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Modern Socialism

Lionel Jospin

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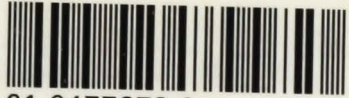
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The Fabian Society

The Fabian Society is Britain's senior think tank. Concerned since its foundation with evolutionary political and economic reform and progressive social change, the Fabian Society has played a central role for more than a century in the development of political ideas and public policy on the left of centre. The Society is affiliated to the Labour Party but is editorially and organisationally independent. In recent years the Society's work on the modernisation of the Labour Party's constitution and its analysis of changing political attitudes have played a significant part in the renewal of the party's public appeal.

Today the Fabian Society seeks to help shape the agenda for the medium and long term of the new Labour Government. Analysing the key challenges facing the UK and the rest of the industrialised world in a changing society and global economy, the Society's programme aims to explore the political ideas and the policy reforms which will define the left-of-centre in the new century. Through its pamphlets, discussion papers, seminars and conferences, the Society provides an arena for open-minded public debate.

The Fabian Society is unique among think tanks in being a democratically-constituted membership organisation. Its five and a half thousand members engage in political education and argument through the Society's publications, conferences and other events, its quarterly journal *Fabian Review* and a network of local societies and meetings.

New Lefts

The General Election of 1997 marked the end of a long period in which the ideology of the New Right dominated public life. Not just in the UK but throughout the world the intellectual credibility and popular appeal of neo-liberal conservatism have been undermined by economic and social failure.

But at the same time the left of centre has had to undergo a process of reinvention. The enduring commitments to social justice and to ideas of community, and the conviction that uncontrolled free markets cannot sustain the common good, hold fast. But changing social and economic circumstances force open new arguments and new visions. On the verge of a new century, as throughout its history, the Fabian Society seeks to engender debate on the future of the left.

Modern Socialism

Lionel Jospin

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Lionel Jospin is Prime Minister of France.

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Introduction

One of the lessons of this century for social democracy is that it can no longer be defined as a 'system'. Nowadays there is no need to think and act in terms of a system, whether capitalism or a planned economy. Nor is there a need for us to create a new 'system'. I no longer know what socialism as a system would be. But I know what socialism can be as a set of values, as a social movement, and as a political practice. Rather than a system, social democracy is a way of regulating society and of putting the market economy at the service of the people. It is an inspiration, a way of being, a manner of acting, based upon both democratic and social values.

On this basis we accept the market economy, because it is the most effective means – provided it is regulated and managed – of allocating resources, stimulating initiative and rewarding effort and work. But we reject 'the market society'. For although the market produces wealth in itself, it generates neither solidarity nor values, neither objectives nor meaning. Because society is far more than an exchange of goods, the market cannot be its only driving force. So we are not 'left-wing liberals'. We are socialists. And to be a socialist is to affirm that the political should take precedence over the economic. As French Prime Minister over the past two years my actions have followed this principle.

With this conviction in mind, the following pages set out my analysis of the current position of European social democracy; and attempt to give an account of French socialism in its modern context.

I. European social democracy is diverse

1. Social democracy has come through a difficult period in history

Looking at election results in Europe over the past two years, one is struck by the relevance, not the crisis, of social democracy. Our politics has won power not merely in the four largest nations – Italy, Great Britain, France and then Germany – but in most of the countries of the European Union.

Yet it is also true, if we look at things from a longer perspective, that social democracy has been passing through difficult times. It derived much of its political identity from its twofold opposition to Soviet communism and American capitalism. With the collapse of the bipolar world of the cold war, this two-fold opposition no longer has a role.

Socialism was born and developed to oppose the capitalism of industrial society: the conditions of nineteenth century factories and the mass exploitation of the workers they represented. It embodied the resolve to stand against – or at least to temper – capitalist industrial development. Later, in a number of countries, splits emerged within this socialism, as socialists adopted different approaches to the struggle with capitalism and were caught up in the conflicts between nations and nationalisms. The main split was of course the Bolshevik revolution of 1917. Democratic socialism watched the emergence of a 'brother' movement that seemed to be more powerful, more determined and better suited to an extraordinarily violent and convulsive period of history. That movement absorbed a scientific language derived from Marxist doctrine, and took on the self-confidence of its dogma. It was bolstered by a disciplined organisation. In comparison social democracy looked woolly and ill suited to times of crisis. But it survived, as did democracy and capitalism; indeed ultimately, with the collapse of state communism in Europe, it survived within them.

Today therefore the social democracy of the last half-century, existing between capitalism and communism – a kind of 'in-betweenism' – no longer makes sense. Social democracy is not just anchored in a period of history. It is not fading away now that the historical conditions which helped to structure it are disappearing. But equally, given the intimate intertwining of social democracy with industrial and democratic society, it was inevitable that a crisis in society would cause problems for social democracy. We have had both an economic crisis, with the decline of the Fordist model of production and growth, and a social crisis, with the increasing difficulties of the welfare state. And there has been an ideological crisis too, as our values – equality in particular – have been challenged and questioned by the neo-liberal backlash of the last two decades.

In the 1980s, the right seemed to embody an idea of modernity – however crude, however pitiless for the weakest in society – and to represent a kind of

emanate from the international community, operating according to rules under which all states are equal before the law.

The European Socialist Party programme published in April 1999 proves that we – unlike all the other political groups – are capable of defining principles, guidelines and proposals which can coordinate our approach to European integration. This is a significant achievement, despite the undoubtedly rather general nature of the text. It also demonstrates how the parties of the left are able to function in a democratic way, unlike the right-wing parties. In France in particular, but also in other parts of Europe, the parties of the right are still directed from above by a party leader, or alternatively they have a disorderly horizontal structure, with a multitude of parties and leaders. On the other hand, the bottom-up/top-down alternating process of formulation, checks and criticism, which characterises democracy, is spreading throughout the left-wing parties. The European Socialist Party manifesto is thus an expression both of our democratic approach and of our internationalism.

3. No social democratic movement can be dissociated from its national setting

Social democrats will be stronger if they work together on a European scale. But there is one condition. They must realise that national factors which affect individual social democratic parties – such as historical roots, ideological references, and political landscapes – must always be taken into account and respected. This is one of the conclusions I draw from the current debate within European social democracy. Specific national factors are often overlooked by commentators, but they must always be taken into account by elected politicians.

For example, Great Britain has always been more 'globalised' than France. It is the country that invented free trade and gave it life – while at the same time knowing how to manipulate imperial preferences when this was in its interests. The Thatcher revolution was deeply hostile to values that are still held dear in France. To come to power following the Thatcher experience is therefore very different from governing after Gaullist premiers such as Edouard Balladur and Alain Juppé. And the French political landscape is also very different. Whether the ruling majority is held by a single party, as in the UK, or by a coalition of five parties, as presently in France, makes for very different political conditions.

So in my opinion there is little point in arguing about 'the right way', or in choosing between 'the Blair way', 'the Schröder way' or 'the Jospin way'. In these terms, I find it difficult to define clearly what 'the Third Way' is. If the Third Way lies between communism and capitalism, it is merely a new name for democratic socialism peculiar to the British. But this does not mean that we have exactly the same approach in France. If, on the other hand, the Third Way involves finding a middle way between social democracy and neo-liberalism, then this approach is not mine. As I have already argued, there is no longer a

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II. French socialism is both faithful to its values and modern

Since June 1997 my government has been pursuing a progressive and forward-looking approach to the shaping of modernity. We welcome the advance of modernity, but we seek a collectively constructed modernity: a modernity that suits our nation's character, and is accepted by, because it is acceptable to, all our citizens.

Our approach to modernity is based on:

- the regulation of economic policy in a globalised world;
- determined efforts to combat unemployment, through economic growth, a negotiated reduction in the working week to 35 hours and a broad-ranging plan for youth employment;
- the pursuit of social progress, for example through the laws we have passed to combat all kinds of exclusion and to establish universal health cover;
- a recognition of modernity's multiple dimensions – cultural, social and political.

This last is an important point. Social democracy must not be limited to neo-Keynesian economics. It must be modern and progressive across a broad front, and this is what our government is doing. We are working to achieve equality between men and women in our democratic life. We are reforming the judicial system. We will place restrictions on politicians holding more than one elected office and make the second chamber more democratic. With the Pacte Civil de Solidarité, we will legislate to recognise the administrative and social rights of all couples, irrespective of their sexual orientation. This modern approach is an essential part of our political identity.

In France, despite some mistakes and inadequacies, it is clear that it is now on the left where the sense of movement and of ideas is to be found. In comparison, the French right looks bereft. Since they are almost invisible in the political arena, one might have thought they would engage in the field of ideas and policy alternatives. But instead right-wing thinking appears content simply with a caricature of ours. Without an original idea of its own, the right has unfortunately descended to a mixture of insults and bad faith.

The renewal of socialist thinking is guided by three beliefs and principles for action:

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The renewal of socialist thinking is guided by three beliefs and principles for action:

1. effective reform is achieved through the constant quest for a proper balance between ends and means;

2. the regulation of capitalism is essential and requires an active state;
3. social classes can be brought together through equality of opportunity.

1. Effective reform is achieved through the constant quest for a proper balance between ends and means

Our ideals remain essentially the same: justice, liberty, the collective mastery of our destiny, the development of the individual without damaging collective interests, and the desire for progress. Nevertheless, we must pursue these ideals by different means from those we were using fifteen years ago. Conditions have changed, and we must adapt to them as they change ever faster. That is why we must constantly seek the best possible coherence between our ends and our means.

In August 1998, at the Socialist Party's summer school at La Rochelle, I set out our new thinking about this issue of coherence. In particular, I recalled and rejected two slogans from socialist history. One was declared by Edward Bernstein in 1902: 'the end is nothing, the movement is everything'. But I think that objectives and goals – ends – are necessary: the movement alone cannot provide sufficient purpose. The other slogan came from the Leninist tradition: 'the end justifies the means'. During a large part of this century this principle has led to disaster.

For me, by contrast, democratic socialism is the constant quest for a proper balance between ends and means. Today, it is our values that are the foundation for our political identity rather than the means by which we can achieve them.

For a long time socialism was defined by the idea of the collective appropriation of the means of production. This no longer makes sense today. Our industrial policy, for example, has gone beyond the issue of the nature of ownership. Public control can of course be justified in a number of sectors, because of the need for national security or where public service objectives cannot be achieved by the market. But the campaign for employment and the defence of national interests – particularly in leading-edge or strategic industries – may justify industrial partnerships with private enterprises, French or foreign (particularly if they are European). I do not intend to obstruct these partnerships by insisting, in the name of the ownership of the means of production, that the public sector should hold a controlling stake. Such partnerships are justifiable both politically and economically.

In my opinion, what counts in these cases are the ends or objectives of the industrial policy we are pursuing: employment, economic growth, the economic and industrial power of our enterprises and the position of France. If defending these objectives entails opening up the capital of a public undertak-

ing or even privatising it, then so be it. This is a principled political approach, and it is clearly understood by our citizens because it is coherent.

In this and other policy areas, this new coherence, based on a proper balance between the ends and means, is our way of laying the foundations of a genuinely modern reformist politics. To justify our actions we no longer need to use revolutionary language, or even the metaphor of conflict. But reform need not sound the death knell of Utopia. We are neither anti-visionary nor 'spoilers of dreams'. One can dream about one's future while still keeping one's feet on the ground and endeavouring to be master of one's destiny. I want to be a builder of realistic Utopias. I do not believe that reform stands opposed to ambition or vision. Reformism is the most effective means of translating political ideals into action, of breathing life into our convictions, because it respects the rhythms of our society and incorporates the essential dimension of consultation. But we are placing reform in the service of ambitious social transformation.

In this way I believe we are rehabilitating the very idea of reform after its hijacking – and warping – by the right. The right believes that reform means dismantling public services, reducing social protection and challenging the achievements of decades of progress. In contrast, keeping faith with our history, we see reform as still synonymous with progress. Today it is more necessary than ever.

2. The regulation of capitalism is essential and requires an active state

In his short essay *La dynamique du capitalisme* the great French historian Fernand Braudel distilled decades of his research on 'material civilisation'. He argued that its suppleness and adaptability make capitalism a dynamic force. But it is a force that of itself has no sense of direction, no ideals or meaning – none of the elements vital to a society. Capitalism is a force that moves, but it does not know where it is going.

The simultaneous domination of the economy by global finance and the coming of the information revolution make this feature of capitalism now even more pronounced. Indeed there is now a disjunction between the movements of finance and the development of production and society. The former seem to move at the speed of light. The latter moves at the speed of sound, as it were, if not slower. In finance there is absolute fluidity and everything is instantaneous. In material society there is viscosity, an inevitable slowness, because people are the main movers. This difference in speed gives rise to an increased risk of ruptures and breakdown. Financial movements are too rapid for the pace of the real economy. That is why financial movements must be regulated, so that meaning is restored to these transactions. The production of wealth must be geared to human aims.

Set against this perspective, the financial crises of 1997 and 1998 in Asia and Russia had at least one positive effect. They shattered the claims of neo-liberalism. The first claim, made by optimistic neo-liberals, was that giving market forces free rein, particularly in relation to financial markets, was the best way of making the world economy work. The second, made by pessimistic neo-liberals, was that globalisation had to be accepted and that there was no hope of controlling it. But the Asian crisis raised questions about the model of economic development certain countries had chosen. It brought to centre stage the need to regulate global capitalism in such a way as to ensure that the system is not swept away by its so-called 'natural' mechanisms. The financial crisis brought the idea of collective control of the future, both national and international, once again to the fore.

We need to distinguish here between two different aspects of globalisation. On the one hand we have the return of financial capitalism. This is taking us back, although in an entirely different context, to the origins of neo-liberalism in the 19th century, characterised by the desire for the complete fluidity of economic variables: prices, interest rates, exchange rates, movements of capital and even of production factors such as location. On the other hand are the technological, cultural and political dimensions of globalisation. Paradoxically, globalisation gives rise to a certain degree of fragmentation, with the creation of economic blocs such as the European Union and the North American Free Trade Area. Within most nations too globalisation has sparked a resurgence of questions of identity.

Our response to this new situation is principled and considered. We fully recognise globalisation. But we do not see its form as inevitable. Globalisation has not come about from the workings of fate; it has been created by humankind. So we seek to create a regulatory system for the world capitalist economy. We believe that through common European action – in a Europe fired by social democratic ideals – we can succeed in the regulation of key areas, whether finance, trade or information. In particular we must fight to restore to the International Monetary Fund its rightful role. This was the purpose of the memorandum submitted by France to our European partners at the end of 1998. We put forward proposals to redesign the architecture of the international financial system in order to improve its effectiveness and transparency. These aimed to provide for prudential regulation in the banking sector, making the multilateral institutions and the private sector aware of their responsibilities. In addition we must resist moves towards unilateralism within the World Trade Organisation. We need to set up new regulatory systems for new networks such as the internet, so that we can influence the process of globalisation and control its pace for the benefit of society.

While taking positive steps at a global level, we should not forget the continued existence of the nation. Political questions associated with identity are becoming more and more important as a result of globalisation and the development

of the European Union. We need to consider profoundly now what the nation is – what France is – and what living together within our nation means: the rules that apply and the values that are held in common. We also need to think about the future of Europe and its relationship with the nation. The answers we develop to these questions will determine future victories or defeats, both electoral and ideological.

It is important that the specific features and characteristics of our people, our history and our forms of organisation, are not abandoned in this new world order. A good example concerns the debate we have had in France about the European directive on electricity. The directive required us to open up this sector to competition. This we did. But in responding to this requirement we took account of the reality of the situation in France. There was an economic reality, in the importance of *Électricité de France*; an institutional reality, in the idea of a public service; and a trade union and political reality which had to be negotiated too. All these modified our response.

In this sense, I want to go beyond the simplistic alternatives which are said to be inescapable: immobility and fatalism. In my view, the choice is clear. To adapt to reality: yes. To resign ourselves to an 'inevitable' and so-called 'natural' capitalist model: no. We do not give in to the fatalistic idea that the neo-liberal capitalist model is the only one available. On the contrary, we can shape the world according to our values.

This need to take control in adapting to reality places a special responsibility on the state. The state is in a position to provide the necessary direction, without taking the place of other actors in society. Often it is the only agent that can clear away or navigate around the archaic forces standing in the way of changes that society wants. In France we call this approach *volontarisme*.

The concept of *volontarisme*, or an active state, is a key part of our approach to modernisation. It is particularly necessary in the conduct of economic policy. We have taken up – successfully – the challenge of economic growth both by stimulating demand and through implementing active policies such as youth employment programmes and the negotiated transition to a 35-hour week. In this way we have contributed to increased economic confidence and to economic growth. In 1998 the growth rate was 3.2 per cent, the highest level since 1990. France has now become the engine of economic growth in Europe.

This *volontarisme*, or active state, is at the core of our determined effort to combat unemployment and create jobs. Of course we know that economic growth creates jobs – and we have successfully boosted its rate. But we also know that economic growth alone cannot bring down the level of unemployment to as low as we want it to be. This is why we are aiming for 'job-rich' growth, achieved through structural reform. Here the negotiated transition to a 35-hour working week is crucial. The first objective of the 35-hour week is to

create jobs; and the first results are promising – more than 120,000 jobs have already been created or safeguarded thanks to this scheme. The second objective is to launch a great movement of social dialogue within companies, dealing with wide-ranging issues such as wages, working patterns and safety at the workplace. Such social negotiations benefit both employees and employers. Last but not least, the 35-hour week also aims to provide workers with more free time, to spend with their families, or in training, or in social activities of benefit to the communities in which they live. The 35-hour week is therefore a progressive social reform of great importance.

As the 35-hour week shows, the concept of *volontarisme* does not set up the state in opposition to the market, but instead creates a new alliance between the two. It strives for a cooperative balance between them.

Traditionally, social democrats have been thought of as redistributors. And it is true that we remain attached to the principles of the welfare state (even though here too reforms are needed), to the struggle against inequality, and to the protection of employees. But our belief in redistribution does not override other considerations.

We must also be concerned with the conditions of production, for it is production which precedes and permits redistribution. For the fruits of economic growth to be redistributed, there must first be growth. In the new global market we must therefore ensure that our production base is competitive. The French government has embarked on a vigorous industrial policy to create and restructure industrial groups which can compete in world markets. We are following here the long French tradition of 'Colbertism' – the idea that the state should play its part in directing investment to ensure the production of high quality goods. This tradition should not be abandoned: it remains valid in a world in which investment is vital, though it must be adapted to today's needs so that it is open to the world economy.

In being concerned with the conditions of production, one should note, we are returning to the intellectual sources of socialism. Saint-Simon and his followers, utopian socialists such as Proudhon, and then Marx were interested principally in the production of wealth, on the fairest and most efficient conditions of production. It was only later, with Keynes and Beveridge, that redistribution became the main issue for the left. Today we must concern ourselves with both production and redistribution; we have to grasp both ends of the chain. The imperative of solidarity, which is at the heart of redistribution, is still central. But it will better be achieved if we give proper attention to production.

A fundamental role of the state here is as a promoter of innovation. When the Austrian economist Schumpeter argued that innovation and entrepreneurialism were central to economic growth, he suggested that the state had a vital role to play in promoting innovation. In the early 21st century market economy, whose

main features are technological revolution and the globalisation of trade, I believe that the state must adopt a 'Schumpeterian' role in order to promote innovation and growth. This requires:

- A strategic state, targeting its efforts on future sources of growth and helping to impart the necessary momentum. For example, right from the start our government gave essential support to the development of new information and communication technologies. Their development was not spontaneous in France. Companies were hesitant about committing themselves, and our country could well have lagged behind. So we adopted an 'active-state' (*volontariste*) approach: without taking over from the actors involved, we facilitated the provision of new services and the creation of new businesses and jobs. This we have sustained – at an increasing rate.
- An investor state, taking on full responsibility for upgrading infrastructure, facilities, communications, education and research – all of which contribute to innovation and growth.
- An 'enabling' state, working to enhance the quality of the business environment.

Unlike the right, with its narrow vision of the government's role, social democrats believe that one of the state's responsibilities is to ensure compliance with laws and regulations necessary for the smooth operation of the market economy. We are taking practical steps in this area by formulating laws and regulations that contribute to economic effectiveness, for example our work on capital markets and commercial courts.

By combining these three concepts of the role of the state, our aim is to ensure that the economy operates as it should – in the service of the community as a whole.

3. Social classes can be brought together through equality of opportunity

To be a socialist is to seek to build a fairer society. Therefore, to be a socialist is to try to reduce inequality: not the differences arising from people's different abilities, but the sociological inequalities arising from an individual's birth or position in society over which he has no control. It is our duty to make society less tough on the weak and more demanding of the powerful.

The welfare state contributes to this. So although it is in crisis, we must reform it. Under no circumstances should it be dismantled.

The welfare state – which we call in France *l'Etat-providence* – is the product of historic struggles in which the left played the leading role. This has left its mark on our conscience, as evidenced by the use of the French word *providence*,

which is more potent than the English term 'welfare'. It expresses the idea that fate and destiny can be modified or overturned by the democratic and social state, embodying humane and collective values. If the welfare state is to be reformed, we must not break with this tradition.

The foundations of the welfare state have been shaken, both by the mass unemployment of the past two decades and by changes in the nature of work, with reduced job security and greater mobility. Other factors have also played a part. We are living longer, and advances in health care have led to rising costs. And from an ideological point of view the idea of equality has come to be questioned, increasingly perceived as a process of 'levelling down' in conflict with the freedom which as democratic socialists we also value.

So we must modernise the welfare state through a combination of *volontarisme* and consultation. In the health service, for example, this is what we are doing in seeking to control spending. We are trying to bring about structural reform: through computerisation, by setting up health-care networks, and by rationalising the use of medicines. Through consultation we are also reforming contractual relationships, reaching agreements with the different groups involved in health care. Meanwhile the introduction of universal medical cover reflects our practical resolve to reduce inequalities. It will enable millions of our fellow citizens to obtain better and earlier treatment.

The same balance is necessary in pension reform. We need both to preserve our values and to face reality. By expressing solidarity between the different generations, pensions form the bedrock of national cohesion. It is vital that people are protected in retirement by the state pension. At the same time, without threatening existing arrangements, we are examining the idea of linking pensions with new forms of savings.

Social democracy originally developed to combat the inequality between different social classes. But our struggle today is against every facet of inequality, not just social or economic inequality. There is inequality in the benefits people derive from public services such as education and culture; inequality in the security they feel against violence and crime. There are geographical inequalities – hence the importance of our regional development policy. We must make particular efforts when inequalities of income and wealth are combined with inequality in access to housing, health, information and the exercise of citizenship, or with inequality between the sexes. This comprehensive awareness of many different kinds of inequality calls for an approach which goes beyond the traditional reliance on redistribution alone. Whereas taxation and the welfare state are means of striving towards greater equality after the event, we also need to act before the event to prevent the accumulation of inequalities. We need to achieve equality of opportunity.

Here the law to combat exclusion is one of the government's key pieces of

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legislation. We must draw upon all the resources of society to tackle this problem. For those in employment but on low incomes, we have initiated fiscal reforms which promote greater equality. They are starting to build a better balance between the taxation of capital and labour. Our policies seek to bring the socially excluded into employment, since involvement in work helps people feel a part of society. And we are pursuing policies based on prevention, education, and – when necessary – sanction so that all our citizens can lead safe lives. Security is a right; we regard insecurity as a form of social injustice. We absolutely reject the abusive demagoguery and scapegoating of ethnic minorities practised by the extreme right. We do not resign ourselves to exclusion of any kind; our policy aims at the integration of all groups within society. This is the basis of the 'republican pact' we have made with the French people.

The middle classes, as well as those whom society has left behind, must be rallied to this cause of equality and social integration. The Socialist Party is an inter-class party; its sociological basis is broad and heterogeneous, and has been widened in recent years. The left today enjoys a significant and increasing support among the middle classes, because many in this group understand the threat which radical neo-liberalism poses to them. The left today is regarded by middle classes as modern, particularly in its moral and cultural attitudes. Many managers and executives support the concept of regulation because they see their lives threatened by economic insecurity. At the same time the owners and managers of small and medium-sized firms realise that the left is better able than the right to tackle the problems of industrial policy. They realise that the left supports the creation of new enterprises, innovation, risk-taking and the simplification of red tape.

So our role is to mediate between the social classes, between those who are reasonably satisfied with society as it exists and are reluctant to be penalised by the 'cost' of greater equality, and those for whom the furtherance of equality represents a fundamental goal. This is an important philosophical and political point. I believe that socialists must aim to reconcile the middle and working classes, though their interests may differ and sometimes diverge. We must seek to advance their respective interests simultaneously.

This is why our aim is to found a new alliance of classes, one that reflects both the sources of our support in society and the interests of the country as a whole.







FABIAN SOCIETY

Modern Socialism

In this original pamphlet, written specially for the Fabian Society, Lionel Jospin, Prime Minister of France, sets out his philosophy of socialism in the modern age. Describing socialism as a way "of putting the market economy at the service of the people," Jospin argues that European social democracy must be diverse, embracing different forms in different countries.

At the centre of his argument Lionel Jospin addresses the question of globalisation and the role of the state in the modern world. Insisting that the form taken by globalisation is not inevitable, Jospin argues that international capitalism must be regulated for the benefit of society. The pamphlet explains the principle of the 'active state' and its role in the modernisation of both economy and society. The state, Jospin argues, must be the strategic force promoting economic growth and technological innovation; it should be both an 'investor' and an 'enabling' state. He sets out some of the key measures taken by the French government, including the 35-hour week and measures against social exclusion. He outlines his belief that equality of opportunity can bring together different social classes, creating the basis for electoral success.

Offering a unique insight into both the personal views of one of the European left's leading figures and the political programme of the French government, this pamphlet is required reading for anyone interested in politics today.

This pamphlet is part of the Fabian Society's New Lefts programme, which seeks to engender debate on the future of the left. Previous publications include *The Third Way: New Politics for a New Century* by Tony Blair.

Fabian Pamphlet 592

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