

Abandon hope? There is a choice if Labour is willing to change

The government are now in turmoil with the health bill and the Labour front bench must take this opportunity to draw a line under previous policies. That ironically, has left the door open to the Tory charges that we are just following New Labour reforms. The Labour Leadership must set the record straight and announce that a future Labour government will repeal any privatisation.

PFI and market reforms have failed to reduce costs in the NHS; the truth is PFI will take vast amounts of tax payers' money for many years, costing millions of pounds more than normal state procurement.

Former Blairite minister Alan Milburn writing in the New Statesman argues that "Opposing change might be comfortable, but it is not what is needed. Standing still in a world of rapid change is not a feasible option for the NHS. Nor is it feasible for the Labour Party." This position is defeatist and wrong.

The NHS must be protected at all cost; tax increases to maintain standards and spending are popular. Following Milburn's line will lead to rationing and less care for the majority; the rich will always find the money for their own health care.

The NHS is not a company producing widgets it is part of the fabric of our society. The reason Tories, neoliberals and many in New Labour dislike it so much is the NHS is socialism in action. Furthermore it works and it's very popular with members of the public.

We must be clear and honest to our members the austerity that the government is embarked upon is not a short term fix many people's living standards will fall, if the current neoliberal policies continue this decline will continue for many years to come. Labour must not fall into the trap that the Tories have set. The Labour leadership and shadow ministers must not follow the path that leads to the abyss that the government is blindly embarked upon.

The sad facts are that Cameron and Osborne are winning the propaganda war with unfortunately a great deal of help from the right wing media and certain members of the Labour Party.

Ed Balls in a recent article makes the point that the government's policies are failing;

“If the Government ploughs on regardless with policies that aren't working, we don't know how bad things will be in 2015 on the economy, jobs, the NHS or crime. That's why we cannot make any promises now, three years before the election, to reverse spending cuts or tax rises. The Government's failure on the economy means the next Labour government will inherit a substantial deficit. We will have to sort out the deficit, clear up George Osborne's economic mess and deliver social justice in tougher times”

A good analysis of the governments mishandling of the economy, most commentators agree that there will be difficulties in 2015, however one would think it would be unwise to make any spending commitments especially when Labour is in opposition. But he then goes on to offer support to George Osborne by agreeing with a public sector pay freeze by stating;

“Pay restraint in the public sector in this parliament would have been necessary whoever was in government. But George Osborne's economic mistakes mean more difficult decisions on tax, spending and pay. It is now inevitable that public sector pay restraint will have to continue for longer and Labour cannot duck that reality”

Both Millburn on the NHS and Balls on the economy are locked into the neoliberal consensus. The patient is dying and they prescribe more leeches, in their world the options are narrow and extremely limited. There is no wonder that the public are confused none of the main political parties are offering any alternatives. The government are getting away with murder.

Michael Meacher writing in Tribune offers an interesting insight into how unfair society has become and how the extremely wealthy have managed complete immunity from the austerity affecting the majority of working people he goes on to say;

“The 100-page Rich List, compiled by Philip Beresford and published last May, presented a very different picture. Its analysis found that the 1,000 richest people in Britain were £60.2 billion better off than they

were in 2010, and that they were £77.3 billion better off in 2010 than they were in 2009.

The staggering fact is that just 0.003 per cent of the population - the richest of the rich - could by themselves alone pay off the entire deficit of £127 billion and still leave themselves £10 billion in surplus.

Yet in the absence of a wealth tax, a mansions tax, a land value tax or a super-tax on excess gains, they are being required to make hardly any contribution at all to deficit reduction, even though many of them were directly involved in causing the financial crash in the first place”

This is all the more remarkable that such colossal gains accrued to such a tiny group of super-rich people when the vast majority of the population were being forced into stringent belt-tightening. In 2010 and 2011, full-time workers right across the earnings range saw their real earnings decline. Many GMB members working in public services will in real terms, have their third consecutive pay cut in 2012 with the prospect of declining living standards continuing for the foreseeable future.

The Labour Party must come to terms with this bleak outlook for all if this depressing consensual sleepwalking continues. The government policies will fail and Labour must be in apposition to offer hope.

Means must be found to re-distribute wealth. The way the ultra-rich get away without paying tax is a sick joke. Labour must cut through vested interest and unlock this resource for the good of the people of our country. This money must be put to use, modernising our crumbling infrastructure, creating jobs and wealth for all. The alternative is to abandon all hope and that is not an option.

Steve Jennings MCIPD

Senior Organiser/political Officer GMB