

Editorial

Since 6 May we have been living in the eye of the storm. There has been little of the sense of epochal change that followed the Tory victory of 1979 or Labour's landslide in 1997. This is partly because the full impact of the return of the right has not yet been felt, and partly because there is a feeling that a Labour government under Brown might not have pursued widely differing policies.

But it is also the result of a political process in which there is a constant and relentless narrowing down of the terms of debate. As Doreen Massey reminds us, there was a moment, not so long ago, when the financial crisis appeared to be opening up new questions - about ways of being human, about ethics, about the wider hegemonic ideological framing of life. But since then the debate has been closed down. Much work has been done to bring us back on track, to return us to the idea that all that is needed is a little belt-tightening and economic tweaking. Across Europe everyone now appears to agree that the main task facing us is to cut back on spending. That is the scope of it.

But the debate must be opened up again. The storm will break. The economy will not be rescued by a blind faith in the ability of the private sector to recover without state intervention. Large numbers of people are going to suffer as they lose their jobs, and as social protection is withdrawn. It is therefore crucial to make every effort to challenge the continuing neoliberal consensus. How can we once more make a case for social democracy? How can we change the never-ending story?

One way is to continue to dispute dominant narratives about the economy, and to understand how the media works to create stories that reinforce them. A case in point is the way the problems of Greece have been constructed. Duncan Weldon shows how Greece has been turned into a scare story, a moral tale of what will happen to people who won't cut back their deficits. The contribution of the banks and shadow banks to Greece's problems barely gets a mention in the mainstream commentariat. Their fables of the just punishment of greed refer to the Greek people rather than to the banks. The hard graft of refuting these stories is a crucial part of political work.

The Labour Party - which for some time now has been part of the problem rather than its solution - must also take up this challenge. Several articles in this issue

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consider whether it is possible for the Labour Party to break away from the narrow terrain on which it has been stuck for so long. Is Labour capable of making the imaginative leap to a different kind of politics, of breaking away from the restricted world of the Westminster consensus? Or will it find it impossible to find a different solution to the problem that Blairism was once thought to have solved?

Clearly, as Jonathan Rutherford argues, our judgement about the scale of the task facing Labour is dependent on the way we understand the financial collapse. If the New Labour model was basically correct in its embrace of the market and surrender to finance, all that is required now is a little tinkering with policy. But a more critical analysis would imply that adopting such a course would be fatal.

Most contributors to this issue tend to stress the ineffectiveness of relying on the market, and to point to the market's major contribution to a wide range of contemporary ills. Randall Wray analyses money manager capitalism, arguing that it is time for a new financial model; while Oscar Reyes and Tamra Gilbertson show how carbon trading - an attempt to reduce the complexities of climate change to an amount of money, and thus to rely on trading mechanisms to tackle the problem - has had no effect on limiting emissions, while enabling windfall profits for polluters.

Elsewhere in the issue we carry an extended discussion on the importance of Luc Boltanski and Eve Chiapello's *The New Spirit of Capitalism*; a defence of ethical socialism and the legacy of William Morris; a meditation on the problems faced by the generation that grew up with New Labour; and a thought-provoking article by Vron Ware about the ways in which the lives and deaths of individual soldiers have become ever more central to debates about Britain's wars.