

## Politics and the Common Good

First I would like to thank the Pastoral Formation Institute, Father Mark and Joe Zahra for the invitation to come to Malta and the hospitality that you have shown to me and my wife. It is not just because in London it is rainy and cold and the politics is very hard. It is also because over the past two years Joe has been a tremendous friend and inspiration to me and to the politics I promote. He has understood more clearly than anyone I know the link between the dignity of labour and vocation, the relationship between co-operation and competition and that accountability and honesty are fundamental to a good life. And now with your work in the Vatican, I commend your courage. It is an honour to be invited and a pleasure to be here.

Of all the places in the world, Malta should be the easiest to explain what Blue Labour is, for the two great traditions that are combined within it are those of Catholic Social Thought and the democratic traditions of the Labour movement. Relationships come first for Blue Labour and that means a strong role of family, for love, duty, obligation, faithfulness and compassion at home and at work. An exclusive reliance on the state and on the market undermine relationships as the cradle of virtue, undermine society as a place of reciprocity and erode the social, understood within Catholic Social Thought and the original meaning of socialism, which were both built on association so that poor people could have schools, banks, building societies and unions. They used to call this sort of thing a Commonwealth, and Malta is part of that too.

Before we get to the good stuff, and most particularly the Common Good it is necessary to talk about the bad, because the stakes are high and these are dark times in our politics. There is an absence of hope, of a sense of common purpose and a general confusion that generates disaffection and reaction. These are hard times to be a politician. There is a breakdown of trust between people and their elected leaders. In Britain at the moment there is a new meaning to the race to the bottom as both major parties, Conservative and my party, the Labour Party, are caught in a death spiral, that they cannot break out of. The centre cannot hold and this leads to the emergence of new parties that reject the possibility of a common good and wish to resurrect a politics of domination in which one class, one group, one religion dominates others. People feel abandoned and deserted by

the elites and their embrace of a form of globalisation that benefits the richest, and in terms of immigration, the poorest but abandons the middle and then demonises them as reactionary. All of Europe's major Social Democratic Parties have lost their relationship with the children and grandchildren of the people that built them; the working class. One way of putting this is that Social Democracy has neither a conception of the Social or of Democracy the same can be said of participation and self-government. Instead it should perhaps be called the State Administration party. This is part of what must change.

It is impossible to speak here in Malta without also mentioning another darker reality which takes place every day which is the execution, whether by beheading, crucifixion or assassination of Christians in Iraq and Syria. As a Jew I inherit a memory of what it means for people to be abandoned and at the brutal mercy of murderous people with hate in their hearts and swords or guns in their hands. What it means to be defenceless, killed, robbed and expelled without even a bible in your hands to show for two thousand years of settled life. It may not be an exaggeration to say that in the Middle East, which is not far from here, the Christians are the new Jews, preyed upon with no protector. This murderous merciless Islamism is part of the darkness of our time and our impotence, part of our general sense of humiliation that feeds conflict and disaffection.

But what are we opposing to this mendacious militancy other than a form of corporate capitalism that is full of vice, greed and exploitation. The banking collapse of 2008, which in Britain led to the greatest transfer of wealth from poor to rich since the Norman Conquest. It revealed, like a lightning bolt in the darkness, that the system works in favour of those who already have and that reward was not based on virtue on excellence on innovation and risk taking but on cheating, exaggeration and bad faith. This remains the case. This week, in the City of London, there was the Libor scandal, in which insider dealers stitched up investors by rigging the foreign exchange markets. The banks have been fined 2 billion pounds. But this will not change their behaviour.

The old dreams that have dominated our political imagination since the Second World War, of socialist planning and market utopia have both failed but where is the new politics that can take its place? This is the question I am addressing in this talk. How can we renew our

democratic traditions, how can we build incentives to virtue within our economic system?

It is at this moment that I am compelled to return to Blue Labour and the meaning of paradox. A paradox is something that sounds wrong but is right. Blue is the colour of conservatism and is seen as hostile to Labour, whose colour is red, the colour of blood and martyrs. But if it is understood that the Labour Movement has its roots in a resistance to the domination of unregulated markets in human beings and nature and to the poor law state, that it was concerned with the preservation of a human status for the person when confronted with real forces that wished to turn them into commodities or administrative units, then the present problem with socialism is that it is not Conservative enough. Maltese Labour seems to have learnt this lesson but British Labour is too casual in its dismissal of the traditions and meanings that give purpose to people lives, far too unconcerned with family, place and work and much too enamoured of abstract concepts like equality, diversity, inclusivity and accessibility. So Blue Labour is a true labour politics. It sounds wrong but is right. It confronts the present leadership of the Labour Party with the uncomfortable truth that they are far too liberal and disengaged from the lives of ordinary people. That we do not uphold government of the people, by the people and for the people.

Indeed we can be a force opposed to that, preferring principles to politics.

So the next paradox that I will share with you is that the new politics requires the retrieval of what has been lost, an older, more ancient politics. The old is the new is one way of putting it, and that requires a combination of St Thomas and Machiavelli in a renewed articulation of the Common Good. While we are here I thought I would share a few more paradoxes so that you can understand the way I am thinking. I argue that faith will redeem citizenship. Tradition is the basis of innovation. Leadership is necessary for democracy. These are examples of the paradoxes that we must engage with if we are to build a new politics of the Common Good. It is my wish that Malta will be an active participant in this conversation about how to retrieve a conception of European Civilisation that is built around our distinctive traditions and practices, an active sharing of the burdens of association, a delight in un-corrupt institutions that serve the good. Churches, universities, unions and cities.

I am grateful that you have followed me so far. It is a bit much for a Saturday morning but I am only doing my job and justifying my generous invitation.

There is disenchantment, a lack of participation, a lack of trust in our politics. So what is the politics of the Common Good and how is it different from socialism, liberalism and conservatism?

The Common Good approach that I am suggesting here is based on the idea that there needs to be a reconciliation of estranged interests between capital and labour, religious and secular, immigrant and local, men and women. That there needs to be a sharing of the burdens of human association whereby we recognise our mutual dependency but resist domination of one by the other. This requires a rejection of an aggressive secularism as well as the domination of any one faith over others in a form of theocracy. It requires a political economy that is pro-business and pro-worker, that honours risk and vocation. It is a politics of participation and accountability that recognises that tension is essential and inevitable in a politics of the Common Good. A recognition that we live in a pluralist and complex society that requires interests to be recognised and respected and brought into relationship with other interests which are either excluded or opposed.

Let us begin with the economic aspects of the Common Good, or the political economy, as it used to be known. Here the starting point is Catholic Social Thought, a tradition that recognises the balance of interests in corporate governance so that owners and workers can negotiate a common strategy, the necessity of vocation in order to preserve knowledge and skill, a concept of regional banks that can offer capital to local businesses and families. It is a paradoxical economy for it constrains capital in order to preserve capitalism. It strengthens co-operation to improve competitiveness. It argues that tradition has a key role to play in innovation, through the tradition of vocation and virtue that underwrites skilled labour. It is greatly to the benefit of this approach that the most robust economic model in Europe, that of Germany is based upon a strong vocational system, regional banks, the representation of workers on the board within a system of subsidiarity, or Federalism where decisions are made at the most local level.

The argument I am making here is that Catholic Social Thought is the most rational secular form of economics, because it includes institutions, traditions, knowledge and balance within its analysis, that it combines quality and equality, tradition and modernisation

but that it has not been theorised adequately so that a sound money policy is seen as the sole basis of Germany's success. We need to tell a different story.

This leads to the idea that being pro-business and pro-worker is not contradictory but a necessary insight. The importance of labour value was preserved in the Catholic tradition and it is necessary to return to it for it turns out that the quality of work, the work ethic and the skilful fulfilment of tasks are of fundamental importance in a competitive economy. Work and the human beings who embody work, workers, should not be invisible factors moved around to maximise optimal allocation. They are human beings and are not disconnected individuals or commodities but bound by relationships and traditions that shape their lives and ethics. The idea of vocation, of a calling in which work is something inherited from the past through which we shape the future is not a nostalgic idealism but a brutal reality. If you lost it you lose your competitiveness and your culture.

What is required is not higher taxation and more regulation but greater accountability. Having workers on the board of companies at a significant but not dominant role, say of a third in any company above 50 people, means that managers can be held accountable by people with an understanding of the individual firm, a detailed notion of its complexity and with a long term interest in its flourishing. It requires a relationship with local banks that understand the needs of local business and not the immediate maximisation of returns on a global market. Which as the crash showed, turned out to be illusory. It requires traditions of skilled labour that can form and discipline the vocation of work. It requires self-governing universities that are dominated by neither the State nor the Market. A new political economy built around the insights of Catholic Social Thought and the practices of the German Economy.

I have written about this at great length elsewhere but the participation of the workforce in the governance of firms, the vocational self-regulation of labour market entry, the endowment of regional banks are essential so that finance capital does not maximise returns without resistance leading to the circumstances that led to the crash. It is a tragedy of our contemporary politics that the hegemon of Europe, Germany, does not export its own system preferring an EU based on free movement of people and capital.

The Common Good was preserved and nurtured in its political exile within the Catholic Church, and when thinking of the wisdom of

traditions it is always good to remember that. In a complex and pluralist society it is easy to use the state to regulate away or make illegal things you don't like. The Churches view of usury, vocation, banking, status and solidarity were and still are considered 'feudal' by liberal and Marxist alike but they are the ones who are in moral and intellectual trouble now. We need to show tolerance but there is no need to be bullied. The Common Good is a new and an ancient politics.

There was another tradition which also carried the idea of the common good, and that was the ideology that came to dominate in the Italian cities of the early middle ages and which grew into the Renaissance. This was far more secular in form and perhaps best expressed by Machiavelli in the *Discorsi*. This also looked at the balance of interests, the ability of a city to govern, feed and defend itself. It put a great emphasis on institutions such as Universities and law courts to function autonomously within a general system. Above all, and looking back to Republican Rome they were committed to forms of democratic accountability and participation. The most beloved of those institutions were the Tribunes of the Plebs which appointed and then renewed the term of office of a consul or pro-consul. These were the people who ran the administration of the Roman Polis, the jails, the educational system and transport for example. It was a form of accountability that meant that the elite could not rule irrespective of the wishes of the poor. The Nobles governed, there was an elite, but there was a form of accountability to the people over whom they ruled. These were renewed after four years and at the end of their term the Tribunes wrote a letter of recommendation, or not. The guilds were also part of the body politic of the city and were represented in the Guildhall. They urged a system of locational and vocational democracy which had the presentation and negotiation between different interests as part of its governance. A different form of corporatism or body politic, to the one we have now where the economy is dominated by giant corporations who seem to have no body but only a head and where all voters are individuals.

Civic Republicans, like Catholics, were not afraid to talk about virtue, the need for good doing as well as do gooding. The need to reward sacrifice, contribution, honesty and loyalty, to give incentives to virtue and not to build the entire system on vice; the maximisation of self-interest, greed and trickery. One aspect of the politics of the Common Good is that these two traditions, which both involve

institutional self-government, the balance of interests, the importance of virtue and vocation and an ethic of responsibility have to broker a new political consensus. The Church and the civic traditions of city self-government along with the Labour Movement have a common enemy in liberalism and a centralised state. They are built upon congregations and associations that have meaning to their members. That is another reason why I was so keen to come to Malta. Not only is it the perfect size of a city state as defined by Aristotle, but those are its two dominant traditions.

The stakes are high. The way of life to counter ISIS and to give people something worth fighting for is not unconstrained corporate capital and bankrupt nation states. What is required is a concept of the common good in which power is held by people who are accountable to those that they rule, where democracy is given real meaning. It involves respect for work and workers so that they can live with honour, feed their families and fulfil their obligations. It involves a respect for skilled work and not just academic and professional knowledge.

In England we have developed an educational system in which the only goal is to go to university. It has little regard for the girls and boys who wish to be bricklayers, carpenters, mechanics and drivers. There is a huge divide between the professions and the vocations, and vocations have no status, colleges or market privileges. Doctors, lawyers and accountants jealously guard their professions but treat vocation with disdain. The Common Good recognises that quality is impossible without skilled workers, that innovation can only be achieved through skilful redeployment of existing knowledge in new combinations. So the Common Good requires us to rethink our educational system so that it can support and honour the vocations as well as the professions, the body politic as well as the state.

There are many more aspects to this but one of the great vices of socialist politics is the length of speeches by leaders and party intellectuals. It is something I am aware of but don't always avoid. There is much more to say, and so much left unsaid and I hope that we can talk about this in our conversation afterwards. There is no doubt in my mind that there is a need to strengthen the good, that this involves new alliances between previously estranged traditions and interests so that they can form a common good. There is equally no doubt that can not be achieved by the existing ideologies, or by any one tradition or ideology on its own. There needs to be a consensus change that puts vocation, virtue and value at the centre of

its economy and responsibility, relationships and participation in its democratic politics. This is the way to combat the bad, through good work, prosperity and civic peace.

There are many battles ahead and sometimes it seems as if the good is losing, sometimes it feels that there is a darkness in politics, a kind of mundane hopelessness combined with a violent rage. I am grateful that you invited me to share my thoughts of how the good, the Common Good, can fight back.