LABOUR LEFT
Briefing

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# WHEN NEW LABOUR RUNS OUT OF FUEL


The biggest legacy of the Blair-Bush era is fear and insecurity. One hint of a trucker's protest about fuel prices and the British public laid siege to petrol stations all around the country. True, it had none of the carnage of social collapse in New Orleans, but it took little to create a mood of panic.

The same is true on the world stage. Both leaders repeat their mantras about standing tough on terrorism with not even a blush about their responsibility for creating it. They rail against foreign fighters in Iraq, with no recognition that there were none before the war. They rant against insurgents when, for most Iraqis, these include the British and American troops who are the army of occupation.

Domestically, the war on Iraq has become a war against the poor; the defence of democracy has become an attack on our own democratic rights. Ralph Nader struck a chord when he said that the devastating way in which America failed its own citizens in New Orleans was because Bush was more interested in being the Mayor of Baghdad than President of the United States.

Death has a way of bringing such messages home. There was no money to pay for the levees to be properly repaired in New Orleans, but plenty of cash for the flattening of Fallujah. American's are being told that their pensions are unaffordable, but private security firms in Iraq are paid in bucket loads of federal taxes.

In Britain, schools and hospitals chase Mickey Mouse funding schemes or private sponsors when billions are being thrown into an unwinnable war and an untenable occupation. And just in case you believe that citizens should rise up and stage their own social revolution in favour of sanity, either the Patriot Act or the Anti-Terrorism laws will step in to define the whole process illegal.

Now, on the eve of the Labour Party Conference, former Minister Alan Milburn declares that any thought of returning from New Labour to Labour, when Blair departs, 'sends a shudder' through him. What a joke. The cocktail of follies made up of means-testing, privatisation, job insecurity and economic short-termism has turned Britain into a rich society consumed by a fear of tomorrow. Nowhere is this clearer than in the fuel crisis.

The official response from Downing Street has been to call for OPEC countries to pump more oil and build more refineries. It is part of the 'more of the same' mentality that fuels New Labour's self-delusion. The reality is that we require a radical re-think of energy policy that will take us into a completely different era and mindset.

Low oil prices are a thing of the past. The petro-chemical base of industrial agriculture is also going to be shot to hell. Calls for more oil simply put off the day of reckoning when it runs out, or is priced out of reach by the demands coming from China and India.

Brazil never had any oil. Instead it developed a bio-fuels industry in the 1930's and is now a world leader in it. Cities in Britain (and internationally) are looking to become energy self-sufficient (from renewable resources) within the next decade. Houses and vehicles are being produced that run on hydrogen, electricity and bio-fuels. At best, government policy runs to catch up with these ideas. At worst, public policy is still gridlocked in the past.

We know that 70% of the heat generated from power stations is wasted and that the National grid leaks like a sieve. No wonder local authorities are looking through the history books for the records of how a century ago, they set up Gas Companies, Water Companies and Electricity Companies to give their citizens energy security. Today's micro technologies make local sustainable energy systems a much more coherent basis of energy services in the 21st century than anything on offer from New Labour's corporate compliance economics.

The big question will be how we pay for the seismic shift that must take place. The best answer, ironically, is in relation to decent pensions and public bonds. Up to the 1970's trade union pension funds accounted for a huge slice of public infrastructure investment. They bought up government bonds that paid (directly) for social investment. This was long before the dot-com revolution sucked funds into speculation, and stole the funds when the bubble burst.

Today workers have huge amounts of their £50 billion annual pension savings going into dollar based assets. Most economists know there will be a collapse in the value of the dollar over the coming year or so. Time to put savings in safer places. Where better than a sustainable energy future?

The beginning of the end of the fossil fuel era is already behind us. It stumbles towards its own crisis and collapse. A visionary future for Labour will be found in the plethora of new technology solutions, developing micro energy networks rather than global dominions. Wake up Downing Street. Smell the coffee. This is just the beginning of the beginning.