

LEADING LABOUR



Whichever way you look at it, Tony Blair's call for an orderly transition of leadership power is a plea for change without change. Behind it is the desire to embed social market Thatcherism into the character of this, and future, Labour administrations. It is a doomed mantle for Labour and for any would-be leader.

The Prime Minister found the collapse of this personal standing something difficult to deal with in the election. Far more important, though, was the way in which the election marked the end of Britain's flirtation with a US-style presidency and the de facto death of a New Labour mandate.

On the doorstep, of course everyone knew Blair was the biggest single factor that drove people from Labour. The war, trust, accountability and dishonesty, were all cited as criticisms of what Labour had come

to represent. If the alternatives had not been so unconvincing we would have been in real trouble. But the depth of political change runs much deeper.

The failure (or liability) is not Blair the person, but Blairism the project. It cuts across all areas of policy. To move beyond the war we have to take ourselves out of the war zone. If today's market obsessions reduce people to commodities, we need to set out alternatives to these obsessions rather than call for a different figurehead to pretend that they work. If climate change is the serious priority of this parliament then it has to change policies far more profoundly than it changes leaders.

I am as overwhelmingly disinterested in Blair, the person, as I am in Brown, the knee-jerk reaction. The manner of Blair's departure matters not one jot. The big debate will be about what rather than who follows him. This is where the conflict is unavoidable.

When Labour won in 1997, the New Labour machine spun this as a personal triumph of Blair 'the man'. They talked openly of the end of representative democracy and the dawn of an era of direct democracy; a time in which the Prime Minister would talk directly to the people, unencumbered by the constraints of party or parliament. The assumption was that only the leader mattered; that we had moved seamlessly from a parliamentary democracy to a presidency.

The size of Labour's majority allowed this assumption to be bolstered by enormous patronage and to run on into contempt for parliamentary accountability itself. A legion of political wannabes ensured that there was always a majority to push through the most regressive or ill-thought-out ideas cooked up by the Downing Street cabal. Now, at least, we have a return to normal political times, with more normal political majorities. What the press describe as the 'parliamentary rebels', is no more than the normal process of parliament holding government to account.

Despite protestations about having listened to the electorate, all the indications, from the shape of the new Cabinet, are that it is business as usual in the New Labour camp. All that this means is that clashes

with 'the Project' will come sooner rather than later in the parliament. In the past the Treasury team has stood loyally by the Prime Minister – be it on the war, top-up-fees or anti-terrorism legislation. The Chancellor knows that each act of loyalty is now a nail in his own coffin. If the Prime Minister plans to rely on this loyalty to push his next phase programme through, in the face of both public and party opposition, it will turn out to be no more than a suicide pact between the pair of them. In many respects, the disputes between the two are a distraction from the real agenda.

Back out on the doorstep, Labour candidates were being told that people liked the investment we had put back into health and education, but not the bureaucracy that had come with it. Too many targets, too obsessed with internal markets, too many Mickey Mouse financing schemes, too much means-testing and too many quangos, were all cited as criticisms of the way Labour's spending had been lost or misused. There are many ways of tackling MRSA infection in hospitals, but an extra floor load of accountants isn't one of them.

New Labour was obsessed with bringing the private sector into public services. Now, real Labour must put the 'public' back into public services. Bringing rail into public ownership is the easiest and most obvious starting point. Simply by not renewing the franchises when they expire would ensure that public assets return to the public. The £3 billion of annual subsidies could then concentrate on getting the trains, rather than dividends, to arrive on time.

New Labour was as wedded to means-testing as Thatcher was. Today, we have to re-state the case that social solidarity and stability is built around common entitlements and progressive taxation. The public are not fools. They know we are going to have to pay more for the health services we demand, the infrastructure we rely on and the pension years we hope to enjoy. They just want an honest, grown up debate about how we do it. It is stealth taxation that really hacks people off.

If you want to cut bureaucracy in public services you have to cut means-testing. In re-stating the case for at least raising the state pension to the level of the Minimum Income Guarantee (and then re-connecting it to rises in earnings) we would also open up the argument for tackling poverty in work by raising the exempt threshold at which the poor pay any tax at all. Of course higher rate thresholds would have to be altered to offset this, but it would be clear and honest.

On social issues, New Labour was always keener on managing the people than managing the economy. This, in turn, feeds the secret state. We could have made telephone tapping and surveillance evidence admissible in court. Instead, New Labour pushed through draconian anti-terrorist laws. Details of those charged under these laws prove how irrelevant they have been to the pursuit of al Qaida. Their value was simply in defining the people as the enemy, and making them the legitimate focus of a fear agenda. The ID card debate starts from here and nowhere else. It is the basis on which it will have to be challenged.

It is, however, on the environment that the most ferocious criticisms of New Labour have to be reserved. Scientists give us (perhaps) a decade in which to fundamentally change the shape of how we live. If we squander this time the world will not suddenly come to an end. It is simply that the damage trends will become irreversible. Blair at least understands the scale of the issue. Brown just doesn't want it interfering with business. In so far as they come together, it is only in the parody solution of

creating a market for pollution trading rather than its elimination; tradeable 'crap credits' rather than no crap in the first place. This is where the policy revolution has to begin.

In this parliament, the Labour Party has to conduct a fundamental re-think of markets themselves. We have to move from markets that pollute to markets that sustain, from markets in 'bads' to markets in 'goods'. The contrasting model of sustainable food and farming is already to be found within the European Slow Food movement. Started in Italy, the movement has grown around local, sustainable and accountable markets rather than the global food acquisitions. What under-pins it are tax rules that favour the local and sustainable rather than the global and corporate.

Food security and water security will become critical challenges of the coming decade. Not a single occupant of Downing Street has a clue about how to address these. No less critical is the looming crisis in energy supply. Suddenly we are told that nuclear is the only answer. No mention of the £60 billion that the taxpayer has just taken on as the waste management bill for the current generation of nuclear power stations. It is the big business solution to never ending growth in energy consumption. There is, though, a much more exciting alternative.

New Labour would sacrifice its children on the altar of globalised free trade. It creates food markets that are absurdly polluting and destructive. Food miles go through the roof. The poor in the South are required to feed the rich in the North, when they cannot feed themselves. Transport pollution and congestion add to the non-food costs that other taxpayers have to clean up. And domestic farming systems get driven out of existence by global agribusiness that will probably run out of water before it runs out of soil fertility.

First, we need to turn energy consumption markets into energy services markets; where companies can make money out of non-consumption (and self-generation) more easily than out of increasing energy consumption. Second, we need to look at places that are generating their own energy (from sustainable resources) and planning to come off the National Grid because they can meet their energy needs more effectively in doing so.

More than a century ago, local authorities in Manchester, Birmingham, Liverpool and Leeds led the way in setting up their own Gas, Water and Electricity companies to provide security for their citizens. Now, we should look at the same approach, but as sustainable, self-generation templates for energy and water security in the 21st century. Climate change, rather than leadership change, is the central issue.

The funding mechanism local authorities used in their previous pioneering roles were municipal bonds. Gordon might have a heart attack about this, but it is a far more attractive option than throwing workers' pension savings away in the speculative casino of today's financial markets. Safe pensions, safe water systems, safe and renewable energy systems could become central parts of a socialised economics that this century will have to be built around. The question is how we get there?

These will be no orderly succession in the Labour leadership. The press will want to run it as a titanic struggle between competing egos; who best should command the ship of State? The trouble was that the Titanic needed a change of direction more than it needed a change of captain. Britain (and Labour) does too. This is the challenge that has to impose itself in what would otherwise be a faux and futile succession race.

