectivism

- Collectivism is aligned with the perception of common humanity because it prioritises the group and the **community** over the individual.
- Human beings prefer to **work together** rather than separately.
- Working together is exceedingly **more effective** than working independently.
- Collectivism is employed in different ways by different branches regarding the exact form it takes in the socialist doctrine.

For example: the form of collectivism and its application

- **Industrial relations** = social democratic solutions focus on workers belonging to trade unions with strong rights, while the Third Way argue that unions should exist to preserve fair practice in the workplace but there must be a recognition that wages are driven by market forces.

- **Healthcare** = social democracy offers a national health service that provides universal healthcare that is based on need; a free service that is funded by taxes, while the Third Way argue that full universal care is unsustainable and that means that measures such as prescription charges and the options for private healthcare are essential.

- **Education** = social democrats support widespread comprehensive education for all to foster equality of opportunity, while the Third Way advocate a more extreme view of equality of opportunity by increased spending on various services; nevertheless, university students are expected to pay tuition fees.

3. Equality

- **Social equality** is a key objective of socialist approaches because it is the platform on which cooperation and collectivism can thrive.
- A capitalist society results in economic inequality because of the class structure that is reinforced by capitalist economy.
- Consequently, **social position determines the economic wealth** of individuals rather than their skills or potential.
- However, different socialist branches differ on the way they view specific inequality. For example:
 - **Absolute equality** = all individuals should enjoy the same rewards as long as their contribution to society reflects their best efforts. This is a view that is

favoured by revolutionary socialism and Marx but it is rejected by other strands for being too extreme.

- **Equality of outcome** = economic rewards should be distributed in a way that will be fair and just so all individuals can benefit from similar outcomes. This view is favoured primarily by democratic socialists such as Beatrice Webb but rejected by revolutionary socialists because it is not tackling the root causes of inequality and class conflict.

- **Equality of opportunity** = individuals should have equal chance to achieve their goals at the best of their abilities. It is much supported by social democrats and the Third Way. Revolutionary socialism rejects this idea as futile because equality can be achieved only through the revolution that will create the conditions to make equality sustainable.

- **Equality of welfare** = all individuals are entitled to enjoy a minimum standard of living that is secured by the state providing it. Social democrats such as Crosland were keen supporters together with progressive taxation to fund this minimum welfare. Others, especially in the Third Way, are more cautious, while they support welfare, they are concerned by it reinforcing dependency = the underclass. Revolutionary socialists argues that equality of welfare is viable only as a consequence of the revolution.

4. Social class

- Capitalism creates **class divisions** that are inherent to the free-market activity and thereby is responsible for the class conflict that ensued.
- Socialists disagree on **how best to rectify the class divisions** created by capitalism.
- While Marx and Engles place social class at the heart of their theory, others adapted some of their ideas, especially evolutionary socialists that argue that revolutionary ideas are not necessarily the only way forward, and most definitely not the most effective way.
- While Webb shares the class analysis with Marx, she believed that capitalism can in itself be used as a vehicle to change the nature of the state. Various measures can be taken to **mitigate class divisions** created by capitalism: equality of outcome, progressive taxation and a welfare state.
- Crosland believed in **a fairer distribution of wealth** and equality and in social justice assisting the individual eventually to exist in a classless society.
- Third Way socialists like Giddens argued that **investment in education** is paramount to redistribute the opportunities for individuals.

5. Workers' control

- All branches of socialism agree that unrestricted free market is the culprit in the **exploitation of the workers**. However, they offer different solutions to address the predicament of the working class.
- Marx and Engels suggested that there would be a transitional period where the exploited workers will be **in total control** to foster cooperation and collectivism and eliminate capitalist values and measures completely. This transition will be the buffer between the revolution and the ultimate classless and stateless international society. Thereafter there would be no need for workers' control **because communism will eradicate exploitation**.
- Democratic socialists like Webb did not advocate workers' control, because it is **beyond their responsibility**. Hence, she and her husband were critical of the guild socialism that advocated state nationalisation under workers' control because it is beyond their ability. Although their draft of Clause IV for the Labour party was proposing common ownership, they never envisaged that it involves the workers taking on full control of the means of production.
- Social democrats to an extent conceived workers' control to be an obsolete idea that is made redundant in the world we live in. Crosland was supporting **mixed economy** where the wealthy pay higher taxes to fund the welfare state but the idea of nationalisation of public services was unacceptable if only because it is undermining individual liberty.
- Not surprisingly Giddens also consider workers' control to be unviable because the **average worker lacks the necessary skills** and expertise for such control to be effective.
- Consequently, Tony Blair amended Clause IV of the Labour Party constitution, getting rid of both the commitment for common ownership and thereby the ideological basis for workers' control.

(4) Differing views and tensions

1. Human nature

All socialists agree:

- Optimist and hopeful view of the innate predisposition of human beings as cooperative and characterised by common humanity and solidarity.
- Human nature is not fixed and can be influenced by the environmental conditions in which people live in.
- Individuals do not inherently share the same abilities or needs.

They disagree on how to rectify the damage capitalism caused to human nature:

- Marx and Engels argue that human nature is 'deformed' by capitalism.
- Luxemburg disagreed with them that there is no need for democracy after the revolution because she believed that democracy is the vehicle to give human nature the conditions to thrive.
- Beatrice Webb believed that human nature can be restored back to its cooperative essence by gradual reforms of the state rather than a revolution, together with common ownership.

2. The state

They agree:

- The state plays a key role in both society and the economy.

They disagree:

- On the nature of the state, its size, and functions.
- Revolutionary socialists consider the state as an instrument in the hands of the ruling class to perpetuate capitalism and their exploitation of the working class. The state cannot be reformed and has to be abolished; this is the ultimate final development in history.
- Luxemburg disagreed and argued that the capitalist state needs to be replaced by a socialist state and will include democratic elections and free speech. Thus, the state should not be abolished but be subject to reform.
- Webb also argued that the state can be reformed by means of parliamentary democracy that will gradually put forward socialist measures that will eventually result in a socialist state characterised by common ownership.
- Social democrats argue that the state should play an important role in managing the economy employing Keynesian principles. The state is not redundant.
- Giddens rejected both the nationalisation proposed by Webb and Keynesian principles advocated by Crosland because such ideas fail to acknowledge the wealth created by the capitalist state. Therefore, the state should be less involved in the economy. The free market generates increased tax.
- The Third Way under the ideological command of Giddens argued that it is possible to mitigate the prospects of dependency culture that is associated with social democracy. This orientation is based on what Giddens called 'positive welfare' where the state offers a 'hand up but not a handout' measures. For example, increased spending on education to nurture equality of opportunity but students are nevertheless expected to pay tuition fees.

3. Society

They agree:

- Society should be based on equality because it provides economic fairness and satisfy basic human needs.
- Society must respond to the negative consequences caused by capitalism. However, they disagree on the methods to respond and rectify these negative results.
- Society can be nurtured to provide a platform for greater cooperation that fulfils the basic features of human nature.

They disagree:

- Marxists argue that the capitalist system is rotten from the core and a revolution that will revolutionise every feature of society is the only viable option.

Society thus cannot be reformed according to revolutionary socialists.

- Marx and Engles argue that the state utilises religion ('opium to the masses'), patriotism and so-called reforms to dull the mind of the workers and feed the brainwashing that results in false consciousness.
- Webb disagreed and suggested that society can be reformed by evolutionary means and be managed by collectivism.
- Social democrats such as Crosland argued that Marx's dialectic of historical materialism was not apparent in postwar UK society or economy and class division should be mitigated by reform rather than be eradicated by a revolution that is unattainable.
- Giddens argued that society should be organised in a way that will ensure 'social investment' in infrastructure and education. Society that is based on a free-market economy has its own merits when managed effectively alongside values such as community, solidarity and social justice.
- The state and society, according to Giddens, need to focus its attention on equality of opportunity in education as the 'right' jumping board for individuals, for social mobility, and on active welfare that galvanises motivation rather than passive dependency.

4. The economy

They agree:

- Capitalism is exploitative and responsible for inequality.

- The economy must be structured and organised in a way that serves the interests of all individuals in society.

They disagree:

- Revolutionary socialists argue that capitalism and private property must be abolished and be replaced by collective ownership.

- Evolutionary socialism argued that the state can be reformed in a way that will achieve equality in society.

- Different doctrines in evolutionary socialism disagree about the nature, scope and stages of the potential reforms they advocate.

- Revolutionary socialists argued that the capitalist economy is rotten from the core and this infrastructure infected all the superstructure with its poison of exploitation and conflict between the ruling and working class. Therefore, capitalist economy is beyond redemption and the means of production must be transferred to the people by collective ownership.

- Webb agreed that capitalism led to negative results but disagreed that revolution is inevitably the only solution and advocated that a socialist state can reform the economy to match the ideals of democratic socialists. She argued that the state can ensure a 'national minimum' for all with respect to wages and quality of life and that the entire economy would shift into common ownership via mass nationalisation.

- Neither social democrats nor the Third Way envisage a full-blown socialist economy, and both focused instead on equality of opportunity.

- Social democrats, such as Crosland, argued in favour of a mixed economy that is based on Keynesian principles. The economy will be characterised by redistribution of wealth, resources and opportunities via public ownership and extensive public services that are funded by progressive taxation.

- Giddens also favoured an economy that is characterised by progressive taxation, it has reached as high as 83% for high earners in 1974 under a Labour government. Giddens's ideas shaped New Labour governments to reduce business rates (non-domestic rates, any occupation of property not for living) and to keep income tax at 40%, except when it was raised to 50% in response to the financial crisis in 2010 for income over £150,000 p.a.

- Giddens opposed Keynesian economy and accepted instead the privatisation of formerly nationalised utilities. The higher revenues generated by such measures can fund increased public spending aimed to increase equality of opportunity and encourage social mobility.

- The Third Way favours equality of welfare but to a more minimal degree compared with the social democrats, alongside a regulated economy to reinforce workers' rights such as minimum wage, abolition of zero-hour contracts, equal pay, maternity leave, etc.
- Free market is an active participant in the delivery of public services.