During the 1990s stakeholder arguments provoked a lot of interest across a variety of fields. Popular interest was indicated by the success of works such as Will Hutton’s *The State We’re In* (Hutton 1996).¹ Unusually for a work of public policy, this book topped best-seller lists, reflecting a mood for change as well as helping to secure the place of stakeholding within public debates within this period. Alongside his journalism at *The Guardian* and *The Observer* newspapers (Goldblatt 1999), *The State We’re In* operated as a reflection on the state of the nation after fifteen years of unbroken Conservative rule at a national level. Hutton suggested that rather than addressing problems, Conservatives had actually perpetuated, and in some cases exacerbated, failures of British capitalism. At a political level stakeholder ideas were taken up by Tony Blair, the leader of Britain’s main opposition to the Conservative party. This was signalled in, for example, a high-profile speech that Blair made to the Singapore business community on 8 January 1996. Stakeholding seemed central to Blair’s attempts to recast Labour as ‘New Labour’. This occurred at a time when Labour seemed destined for government, creating the possibility that stakeholding would help define Labour’s programme in office. Stakeholding also provoked interest within the academy, drawing together academics from different backgrounds. Individuals from different disciplines such as politics, economics, business studies and social policy all expressed interest in stakeholder ideas. Some suggested the creation of a new intellectual framework.
David Marquand argued,

the late 1980s and early 1990s saw a remarkable ferment of ideas on the British left and centre left. Writers such as Will Hutton, John Gray, John Kay, Ralf Dahrendorf and Harold Perkin began to grope towards a new intellectual and political paradigm, combining insights from traditional social liberalism and traditional social democracy. There were differences between them, but the notions of a stakeholder economy, a public domain and a pluralistic polity were common to nearly all. The Social Justice Commission, set up by John Smith, and the Dahrendorf Commission, set up by Paddy Ashdown, struck essentially the same chords. (Marquand 2000, p. 29)

Stakeholding attracted attention because it seemed potentially to constitute a new policy framework. It pointed to a set of organising principles that could fashion and help unite different interventions in public policy.

Background

Keynesian social democracy

Considering the background to stakeholding helps understand its nature and potential importance. From 1945 to the mid-1970s, ‘Keynesian social democracy’ defined the main parameters of centre-left politics in Britain. Although not endorsed by all reformers, most centre-left discussions bore its imprint. This combined a focus on social democracy with Keynesian economics. Anthony Crosland provided an important rationale for this combination (Crosland 1956). For Crosland social democracy was principally about ends (in particular, equality of opportunity). He thought that changes in the nature of capitalism implied that the means adopted to secure social democratic ends had to be rethought. In contrast to the historical emphasis on public ownership, the separation of ownership and control in modern corporations meant that issues of ownership were increasingly irrelevant. The nature of capital–labour relationships had also been transformed. Historically, capital was perceived to be dominant over both labour and government. This dominance no longer existed and so the nature of social democracy had to alter.