

LET THEM EAT MOATS ?



Oh dear. Here we go again. First we have bankers queuing up to say 'sorry' for screwing the economy. Next we have political leaders self-flagellating over MPs allowances. What is the connection? It goes deep into the roots of New Labour's flirtation with neo-liberalism. Both are caught up in light touch regulation and 'off balance sheet accounting'. Both play to the politics of secrecy and self-reward. Both treat the privileged with indulgence for misdemeanours that the poor would be imprisoned for.

In such circumstances, who would have thought that David Cameron could emerge, in glowing terms, from the fiasco surrounding MPs' expenses. Leave aside the criticism. His press conference, announcing a list of Tory MPs who would be paying back 'excessive' expense claims, made him look Prime Ministerial in a way that Gordon Brown

sadly has not done. The collective plan that came out of his Shadow Cabinet meeting had an aura of gravitas that Gordon's impromptu YouTube appearance never matched. Of course it was calculated and superficial, but you can't escape the way in which it struck a chord.

The day in which Cameron made his announcement looked as though it had started by throwing Labour a lifeline. Tory MPs claims for swimming pools, chandeliers, helipads and moat drainage, all hit the headlines. It made one thing clear: in a system riddled with flaws and imperfections, you still get a better class of claim from the Tories. Cameron's action against his own Shadow Cabinet members, however, stood him in stark contrast to the inactivity of Labour's response to Ministerial excesses. While Cameron made the repayment of excess claims a condition of party membership, Brown was only able to leave it to the conscience of individual Ministers.

Downing Street cannot remain silent on second homes claims for properties MPs have never lived in. Nor is it credible to support claims for second homes further away from London than the MPs' own constituency, or where the declared main home amounts to little more than a cupboard in someone else's house. It is those who are closest to the Downing Street patronage system who are still most protected by it.

There is something deeply offensive about David Cameron emerging as Mr Squeaky Clean. He too claims the maximum amount of his parliamentary allowance. He is able to do so because the interest charges on his £1million+ family home easily account for the whole allowance. It is his personal wealth that allowed the house purchase. The taxpayer just gets to pick up the bill for interest charges on a mortgage that would still be beyond the reach of most Labour MPs.

The significance of this point is that it goes to the heart of questions about where we want to end up. The Millionaires' Row that is now the Conservative frontbench would be unaffected by a complete abolition of living allowances for MPs outside London. The Tories have always been a party that knew how to provide its MPs with 'extra little earners' that for centuries defined Parliament as a rich man's club.

Those arguing for MPs to claim only from hotel receipts know that this too would prompt MPs from all parties to make a pragmatic judgement call about where to live. Once elected, you shift your family to London and use the hotel claims to cover not London, but the occasional visit 'back to the sticks' of your constituency.

This would take us back to a 19th century view of politics that revolved heavily around a London elite. Do not underestimate the extent to which the press, as much as the Tories, would be happy to return to an era in which the labour movement could not afford to have MPs in Parliament. When MPs were not paid, Labour was priced out of representation as much as being voted out.

No-one is suggesting we go back to such an era. Nor should anyone pretend that MPs are poor. For Labour, the importance of the allowance fiasco is to connect it back to political decisions being made about the real world in which our constituents live. New Labour turned Parliament from a political platform into a personal career process. Ambition replaced principles, and became privately rewarded. This too was down to New Labour. When I entered Parliament in 1992 there was an obscene annual pageant in which MPs voted on their own pay. We managed to end this by handing matters over to the Senior Salaries Review Board. The SSRB tied MPs pay to a specific civil service grade, and that should have been that.

It doesn't matter now whether it was Blair or Brown who scuppered it. The pay agreement almost immediately was ditched by New Labour. Downing Street wanted a low pay award for MPs, to discipline the rest of the public sector. The government bought support for this by promising MPs a 'generous' increase in allowances. It was a back-door pay deal and has been treated as such ever since.

This was not a bribe to get Labour MPs to vote for a shift from universal to means tested benefits for the poor. Many would have done so for free. The effect, however, was to widen the gap between MPs, on tax free allowances, and the rest of the country on taxed and means-tested incomes.

Historically, this was everything that the Tories had stood for and which Labour had traditionally opposed. Blair used his own fascination with wealth, privilege and freebies to culturally and politically deform the Labour Party. Today's mess is as much about this corruption of politics as about the claims of individual MPs. It is about the demise of political accountability just as much as it is about financial accountability.

On the day that Cameron made his 'world statesman' gesture, and the press turned on Tory abuses of the system, virtually no-one mentioned the same-day announcement that the minimum wage was to rise by 7p an hour. This is one-third of its previous year's increase and still amounts to only £5.80 an hour. Herein lies the chasm that separates Parliament from the public.

Labour's very existence was to narrow the gap between the rich and the poor. It was to deliver dignity and security in work, a sense of safety within the community, and solidarity between the generations. All of these big political issues, however, are currently invisible. The debate about politics has become a debate about individual politicians. It is all that the press (and parliament) seem able to talk about.

Meanwhile, we are one year away from a general election. We are in the middle of an economic crisis greater than any other in my lifetime. Beyond it, we face the unavoidable reality of the finite limits of oil,

phosphates, water and food. We are at the edge of a climate change crisis that will turn every aspect of our social and economic lives upside down. These are the big political issues of our time. These are the transformation challenges that Labour has to make its way back to. How tragic, how predictable, that New Labour should, instead, have sunk into the politics of its own peccadilloes..

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