

# Fabian Review

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Summer 2012

## A NEW STATE OF MIND



Thinking differently about how Labour governs,  
with Anna Coote, Andrew Harrop, Alison McGovern,  
Yvonne Roberts and Jon Wilson

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**PLUS:** Mary Riddell interviews Liz Kendall MP **AND:** Policy ideas for the next Labour state

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# THE SHAPE OF THINGS TO COME

## LABOUR'S NEW THINKING

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SOCIETY



Image: Adrian Teal

# New frontiers

Revitalising the public realm means building a new culture in public services whilst thinking differently about the scope of government action when money is tight, says **Andrew Harrop**

**Frustrated, powerless, ignored** – the three words people most associate with their use of public services, according to new Fabian Society research. It is a sad testimony. For all the last Labour government's achievements in revitalising the public realm there was something missing. Ministers focused so much on 'what' services do, they often ignored 'how' they do it.

Our findings suggest that a new politics of public service must focus not on targets and structures but on relationships and values. When asked how services should be improved, the public don't dismiss the utility of market-based choices, but they value freedoms for frontline staff and strong bottom-up accountability just as much. So we need a grown-up relationship between public, staff and the leaders of public services. But this can't just be willed through new rules; just as with the banks, it needs a new culture.

Perhaps, as Jon Wilson suggests in these pages, the point of national politics should be to breathe life into strong, autonomous non-market institutions endowed with the right professionalism, ethos and values? We also need to re-imagine public service ecosystems based on common

trust, shared purpose, integration and interdependence – the complete opposite of the atomistic, hands-off world of free schools or healthcare by 'any qualified provider'.

To forge a new agenda of values-laden institutions and ecosystems politicians will however have to move public opinion. For our research indicates scepticism bordering on hostility with regard to the 'middle tier' of public institutions above individual schools or surgeries. Consider for example the government's failure to win the case for elected city mayors. By contrast the public has an enduring if ambivalent faith in ministers' powers to hear bedpans falling from Whitehall.

Labour's new 'state of mind' also means thinking differently about the scope of government action when money is tight. Our research confirms there is no ideological support for a smaller state, with only 23 per cent of people (and one third of Conservative voters) supporting tax cuts and a narrower range of public services. We found enduring support for spending on the 'core' public services we all use – health, education and police. But with cuts set to continue into the next parliament there is little public

support for any extension of government spending on Labour priority areas such as job creation, house-building or universal childcare.

To offer 'more' in these areas Labour will need to build public support and also show where the money will come from. Whoever wins the next election, tough public spending choices will therefore be needed. The authors of our new book, *The Shape of Things to Come*, argue that after 2015 it will only be possible to restrain public spending without causing further hardship by tackling problems at source. Sometimes that will mean smarter, earlier government intervention, so that more is done to prevent chronic illness, dysfunctional parenting or weak employment prospects. But it also means embracing radical reform of the private sector to end the market failures which load costs onto the taxpayer through, say, the cost of housing or poverty pay.

In the autumn the Fabian Society launches an inquiry on public spending choices to probe these questions. Chaired by Lord McFall, it will seek to identify opportunities to restructure spending to deliver prosperity and social justice even with flat or shrinking budgets.

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### FABIAN REVIEW

Fabian Review is the quarterly journal of the Fabian Society. Like all publications of the Fabian Society, it represents not the collective view of the Society, but only the views of the individual writers. The responsibility of the Society is limited to approving its publications as worthy of consideration within the Labour movement.

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# The language of priorities

Our new YouGov polling finds the public give short shrift to many of the left's traditional spending priorities. To win public support in a tough fiscal environment, we'll need bold ideas and strong arguments says **Andrew Harrop**



*Andrew Harrop is General Secretary of the Fabian Society*

Whoever wins in 2015 will face awful public spending choices. The woeful state of the economy means the deficit will remain high and there will be almost no scope for public spending growth. So George Osborne smells blood. He is quietly plotting a public spending review in 2013 to set out plans for spending after 2015. He hopes he will force Labour into rejecting his plans without an alternative – and losing any hope of fiscal credibility in the process.

But where do people think the money goes now? And what are their priorities for spending in the future? New Fabian polling, conducted by YouGov, finds some truly surprising answers, with a mix of good and bad news for the left. After two years of the government's austerity narrative, 'core' areas of public spending still receive very strong backing. But less mainstream services which matter hugely to the left are little valued by the public, with one important exception.

Given the overall shortage of money, our polling was careful to present spending choices in a way that made it clear that any increase would imply a tax rise. So we asked: 'would you prefer tax rates and the level of provision for each service to rise, or tax rates and the level of provision to fall, or is the balance about right?'

Our first conclusion is that the British are conservative, with a small-c. For six

of the eight areas of spending the most popular option is 'the current balance is about right' – around half support this view with respect to police, jobs programmes, early years, schools, colleges and universities.

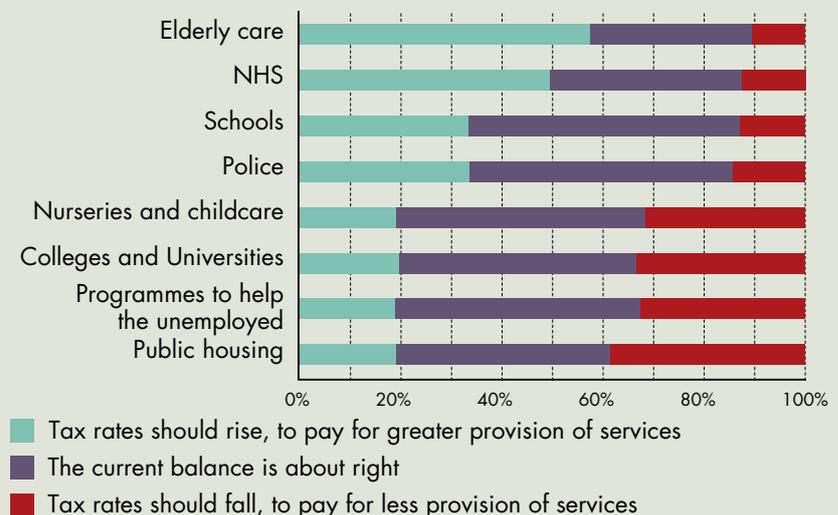
Not surprisingly Labour voters are a lot more positive about increasing spending on public services than Conservatives

In two fields, however, more people wanted a spending rise than a standstill. These were the NHS and, perhaps more surprisingly, elderly care. Indeed older people's social care was the only one of our eight areas where a majority

(57 per cent) of those expressing an opinion wanted more spending.

The news that eldercare is the public's top priority for any extra spending should provide a real boost for advocates for comprehensive reform of England's disastrous social care system. But the rest of the results make for grim reading for Labour politicians. In four areas which are top priorities for the party, many more people support spending cuts than increases – across early years, colleges and universities, and job programmes, for every two people who supported spending rises, three supported cuts. When it comes to subsidised housing, a top priority for many on the left, the results were even worse: twice as many people want cuts as increases.

FIGURE 1: Would you prefer tax rates and the level of provision for each service to rise, or tax rates and the level of provision to fall, or is the balance about right?



**“At the heart of today’s popular discontent is a widespread sense that the insurance principle has been abandoned”**



*Peter Kellner is President of YouGov*

One of the many controversies that Margaret Thatcher provoked was her call for a return to “Victorian values”. She meant thrift, civic pride and personal responsibility, while many condemned her for glorifying an era of squalor, misery and gross exploitation.

In one sense, however, Victorian values are alive and well, or at least commonplace, today. Most Britons implicitly draw a distinction between

the ‘deserving’ and ‘undeserving’ poor. This emerges with great clarity from YouGov’s latest survey for the Fabian Society.

Consider how people view the tax-and-spend trade-off for the different services that the state provides. In only two cases is there a decisive preference for higher tax and more provision over lower tax and less provision: the NHS and care for the elderly. The least popular programmes are public housing and those ‘to help the unemployed’. So where the poor face the same needs as everyone else – when they fall ill or need care – they deserve to be treated well. But where people think the need is more questionable, they want taxes cut.

YouGov research earlier this year for Prospect explains why. Most of us – and this includes most people on low incomes – think that many recipients of welfare benefits are ‘scroungers’ who tell lies when they claim benefits, for example by working in the cash economy while claiming job seekers’ allowance.

Our Fabian survey helps us to fill out the picture further. Most people

are not keen on means-testing – but neither do they want the state to do more than provide a safety net. And by a very large majority we recognise that all of us rely on decent public services at some stage in our lives.

What, then, does this add up to? Again, the past provides a guide, this time going back only half as far as the Victorian era. This year sees the seventieth anniversary of the Beveridge report. This proposed broadly what people nowadays want – a basic but universal system rooted in the insurance principle. At the heart of today’s popular discontent is a widespread sense that the insurance principle has been abandoned, and that people who pay little in are getting too much out of it that they don’t deserve.

The key to reviving popular support for decent welfare provision is to re-establish the insurance link between payments in and payments out – and to persuade voters that effective steps have been taken to prevent freeloading by those who take the system for a ride.

**FIGURE 2: Difference between per cent supporting tax rises to pay for more provision and tax cuts to pay for less (by party support)**

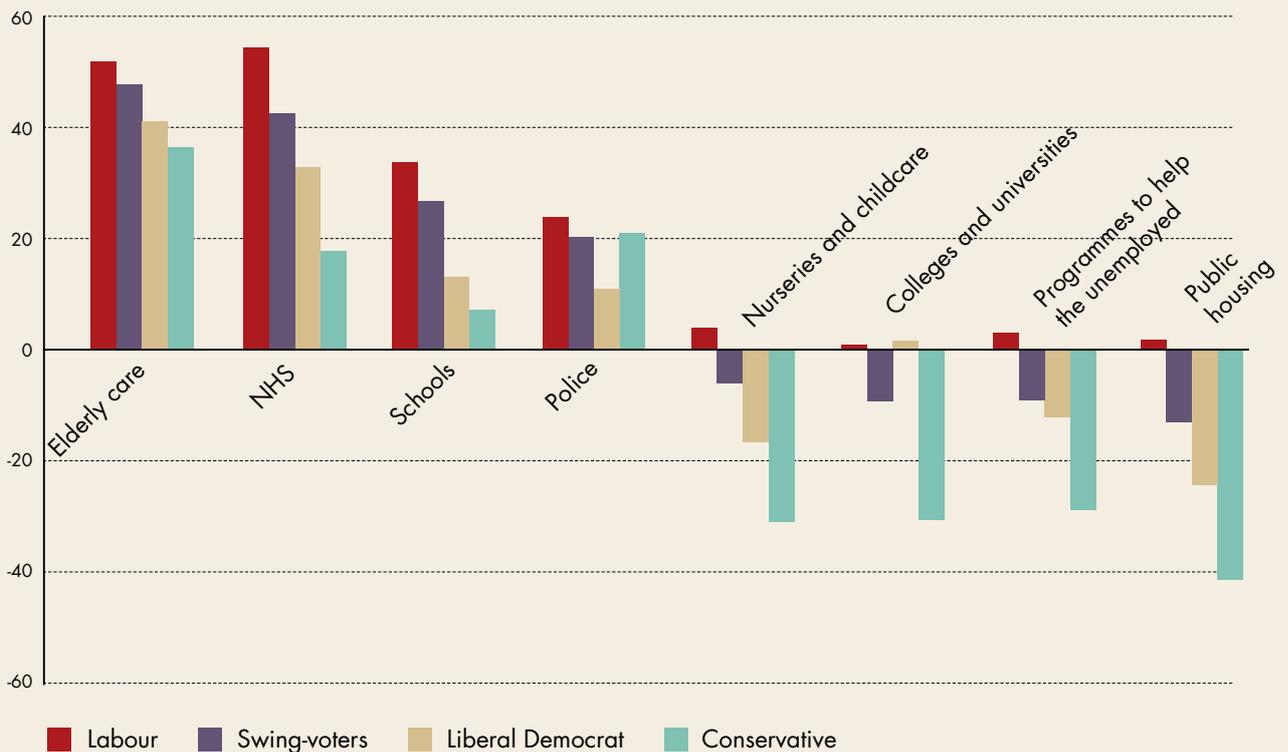


FIGURE 3: Difference between per cent supporting tax rises to pay for more provision and tax cuts to pay for less (by age)



None of this is to say Labour should abandon its ambitions for investment in these areas. But it does suggest a great deal of thought and effort will be needed to successfully make the case for investment. By contrast the findings on social care are very positive. They suggest the public will get behind politicians if they finally agree a cross-party solution, even if it requires people to pay for it.

Looking at different demographic groups, women are more positive about spending increases across the board, but particularly with respect to the NHS, elderly care and policing

These general patterns have their variations, although none undermine the overall picture. Not surprisingly

Labour voters are a lot more positive about increasing spending on public services than Conservatives, or even Liberal Democrats. Interestingly 'swing-voters' – people who didn't vote Labour in 2010 but are now considering it – are closer to the Labour position on most areas. Party political identification makes the least difference when it comes to views on policing, followed by social care. Investment in public housing is the most divisive area, but even among Labour supporters, as many want spending cuts as want rises.

Looking at different demographic groups, women are more positive about spending increases across the board, but particularly with respect to the NHS, elderly care and policing. Meanwhile lower income groups (C2DEs) are noticeably more positive than ABC1s about spending on NHS, public housing and (to a lesser extent) early years and jobs programmes. By contrast they are less supportive of extra school spending. It is hardly a revelation, but this reminds

us that championing the NHS remains a huge 'pull' for Labour-leaning demographics, including women and lower income families.

Age is an important factor, but not as determinative as one might imagine, with only limited evidence of different generations expressing 'selfish' preferences. For example we were extremely surprised to discover that almost as many 18 to 24 year-olds support a cut in spending on colleges and universities as back an increase. Elderly care was much more popular than early years across all age-groups, although that support increases with age. Meanwhile more people opposed than supported spending on early years among each age-group except the under-24s, with the most hostile cohort aged 40 to 59. In six out of eight areas no age-group was more pro-spending than the over 60s, despite their strong Conservative leaning. This underlies the importance for Labour of talking about the risks the coalition is taking with public services. ■

## What we think our money's spent on

Eleven years ago the Fabian Commission on Taxation and Citizenship proposed the publication of citizens' tax statements setting out how the public's money is spent. Somewhat to our surprise, the idea has resurfaced as a key part of George Osborne's proposals to exert downward pressure on public spending.

Many on the left are wary. But our new research suggests that greater transparency could actually give reassurance to the public when it comes to 'unpopular' areas of public spending. Why? Because people think we spend far more on them than we do.

The first important finding is that people usually over-estimate how much money is spent

Asking ordinary members of the public how much government spends on different areas is of course a ridiculously hard thing to ask. But we wanted to see whether 'the wisdom of the crowd' would produce plausible estimates and see what the inevitable inaccuracies told us about public perception. We asked: 'thinking about all the many things that government spends its money on; how much out of every £100 of government spending do you think is spent on the following things?'

The first important finding is that people usually over-estimate how much money is spent. This was true for eight of the ten areas we asked people about. Based on the average response to each question, people thought that the ten areas together accounted for 91 per cent of all public spending, when the actual figure is 61 per cent.

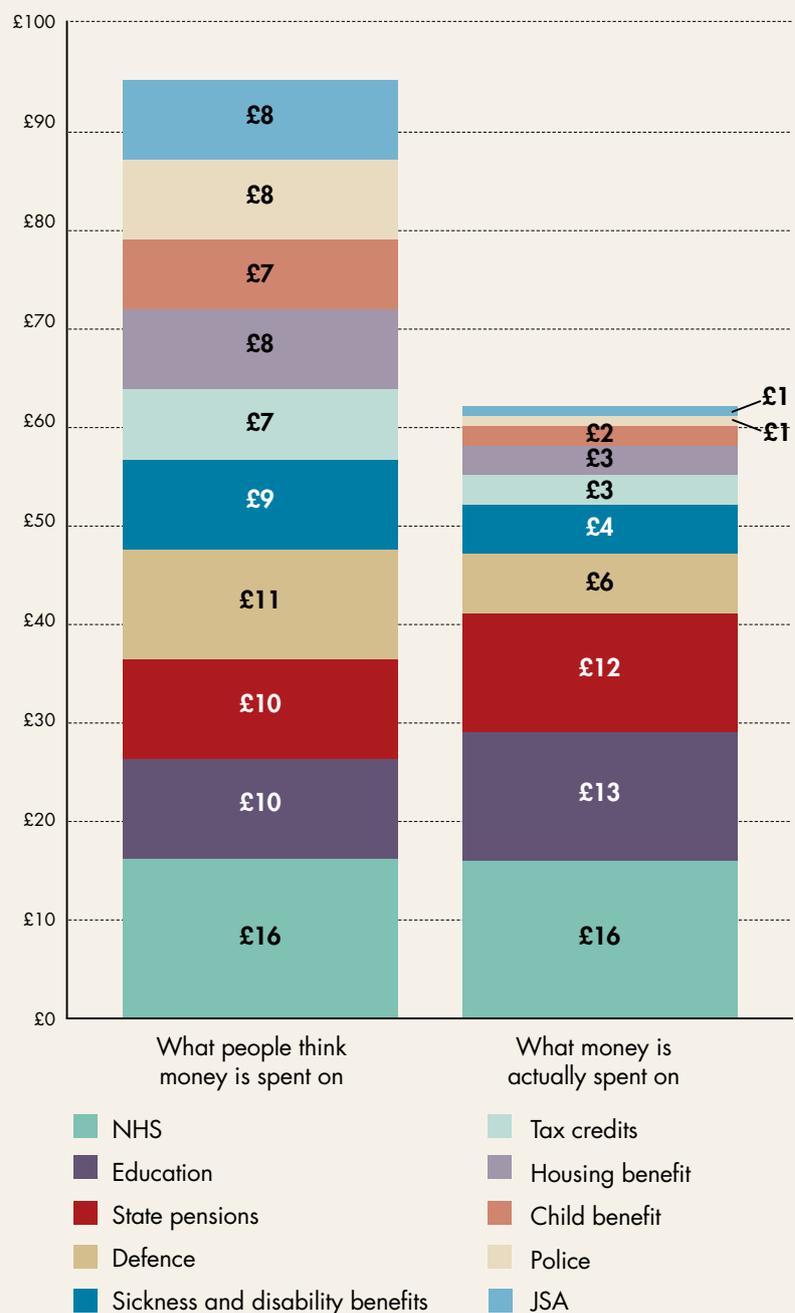
This inaccuracy is not evenly distributed however: people are far better at guessing how much we spend on 'big' areas of spending – the NHS, state pensions and education – than the rest. Indeed the average response for the NHS was correct (16 pence in the pound). By contrast the smallest budget we asked

about, job seeker's allowance, produced the greatest inaccuracy, with the average response more than ten times higher than the true figure (7.7 per cent rather than 0.7 per cent). The data also hints that people may be particularly inclined to over-estimate the scale of unpopular areas of spending: in reality we spend roughly the same on tax credits, disability benefits and housing benefit; but the scale

of over-estimation was higher for the latter two, which tend to attract much more negative comment.

Our conclusion is that the left has little to fear from better information on how much is spent, as long as the information is presented in an open, clear way. If anything, citizens' statements may convince people we spend less on 'unpopular' causes than they think.

FIGURE 4: Thinking about all the many things that government spends its money on; how much out of every £100 of government spending do you think is spent on the following things?



# THE STATE OF THINGS

The next Labour government needs to do the state differently. This is partly because of the brutal fiscal environment it will find itself in: the public spending tap won't be turned on anytime soon, so Labour needs ways of doing things better for less. But it's not just about money. Labour used state power in a way that failed to carry its people with it. **Yvonne Roberts, Jon Wilson, Alison McGovern, Natan Doron, Anna Coote and Ruth Lister** outline a different vision of a Labour state, that's more relational rather than managerial; preventative rather than reactive; democratic rather than distant; and rekindles contribution.



## The relational reality

New Labour's intense managerialism turned many away from the ballot box. Making the relational state flourish can re-engage voters and re-affirm a belief in their power as active citizens says **Yvonne Roberts**



*Yvonne Roberts is chief leader writer for The Observer and a Fellow of the Young Foundation*

Politics, as defined by Westminster, has become tainted. Trust has been lost and engagement drained away so much so that – as Katie Ghose of the Electoral Reform Society argues – democracy is in danger of becoming a minority interest. The paradox is that this is in spite of a monumental shifting around of the furniture on the party political stage: Scottish devolution; House of Lords reform; the Localism

Act, which devolves more powers to local authorities and communities; and the use of local referendums and recall laws. Whatever the demarcations of the new frontiers of the state, it will require more than doing what has always been done, only more vigorously and employing social media.

In 2010, Geoff Mulgan, now head of the charity NESTA, wrote a powerful essay which built on his idea of the relational state and the shift from a state that does things to and for people to one that works with people; less controlling, more strategic. The relational state is born out of the failure of the current model but also from necessity. The boom period under New Labour encouraged politicians still further to infantilise the electorate. New

Labour's intense managerial addiction and its conviction that targets were the only ways to motivate and measure, plus the false consumerist promise (that can never be fulfilled) that, for instance, in schools, social housing and health, individual market 'choice' was all that mattered, was a profound part of the process that has led to so many of the electorate to turn away from the ballot box.

Politics has become too much like a mistrustful and jaded exercise in shopping – a policy from this party, another policy from that – and not enough about a clear vision of society that permits genuine, not top-down, co-operative self-organisation among different communities of interest; citizens as active agents in their own

lives. As Mulgan, a former adviser to Tony Blair writes, “a government which is too all-embracing, too powerful, or even too efficient may so limit the scope of individual responsibility as to leave people dependent, childlike and passive.”

For the relational state to flourish is, at its simplest, first, about ethos: working with, not doing to, molded by an asset-based approach, not an expectation that much of the electorate lacks moral fibre and is riddled with welfare dependency.

Metrics questions what we count and value and why: what outcomes equal success? Metrics ought to include a community’s social capital, resilience and wellbeing. Accountability requires a wider and more imaginative use of tools such as social media. Lessons can be learnt from the example of single issue campaigning organisations such as 38 Degrees, now with a million members, many of them new to political activism. This will help to expand the pool of future politicians – a pool which, at present, is a desperately shallow puddle.

What is also vital is the value of narrative, the “overarching story” for which Jon Cruddas, head of Labour’s policy review, is now said to be in search. Jonathan Haidt in *The Righteous Mind: Why Good People are Divided by Politics and Region*, refers to the research of psychologist Dan McAdams and the importance of how our individual life narratives – “a simplified and selective reconstruction of the past” – feed into an adult political identity.

The construction of an overarching political narrative and the urgent need to re-engage voters and re-affirm a belief in their power as active citizens, has become so much more difficult since both Labour and Conservative for decades have focused on the moral deficiencies of sections of society and ‘broken Britain’.

A strongly effective new political narrative has to include a redesigning of the aims and goals of the welfare state; a 21st century definition of fairness (no more ‘light touch’ on the most privileged); the valuing of the public sector; care and vocation; a place for political innovation and failure; an absence of demonisation of individual groups in the community; and a tone that treats the electorate as capable adults.

Too often, on a party and personal (promotion-minded) basis, politicians view voters as obstacles and liabilities. And there’s no place for that in the relational state. ■

# The ghostly state and invisible institution

**Jon Wilson** argues that we need to radically change how we think about the state. The task of national politics should be to build institutions, not try to control them



*Jon Wilson is a historian at King’s College London and member of Movement for Change National Committee*

**Where is the state?** The Tories want it to do less, Labour to do it better. Everyone wants to run it. The Fabians publish magazines about it. But scratch the surface and it has a phantom-like presence. You can’t see it or touch it. There are schools, hospitals, councils and law courts, the benefit office and the Palace of Westminster. But no one has direct experience of the state.

As the Fabian Society’s research shows (see box), people don’t like the public sector. We all want things Labour thinks the state is about – solidarity, care, everyone pulling together. But public institutions are cold, detached and disconnected. For every committed nurse there’s another who doesn’t hear a patient screaming in pain.

So, as people increasingly suggest, the answer is for the state to be more ‘relational’. But can you have a relationship with a ghost? Can people connect to something so abstract and distant from everyday experience as ‘the state’? I don’t think so. For the relational state to become real, we need to think harder about what we’re talking about.

When we talk about ‘the state’ we talk about two quite different things.

First of all, we mean the power of our democratically-elected sovereign to command in the public interest, as they see it. This state commands through abstraction. It tries to do things by spending money, or making rules. But no-one has a relationship with cash or regulations. Abstraction never makes a difference on its own.

But the state is also something else. It means schools and hospitals, law courts and councils, benefit offices

and tax offices. It’s a sprawling, decentralised collection of institutions. Each has a life of their own: its own culture, its own local roots, its own ways of justifying what it does to its workers and users, as well as its own of accounting to government. People have a relationship with those real institutions.

We’ve forgotten about the real life of local public institutions. If the state is a ghost, the institutions supposed to do its work are invisible.

The consequences are corrosive. Politicians believe they’re managing a machine. Public workers think they’re only accountable to constantly shifting national targets and standards, not users. Councillors are more interested in the Audit Commission than local citizens. The proliferation of meaningless paperwork drives the voice of real people out of the system.

What can we learn from this? We need to recognise the independence of local public institutions. Organisations work best when they’re driven by people’s internal sense of what’s good. The nurse who really cares is better than one who’s told to. A teacher is no good if they’re just following the rules.

Public service workers should not be wholly in charge. But ‘producers’ aren’t effectively held to account by national standards or targets. Much of the time, they find ways to game the system and entrench their own authority even further.

The answer is for public institutions that are reconstituted as little democracies, in which different interests are forced to work together. Real power comes from the relationships institutions create between workers, users and local citizens. That means being less worried about an abstract idea of the public interest and more about a local sense of the common good.

The task of national politics should be to build institutions, not try to control them. That’s what Labour once

did: the NHS, new universities, comprehensive schools. Now, we need different institutions. But the spirit should be the same, to create then let go.

### We've forgotten about the real life of local public institutions

To start, politicians need to be clear about what they can't tell people to do. Too often, public servants use compliance as an excuse for caution, implementing regulations which one has forced them to do. Our public sector spends too much time chasing ghosts, imagining the central state has far more power to command that it really does.

Of course, national politicians are elected to make things happen. Sometimes they do need to rule by command. But when they do, they need to recognise they're coercing people who've got their own ways of doing things. They need to understand the limits of their power, and care of the financial and emotional consequences of compulsion. Politics needs to be less about management and more about statecraft, knowing when to listen, negotiate and persuade and when to rule through force.

So the answer is not for the central state to measure different things. Even if we get better at counting what people think about government services, we're still being deluded by ghosts. Politicians can lead, persuade, chastise and command but they have no power to act on their own. The nearer you get to everyday experience of 'the state', the more you see that its real people in local institutions who get things done. ■

## Public services leave people powerless

In new research by the Fabian Society, we found the top three words the public associated with their experiences of public services were frustrated, powerless and ignored.

In the discussion groups we ran as part of the research, participants argued that an increased voice for local people in decisions about running services would improve quality. Participants also suggested that it would provide a chance for local people to feel 'a part of something'.

This idea presents a fairly strong argument in favour of viewing public service reform as a vehicle for civic engagement, particularly as we found that those who choose not to vote are also those who feel the least ownership of services.

Non-voters as a group are of a substantial size and actually outnumbered those intending to vote Conservative at the time we conducted our research (4th – 9th April 2012). Where overall responses to our polling survey found that 19 per cent of people were 'satisfied' with public services, for non-voters this was only 12 per cent. More strikingly, the answer 'belongs to everyone' being associated with public services scored 14 per cent across all respondents on average, but only 6 per cent for non-voters.

This is a significant section of the population who are not only less satisfied by public services, but feel considerably less ownership of services. This is wrong. At a time when political disenchantment is so high and public services are under such strain, we must now use services to engage a wider public.

Those who choose not to vote are in many ways totally disconnected from political processes and as a consequence have little political power. Political power is often felt most at a local level. The ability to influence and control your local environment is one that should be extended as wide as possible to reduce inequalities in society. It is for this reason that public service reform provides a credible 'way in' for attempting to engage people who have lost faith in politics or perhaps never had such faith in the first place.

So rather than seeing debates about public service reform purely as a sterile discussion about increasing choice through an increased diversity of provider, a fresh look at public service reform needs to integrate attempts to engage people in politics and hold local services to account. ■

*Natan Doron is Senior Researcher at the Fabian Society.*

## Beyond targets

Politicians need measures of success to get re-elected, but targets based around outputs or outcomes are limited. **Alison McGovern** writes that her fellow politicians need to shift to a measure that begins with the citizen's view point



*Alison McGovern is Member of Parliament for Wirral South.*

**In politics, targets matter. It's pretty hard to get elected without saying what you will do if you win. The public are rightly sceptical about those who are unclear about their practical priorities.**



And once you are seeking re-election, delivery is an absolute political necessity. I recall a Member of Parliament once describing to me his 'what have the Romans ever done for us' leaflets. He had to remind to his voters that at the previous election he said what he was going to vote for – smaller class sizes, more nurses – and that he'd done it. Future pledges alone aren't enough: we need credibility too.

However, it's not controversial to suggest that simple targets have their flaws. Objective targets, which do not consider the subjective perception of government by the individual, are limited. As I have written before, what matters is the real life of the state.

Let's take an example.

Jobcentre Plus is judged on job outcomes (people moving into work), employer engagement (mainly whether job centres fill vacant posts), and timeliness of processes (for example, holding i n t e r -

views on time). These are indeed the tasks Jobcentre Plus carries out. But it's not judged on what people actually think of the quality of service they've received. So it's possible for staff to be promoting options that aren't right for the person concerned.

The Conservatives' approach to getting people back to work has been an attempt at marketisation. Flaws in their thinking have become immediately apparent as the A4e scandal, and the exclusion of smaller, specific organisations in back-to-work efforts, have materialised.

So what should a Labour redesign of back-to-work targets look like? Switching away from outputs (or tasks completed) to outcomes (the change achieved) is necessary but not sufficient. We need to assert what qualities the relationship between the state and its people should be.

The existing customer service target for Jobcentre Plus goes some way to describing this. It challenges Jobcentres to treat customers with respect, be helpful, polite, and listen. Customers are also asked whether information was accurate and easy to use.

But we need to go much further. In a recession, more people are likely to walk into Jobcentre Plus for the first time. This is the moment that the state interacts

with one of the most important drivers of ambition and identity: work. We need to do much more than be polite.

We need to restore the loss of dignity involved in job insecurity. To do so, we need personal, specific assistance. And we need to recognise that the right and responsibility of each to work means the state has a responsibility to recognise the unique barriers that face each person. Public servants need to use emotional intelligence, and be empowered to meet the aims of the service in diverse circumstances.

For example, those out of work with significant disabilities need different help than young people caught up in a global downturn hitting a place of low employment opportunities. Politicians can state the guarantee for all: a right to back-to-work help, and then empower local delivery, respectful of difference, and interested in the quality of life of those they serve.

We'll still need to track what government does of course, but we need a measure that begins with the citizen's view point. We'll need more than ever to be accountable for the actions of the state, but our election leaflets should be written about the satisfaction the public really feel about those actions, not just a production statistic. ■



## The wisdom of prevention

The case for preventing harm instead of spending scarce public money on dealing with problems once they have occurred seems self-evident. So why is it so hard to move upstream asks **Anna Coote**?



*Anna Coote is Head of Social Policy for nef – the new economics foundation*

You are on the banks of a fast-flowing river. You are trying to rescue people who are being swept downstream. The bodies keep hurtling past and you are so busy hauling them out that it's a while before you stop to ask: what's going on upstream? What can be done to stop all these people falling in?

This is how the welfare state works. Almost all our resources and energies are devoted to dealing with problems once they have occurred, rather than stopping them from happening in the first place. The case for moving upstream to prevent harm applies not just to the way we manage society, but also to how we deal with the environment and the economy.

On the surface, being in favour of preventing harm is like being against sin. Who wouldn't choose to stop people getting ill instead of going to all the expense and bother of trying to make them better when they are

sick – especially when most forms of illness, from diabetes and heart disease to road injuries, depression and lung cancer, are known to be avoidable? Wouldn't we all prefer to avert the calamities threatened by climate change, rather than leave a lethal legacy for our children and grandchildren? Which of us would choose to take money out of taxpayers' pockets and punish the poor in order to pay for an eye-watering bailout, if we can prevent our banks from gambling their way to insolvency?

The more we are threatened by crisis, the stronger the case becomes. Social inequalities are widening obscenely,

bringing all manner of distress, conflict and waste. The earth's natural resources are already stretched beyond their capacity to support our growing populations and the rapacious living standards of the rich west. The power of global capitalism to plunder the environment and ratchet up social inequalities becomes increasingly destructive as it struggles with its own copious contradictions.

Mainly, we know what to do to prevent harm. We have plenty of good evidence about what works if we want to promote well-being, prevent disease, mitigate global warming, protect natural resources and curb the excesses of financial institutions. It's easy to see the advantages of shifting investment and action upstream: a better quality of life, more efficient use of public resources, less need for heavy-handed state intervention to deal with the consequences of failing to prevent harm, and a safer legacy for future generations.

But we don't do it. In the case of the welfare state, the Beveridge ideal, which was essentially preventative, has morphed into a deficit model, increasingly restricted to meeting the needs of the neediest. Where the environment

is concerned, government policies are ostensibly upstream, focused on carbon reduction and energy efficiency; however, policy and practice are far too piecemeal and the pace far too leisurely to avoid catastrophic damage in the longer term. As for the economy, the potential for preventing harm is mired in neo-liberal ideology, where regulation is anathema, and in the hegemonic pursuit of growth, which trumps other options.

*The earth's natural resources are already stretched beyond their capacity to support our growing populations and the rapacious living standards of the rich west*

Why does it seem so hard to move upstream? Prevention calls for careful anticipation and long-term planning, which fly in the face of the short-term urgencies of electoral politics. The logic of averting harm seems to contradict the 'rescue principle' that defines philanthropy, charity and most

welfare services – locking people into the downstream ethics of helping those who are already vulnerable and needy.

Rescue and cure tend to have immediate, tangible and measurable results, while preventative measures are more complex and harder to measure: this creates a political bias against shifting the balance of investment upstream. Meanwhile, the neo-liberal consensus favours maximum freedom for markets, which are usually too short-sighted to appreciate the benefits of preventing social and environmental damage.

No wonder preventing harm has been described by one protagonist as a "a category-shifting, mind-changing idea". But a paradigm shift is just what's needed to deal with the toxic combination of crises we face today. And crisis provides opportunity. There is mounting evidence that downstream solutions aren't working. Dissenting voices are growing stronger and more plentiful – from senior economists to street-level protests. Radical change is creeping back up the political agenda. This is probably the best chance we've had in 30 years to put the wisdom of prevention at the heart of a new political economy. ■

## The case for contribution

*Winning public support for spending* on benefits will not simply be a matter of some new eye-catching policy proposals. First the whole debate on benefits needs re-framing. There is a growing belief that poverty is due more to individual failings than to injustice, as well as diminishing support for redistribution through the tax-and-benefits system, and a growing belief that benefits are too high, discouraging work incentives and encouraging 'scrounging'. All appear to be undermining any sense of solidarity with benefit recipients. Public attitudes are mirroring pretty consistent messages from government (New Labour as well as the coalition). For some time politicians have denounced a supposed 'dependency culture' and irresponsible benefit claimants, while ever more punitive rules appear to have increased mistrust in the benefits system rather than allay it. The current government's individualistic

behaviour-based diagnosis of the causes of poverty has triumphed in a country where public attitudes have always been more prone to blame 'the poor' than in continental Europe.

Public attitudes are clearly not fixed but that does not mean it will be easy to shift the tide. A first step in re-framing the debate could be to reassert a clear structural analysis of poverty and an understanding of how individual agency is constrained. Then we need to stop talking about 'welfare', which has taken on such divisive and pejorative meanings, and reclaim the language of social security or social protection. This could speak to the growing sense of insecurity felt by many citizens. We need to remind people that social security is not just about poverty relief but about guaranteeing a degree of economic security for everyone. This points away from such heavy reliance on means-testing, which 'others' recipients and

creates resentment among some of those who do not qualify.

Evidence of the value the public attaches to reciprocity has rekindled interest in the contributory principle. A recent TUC Touchstone pamphlet makes the case for strengthening contributory benefits as one (though not the only) means of addressing the crisis of public confidence in the social security system. Instead of a negative case based on attacking 'something for nothing', it considers ways of increasing the returns to contributions. Another option might be that aired by the Commission for Social Justice: allow payment of higher contributions in return for higher benefits. 'Premium' national insurance might be sold as superior to private insurance and bind more people into the scheme. ■

*Ruth Lister is a Labour peer and Emeritus Professor of Social Policy at Loughborough University*

“I want to avoid  
a clash of the  
generations”

**Liz Kendall** is one of Labour's rising stars, tasked with one of the most important jobs in politics: securing the revolution in social care on which the future of Britain's public finances depends. She talks to **Mary Riddell** about avoiding the impending car crash and how the costs of ageing can be fairly shared



*Mary Riddell is a columnist for the Daily Telegraph*

Liz Kendall comes from a campaigning background. Her parents, a banker and a primary school teacher, were stalwarts of the local community. And so, from an early age, was she. "One of my first protest marches was for a zebra crossing," she says. That zeal has not faded, which is just as well. As shadow minister for care and older people, Kendall is charged with securing the revolution on which the future of Britain may depend.

Without a decent social care system for the elderly, the NHS will crumble and the compact between generations fray. We meet shortly before the much-delayed white paper on social care is due to be published, and – although gloom is not in Kendall's repertoire – it is clear that she holds out little hope of a comprehensive solution in a narrowly-framed paper thought unlikely to herald rapid implementation of the funding proposals set out in the report by the economist, Andrew Dilnot.

"One of the really big disappointments in the Queen's Speech was that they [the government] had promised, back in 2010, a new legal and financial framework for social care." That pledge was watered down to a draft bill omitting the key issues and skirting round the £1.7 billion cost said to have alarmed George Osborne. "We're very concerned that the Treasury doesn't support Dilnot. It's a massive mistake. Health and social care will be the primary pressure on public finances, and without reform funding will be unsustainable."

As evidence of the impending car crash, she cites the Barnet "graph of doom", a PowerPoint slide showing that, within 20 years and unless things change dramatically, the north London council will be able to provide no services at all, apart from adult social care and some provision for children. There will be no libraries, no parks, no leisure centres, and no bin collections. That apocalyptic future for Barnet – once named the easyCouncil for its buoyant approach to outsourcing – is likely to be replicated across the country.

*Kendall has the rare political quality of not actually looking, or sounding, like a politician. Never likely to be mistaken for a technocrat, she dislikes "the self-absorbed world of Westminster. Most of my friends have nothing to do with politics"*

Labour is scarcely blameless in the genesis of this crisis. Successive governments ignored the problems of an ageing population until, in the twilight of the Brown administration, Andy Burnham's cross-party talks collapsed amid a flurry of alarmist propaganda about Labour's "death tax." But that was before Kendall's time.

Elected in 2010 as MP for Leicester West, she has emerged as one of the stand-out members of the new intake, rapidly promoted and entitled to attend shadow cabinet, although not yet as a full member. Even in a generation that includes Chuka

Umunna and Rachel Reeves, some are tipping Kendall as the most likely future leader. "Oh my God, I've never heard that in my life. That is genuinely horrifying to hear."

Those who single Kendall out as a high-flier point to her human touch. Besides having an empathy with the older people whose interests she represents, she has the rare political quality of not actually looking, or sounding, like a politician. Never likely to be mistaken for a technocrat, she dislikes "the self-absorbed world of Westminster. Most of my friends have nothing to do with politics. I keep in good touch with my family – not enough, mum, I'm sorry. I nip home between votes [she shares a London flat with a partner whom she prefers not to discuss] and watch some normal telly."

*She deplores the two-tier system under which "people who have to pay for their care are subsidising council-funded residents. Providers are now saying they're going to cut council-funded places to concentrate on affluent areas, so both sides are suffering: poorer people and those on middle incomes"*

While there is nothing affected about Kendall's ordinariness, nor is it a complete picture. Educated at Watford Girls' Grammar School (which was non-selective, she is quick to point out), she went to Queen's College, Cambridge, graduating with a First in History in 1993. In addition to a range of charity and think tank jobs focused on health, social care and early years, she was a special adviser to two cabinet ministers, Patricia Hewitt and Harriet Harman.

Given the overload of younger politicians fast-tracked from the special advisers' office to the front bench, does she favour the idea of non-SPAD shortlists? "Yes, I really think we should make it easy for people who don't know the system. If we only represent a narrow part of the population, we're not going to make the right policies."

On her own policy brief, she is – for now at least – more voluble on the defects than the remedies. She deplores the two-tier system under which "people who have to pay for their care are subsidising council-funded residents. Providers are now saying they're going to cut council-funded places to concentrate on affluent areas, so both sides are suffering: poorer people and those on middle incomes. I've seen brilliant homes and shadowed workers who love their jobs, but this is a low-status, predominantly female profession, in which [thousands of] workers don't even get the minimum wage."

In Gordon Brown's day, and even now, Labour was inclined to vest the future of Britain in burgeoning creative industries and a high tech revolution. Kendall is one of the shadow team – Reeves is another – who argues that economic renaissance lies in the unglamorous and currently ill-rewarded end of public services. "This [social care for the elderly] is a growth area. Why can't we see this as an opportunity for the economy, as they do in France, setting up new companies and creating new jobs?"

That, like much else, is a question for the health secretary. Kendall is cagey about revealing a Labour prospectus, on the grounds that cross-party talks – since abandoned – are under way to devise a durable system that will endure into the future. Dim as the chances may seem of a satisfactory outcome, both Kendall and Burnham must be hoping profoundly that the government proposes a financial solution – for, if it does not, then any incoming Labour government would inherit

the responsibility of dealing with a costly, and seemingly intractable, crisis.

Presumably she is banking on social care going into the next spending review by George Osborne? "We want to solve the problem as soon as possible. We want it done in this parliament. We'd like to see agreement before the spending review." On the current showing, that sounds optimistic, if not impossible.

*"We have to have a fair system across generations. When young people face tuition fees, squeezed incomes and high costs of living, it's very hard to ask that the entire payment come from the working age population."*

So what does Labour have up its sleeve? Lord Warner, a member of the Dilnot Commission, has recently disinterred the idea of an inheritance tax. Is Kendall in favour? "Before the election, one of the options we looked at [in reality the central plank of the Burnham proposals] was a care levy. The Tories called it a death tax, but it was [meant to be] a way to protect everybody; a small levy to guarantee that you kept the majority of your home to pass on to your children rather than having to sell it to pay catastrophic care costs.

"We have to have a fair system across generations. When young people face tuition fees, squeezed incomes and high costs of living, it's very hard to ask that the entire payment come from the working age population. We're not saying we're going to do a care levy. That was our proposal at the last election, but you have to look at how costs are fairly shared. I want to avoid a clash of the generations."

It sounds as if an inheritance tax of some variety is firmly on the table? "One of the things Dilnot proposes is a deferred payment, where the council pays your fee, and the money is recouped from your estate when you die. We've said we'll look at everything he proposes, but whether the government is prepared to consider that is another matter."

The Dilnot plan, proposing a £35,000 cap on individual payments with the rest met by the state, has long been held up as the ultimate goal in social care reform. In Kendall's view, Dilnot is not enough. "Dilnot himself said that. You have two pressures, sufficient funding for the present and reform for the future. The choice is not to put more money into the present system or to do Dilnot. You have to do both."

Despite apocalyptic warnings of meltdown, the government currently shows little inclination to do either. If progress stalls, does she envisage people dying for want of basic care? "You will have people ending up in hospital and residential homes. We know it doesn't have to be this way." If the government continues to prevaricate on crucial issues, then she promises that Labour will pick up the challenge. "We have to show we are prepared to take decisions. Whatever happens, we shall have proposals on social care. That will be a big part of our manifesto."

With NHS hospital trusts running into financial difficulty, does she accept that the PFI schemes evangelised by Gordon Brown and others represented a dreadful mistake? "I don't think it is. There may be deals that weren't the right ones for a particular area, but the huge question and the key issue is the shape of hospital services."

Her vision is for specialised units rather than the current sprawl of services. Is she talking about closing hospitals? "I don't think we're talking about closing hospitals. [Lord

Darzi's recommendations led to stroke care being concentrated in eight [hyper-acute London] units. It was very controversial at the time, but now we have the best outcomes of any major industrialised city in the world. You do need greater specialisation – and more people [treated] out of hospital."

Although Labour bitterly opposed Andrew Lansley's Health and Social Care Bill, warning of dire consequences, any incoming Labour administration will not be reversing the bulk of the reforms. "We're not going to have another massive reorganisation". Although Labour would introduce greater integration between services, there are no plans to row back on GP commissioning of services. "We always wanted to involve GPs more. If we had got back into government, that's what we'd have done." So the Lansley model can be made to work? "We need to see the situation when we get back into government. My big worry is that no one really knows who's responsible in the [current] structure."

One day it may be her. Kendall is tipped as a future health secretary, an advancement she is eager to downplay. "I've only been an MP for two years. If I can be a good MP, make a difference on the care issue and be as normal a daughter, sister and a friend as I possibly can, that's all I want to do." Though she is neither overtly ambitious nor competitive, Kendall gives the impression that Labour's new intake, unlike the Tories' 301 group, is not a cohesive band. "I don't feel it's a distinct group. I'm friendly to people across the intakes. I don't feel tribal."

*If the government continues to prevaricate on crucial issues, then she promises that Labour will pick up the challenge. "We have to show we are prepared to take decisions. Whatever happens, we shall have proposals on social care. That will be a big part of our manifesto"*

A vice chair of Progress (she is also a Fabian member), Kendall is quick to defend it against allegations by the GMB union that it is a subversive organisation that should be expelled from Labour. "It's a brilliant organisation. I'm a champion. We want more debate in the party, not less."

As a Leicester MP, in a predominantly white working class constituency, she is no stranger to doorstep anxieties about migration and eastern European incomers. "It's education and job opportunities they need." But Ed Miliband didn't broach that theme in his immigration speech? "He will. Labour has to do what it says on the tin – open people's eyes to the world of opportunity and work. Education is my passion."

Perhaps that, rather than health, is her future niche? "We have the fabulous Stephen Twigg." For now, each Friday without fail, she takes an assembly in one of her constituency primary schools. "I tell the kids about being an MP. I tell them it's their parliament, not mine. It's the most inspiring bit of the week. They ask questions. 'What's government for? Why do we have laws? Do you have a pet?' (She doesn't). Lifelong learning is the only way we'll cope in a globalised world. It's about acquiring the feeling that you can do something to influence events."

Liz Kendall's own mission to influence events began when she was the same age as the children to whom she hopes to transmit her love of politics. She doesn't say whether she got the zebra crossing for which she campaigned long ago. I expect she did. ■

# 8 policies for the next state



## Support personal health budgets

**Vidhya Alakeson** is Research and Strategy Director at the Resolution Foundation, writing in a personal capacity

The left has always been strong on protection for the vulnerable but all too often this comes at a high price for those who are on the receiving end of support. The experience of individuals and families who depend on state support is often one of disempowerment and a loss of control. Their lives become shaped by services, dictated by petty rules and regulations and dominated by professionals, with little recognition for their role as experts in their own lives or their goals for what their lives could be. They become defined by the services they use rather than by the people they are.

Labour needs a new conception of the state as a partner rather than a protector, recognising the expertise and assets that individuals have to solve some of their own problems. This is not about withdrawal of the state but a change in the relationship between the citizen and the state, to one in which individuals and families shape the support that they receive to meet their own needs.

This new relationship would be powerfully demonstrated by Labour support for personal health budgets for everyone with a long term condition who wants one. These are conditions like cancer, arthritis and depression that affect the way people live as much as their state of health. Take Claire, as an

example. She has significant mental health problems and has been frequently admitted to hospital over the last four years. But being the recipient of over £100,000 of NHS support a year has done little to keep Claire well. With a personal health budget to purchase a laptop, a gym membership and a college course alongside some traditional services, she is managing to stay out of hospital, learn new skills, regain some independence and rebuild her relationship with her family, at less than a fifth of the cost.

Giving individuals with long term conditions greater control of the support available from the NHS through a personal health budget would refocus the NHS away from narrow symptom management to allow individuals to improve their health and wellbeing as they see fit, drawing on professional expertise as necessary but recognising people are experts by experience. Instead of buying services for people, individuals would become purchasers in their own right, forcing the market to respond to their preferences and not the block purchasing of central commissioners. This shift towards partnership between the citizen and the state will be essential in securing the future viability of the NHS as a service free at the point of use, as well as signalling a change in the role of the state.



## A local early years infrastructure

**Frank Field** is MP for Birkenhead

All politicians seem to revere social mobility as a policy objective, but, in my experience, very few fully grasp what this means, or have sat back to form a practical strategy that actually works. This in part explains the subtitle for my Poverty Review report: 'preventing poor children becoming poor adults'.

In that report I set out an evidence-based strategy to combat class driven outcomes in childhood. We see this in the data: by age 3 class-based gaps in attainment emerge between richer and poorer children, and consequently when children arrive at school for the first time, poorer children have lower levels of attainment than their richer peers.

Although schools raise the performance level of all children, they do not close this attainment gap and so richer children tend to leave school with higher levels of attainment, and are therefore best placed to make best use of the opportunities which the world affords them.

Crucially, the evidence from the longitudinal studies shows that it is possible to predict by age five where children will end up in adulthood. The 'x factor', although in this case it is known, is having a good level of development at age 5.

The good news is that we know what good development looks like, and, even better, how to promote it. What we are

not good at in Britain is translating this evidence into service provision. And the early years has, so far, not been an area to which politicians, with notable exceptions (David Blunkett to name just one), have given a lot of strategic thinking.

Therefore should not Labour's next manifesto set an explicit goal to promote good child development? What can the state do to advance this?

I recommend that a new Foundation Years education infrastructure be created which would coalesce all early years services into one structure to make it more effective and self-reinforcing. At present a whole host of parties are responsible: midwives, sure start, health visitors and 'childcare settings', yet these institutions do not always work well together and are often reactive rather than proactive.

A new infrastructure, locally driven, would provide a seamless service to children, parents and parents to be, and would work towards promoting good development, particularly for poorer children. Where issues arise, interventions would quickly be put in place, and parents would be supported to create the best home learning environment possible.

Existing budgets would therefore be better used to ensure the circumstances of a person's birth no longer determine their lifetime achievements.



## Microcredit can kick start self-employment

**David Blunkett** is MP for Sheffield Brightside and Hillsborough

It pains me to say so, but the coalition have come up with one good idea. They call it 'troubled families'. We might call it 'family intervention plus'. This programme offers £458 million over three years to help turn round personal and financial problems, and focus on getting all adult members of the family into work.

One thing, at least in rhetoric, which unites both Labour and the Conservatives, is that work is the best way out of poverty.

The trouble is that government action has often been top-down, and has been about trying to fit those in particular neighbourhoods into a broader uniformed pattern of behaviour.

What is needed is a two-fold approach.

The first is the targeted and unified approach which the 'troubled families' initiative is intended to achieve. It does, however, need to go a great deal further in uniting the range of benefits and therefore income available into something more positive.

Secondly, it needs to take people where they are and address the potential for them finding a niche within the immediate and broader community, which will lift their self-esteem and self-respect and give them a feeling that they really can make a contribution.

One way we can do this is through 'microcredit', which provides affordable loans specifically to kick-start self-employment.

Where there is very deep-seated poverty and a tradition of rejecting more conventional pathways to learning skills

and taking job placements, we need to think imaginatively. Microcredit offers this opportunity.

To begin with, it would take people who are either on 'social fund' loans, or more likely the two-and-a-half-million people who are on 'home domestic credit' at most incredible APR repayment rates, and work with them.

They have a loan, they have problems in paying it back, they are captured by the interest payments, which make it impossible to escape from the trap.

Linking affordable credit with microcredit would ensure that people were given the opportunity to borrow at acceptable rates, but not simply to pay off existing debts. Instead, this would create an account on which they could then draw (using of course existing credit unions) to provide the advice as well as the funding needed for them to be able to start earning a living.

Yes, a lot of it would be fairly menial and basic work. But if people need ironing doing, meals preparing and delivering, basic repair and gardening work, then why not?

Getting paid means being able to pay off the debt; paying off the debt whilst having an account offers people the chance of building up their own credit.

In this way, we can then move people into an optimistic situation of genuine hope. Let's not fall into the trap set by David Cameron in his recent welfare proposals: we too will need to think radically about conditionality but reciprocity means a key role for government not its disengagement.

## 'The room for manoeuvre in government is narrow'



**Philip Collins** is a columnist and leader writer for *The Times*

If Ed Miliband sounds vague at times, then so much the better for him. Too precise an account of what he might do were he to become prime minister is almost always an error. This sounds slippery and, in a way, it is. But the demand on the leader of the opposition is to supply a flavor of what his leadership might be like without granting too many promises that cannot be disavowed later.

The case of Nick Clegg is instructive and final. Never truly believing himself to be a candidate for high office, Clegg felt free to enter the 2010 general election with a battery of promises. The most conspicuous, in retrospect, was the student-bait of an end to tuition fees. If the Liberal Democrats sink at the next election it will be tuition fees that broke their pledge of integrity.

But there is a bigger lesson than simply trying to remain studiously vague. The thing to take from the experience of the Liberal Democrats is not that they were double-crossed by the Tories. Their pain is not the inevitable consequence of coalition. They could, after all, have abstained on the vote and, tactically, they ought to have done so. But that is to advocate, in effect, that they should lie.

The truth about the tuition fee debacle is that, once they arrived in government and got their heads around the facts, senior Liberal Democrats changed their minds. They realised their policy was a nonsense. The history of tuition fees is easy to relate. The government is in favour of them and the opposition is against. That rule is invariable no matter which party is in which role. Government narrows

down some choices and reasonable people often work out that their room for manoeuvre is much narrower than they had assumed.

The Labour party is currently wasting a lot of energy trying to pretend this is not true in public service reform. In 2005, when I worked in 10 Downing Street, I remember finding an interesting document which, slightly doctored to take out some superfluous rhetoric, I sent round to my colleagues at the time. To a man and woman they responded by asking me why I had bothered circulating a paper which simply summarised the objectives of the government's reform programme. I then revealed that I had just sent them the 1997 Conservative party manifesto.

The point was that, after a long spell in government, different administrations had drawn the same conclusions. Public services would work better, all concerned had decided, if they were subject to a range of external incentives, rather than simply left to their own devices. Both administrations had concluded that managerial autonomy was the best option, as long as the results came in as expected.

To the extent that the coalition is extending the principles that informed the work of the later Blair years, Labour should be careful about going in too hard with the criticism. The main reason Labour has no alternative set of ideas at the moment is that the range of possible options is narrow. It's all been tried before and, for all its faults, the approach that the Major government and that the Blair government arrived at has the most promise.

Labour sounds like it may well have to learn that lesson all over again. The effect of sentimental opposition, in health in particular, will be an impossible inheritance in government. The NHS cannot go on as it is. The traffic into the NHS from social care is just one example. Any responsible government, no matter how many parties form it and no matter what its political complexion, has some horrible decisions to make on the NHS in the next decade. You have to be careful that you are not, in effect, ducking them by loose talk in opposition. ■



## Develop a national mentoring programme

**Sonia Sodha** is Head of Policy and Strategy at the Social Research Unit, writing in a personal capacity

How children go on to do later in life isn't just a factor of whether they develop crucial basic skills like reading, writing and arithmetic – or even how many GCSEs or A levels they get. Just as important is whether they develop the outlook or 'character' that helps them get on; characteristics like motivation, the ability to stick at a task, discipline and aspiration.

Family is the most important influence on these. But developing strong relationships with other adults – for example, at school or in the community – can help to partly offset the impact of growing up without positive role models at home.

Labour should consider adopting a national mentoring programme for its next manifesto. Evidence from the Big Brothers Big Sisters (BBBS) mentoring scheme in the United States – now running in 12 countries – suggests that if done right, giving at-risk children and young people the opportunity to build long-term relationships with adult mentors in their local community can significantly help. One evaluation

showed that after 18 months of mentoring, young people were over 50 per cent less likely to skip school and 46 per cent less likely to begin using drugs.

But if a mentoring programme was going to work there are several things it would need to incorporate. First, the evidence on adult-child mentoring programmes is mixed – some schemes have been found to have little or no impact and poorly run programmes can even do harm.

What makes BBBS so effective? It uses psychologists to match mentors and mentees, who also provide training and ongoing support to mentors. Mentors are asked to make a significant time commitment for at least a year. The programme is targeted at at-risk children and young people, including those living in poverty and in single-parent homes, and parents have to be signed up. These factors make BBBS more expensive than many mentoring programmes (around £1000 per child per year) but rigorous cost-benefit

analysis has shown it generates four times this in return for taxpayers.

The second important feature is that BBBS has grown out of civil society, partly funded by business, and is run on a federated model like the Scouts or Guides. But local chapters have to be faithful to the features of the programme that make it so effective. Were a Labour government to pilot such a mentoring programme over here, it should be contracted out to a range of

providers such as charities and social enterprises rather than run as a top-down programme; so long as they stick to what makes the scheme successful.

A national mentoring programme would be a symbol of the relationship between the state and society that Labour wants to see: neither big-state solutions nor a 'big society' style rollback of the state, but a genuine partnership between state and civil society.



## The state needs a Self Determination Act

**Anthony Painter** is a writer, researcher and commentator. His next book – on the future of the left – is out soon.

The British state is a monster and it's a consequence of its constitution. Ministerial responsibility, the centralised, unitary state (in England) and departmental separation have left an inefficient, ineffective, unaccountable and wasteful state apparatus. We should be getting far more for the £700 billion we spend each year.

The scale of duplication is horrendous. This is a result of departmental organisation and silos. The last government's Total Place strategy outlined how, in Leicester and Leicestershire, there were 450 face-to-face access points for service users, 65 call centres, all at a cost of £15 million per year. Ministerial responsibility means that initiatives proliferate and duplicate with different departments spending resources in aiming to achieve similar things. The same report found 120 projects or programmes delivered by 50 providers across 12 funding streams to help people into work in Lewisham.

People are furious at public sector waste – and they are right. This is nothing to do with service providers and public sector workers, who are efficient. It's simply a matter of the British state and how it is structured.

Only minimal change can come from top-down efficiency drives. As soon as one programme is eliminated, another initiative is innovated that creates more duplication and waste

somewhere else. All of this matters far more in an atmosphere of fiscal constraint – better outcomes per £1 spent become imperative.

We need a radically different approach. Let's just take the welfare-to-work and support in work agenda. To get the best support for the individual possible, it is necessary to marshal resources devoted to skills, childcare, tax credits, welfare support, the work programme, rehabilitation and addiction management, job centre plus, careers advice and support, economic development and many other areas besides. It is simply not possible to co-ordinate all this from the centre or to respond effectively to individual and local needs; democracy also suffers a deficit. For a Total Work approach, there has to be some co-ordinating local mechanism.

The approach up until now has been for central government to push powers down at a painfully slow pace. Instead, why not put rocket boosters on the process? Give any local authority or group of local authorities or Local Enterprise Partnerships the ability to insist on being granted powers over resources impacting their area, subject to basic minimum requirements and a commitment to improve outcomes. A Self Determination Act of this nature could reverse the logic of the British state. Anything else is just fiddling round the edges and will fail.

People are furious at public sector waste – and they are right



## Embed new entitlements within public services

**Sophie Moullin** is a Fulbright Scholar at Columbia University, and formerly a Senior Policy Adviser at the Prime Minister's Strategy Unit

While England doesn't have a written constitution, we do have an NHS constitution. We value equity in public services nationally, even if we also want a say in services locally. Pollsters repeatedly point to this 'inconsistency' in attitudes. But the public are astute: the countries with best public

services have both clear national entitlements and more local input into services.

Two years into the coalition, services seem suspended somewhere in between local and national layers. Whitehall has lost some of its power, but it's not clear where it has gone

to. Public sector professionals, let alone parents or patients, are unsure who is responsible for what, what the minimum provision is, and what can be done when services aren't fair or good enough.

As well as funding cuts, confused accountability puts quality and equity at risk: look at the rise in waiting times and fall in NHS satisfaction. But Labour can't just say 'we told you so'. Nor should they reverse reforms like free schools. Instead, they should develop a few new entitlements within public services. These should build-in means of direct redress when they are not met, including enabling people to access alternative services privately or as a community group.

While basics like waiting times and core curriculum and police response times matter, entitlements also need to reflect new issues. Unlike the coalition, Labour has to offer, unapologetically, something for families that are not 'troubled', and pupils who don't get free school meals.

Mental health is one example: many people are held back in work, their health and relationships by emotional

struggles. But access to evidence-based psychological therapies remains limited. Culture as well as money is a barrier. Some good employers have found there is a strong business case for offering four initial counselling sessions; the NHS might well find so too. If their local health services fail to offer it, they should pay for those who need it to access these privately.

Entitlements in education could be to a choice of extra-curricula activities decisive for social mobility. If the school fails to offer it, groups of parents should get the money to source or run them otherwise. Entitlements don't need to be complex or costly: to boost reading at all abilities, why not do a deal with the makers of e-readers to give every child one?

The paradox of localism is that the public feel empowered when their rights and roles, nationally and locally, are clear. A few bold entitlements, with real means of redress, could shore-up support for public services, and create space for a meaningful local empowerment.

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Two years into the coalition, services seem suspended somewhere in between local and national layers. Whitehall has lost some of its power, but it's not clear where it has gone to

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## Commit to close a prison

Paul Goggins is MP for Wythenshawe & Sale East and a former prisons minister

Prevention is better than cure; in the long run it may also be cheaper. Yet as a nation we continue to pour vast amounts of public cash into expensive services that deal mainly with the symptoms rather than the causes of social problems. Shifting resources to upstream activity that can foster positive behaviour remains one of our greatest public policy challenges.

We are all familiar with the arguments: healthier lifestyles and more effective primary care would reduce the number of patients needing hospital admission; a greater supply of affordable social housing would reduce the huge taxpayer subsidy paid to private landlords through housing benefit. But organisational change on the scale required takes time and those with a vested interest in the status quo often stand in the way.

When I was the prisons minister, organisations would come to me with proposals for alternatives to custody that were imaginative and on the faces of it likely to be effective. But it was often impossible to fund them because most of the money spent on offenders was literally locked up in the prison system. The average annual cost of a prison place is currently just under £40,000.

In government Labour expanded capacity – 26,000 new prison places since 1997 – and focused on making prisons more effective in terms of education, healthcare and reduced reoffending. This had limited impact and the numbers in prison continued to rise. Particularly frustrating was our

inability to devise a more effective way of dealing with prisoners who receive short sentences.

In preparation for the next Labour government we need to be more radical. There won't be any extra money so new initiatives will have to be funded by phasing out some of the existing provision. Voters rightly want criminals to be punished – and those who pose a threat to safety and commit serious offences should get lengthy prison sentences. But the electorate also want less crime and better value for money. So, we should be bold.

We should select one of our main city regions, make a clear commitment to close one of the prisons in that area – say in 5 years time – and use the projected savings to fund a substantial programme of preventative work and intensive community punishments. We should invite local authorities to work closely with the prison and probation services, helping to co-ordinate and commission the additional provision of supported housing, drug and alcohol treatment, and training for employment.

These new community based services would need to be paid for in advance of the prison being wound down. Funds could be provided through Social Impact Bonds, designed to cover the up-front costs as well as drive better outcomes. Because of the commitment to close the prison, investors would be confident of getting their money back plus a higher return if reoffending rates fell.

And if we can turn the tanker round in an area like this, why not on other key issues like health and social care?



# Save our libraries

Dan Jarvis is MP for Barnsley Central and shadow culture minister

With schools, hospitals and social care all under pressure, why should we care about libraries? The case for them cannot be made on the basis of nostalgia – and there is no question they have to bear their fair share of cuts. But libraries have a progressive mission that is often undervalued, and that is more valuable than ever at a time of recession. Indeed, in many ways they embody the sort of society Fabians want to see.

I believe libraries have a deeply practical impact. With an estimated six million British adults functionally illiterate – at a cost to the economy of up to £81bn – libraries' well-documented role in developing reading skills is not a luxury. Nor is their work on digital access – they helped more than a million people get online last year. And modern libraries help in a host of other ways – anything from Baby Rhyme Time to Knit and Knatter programmes, by way of job clubs and homework groups.

And that impact has a strong element of social justice. It is no coincidence that library use and equality are closely correlated around the world (though the increasingly unequal UK is an exception). Illiteracy hits the least well-off hardest. An astounding one in three British children does not own a single book: the cost of buying rather than borrowing puts

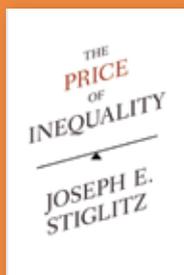
them beyond the reach of many families. Meanwhile around 23 per cent of households still lack an internet connection, with almost half of them citing a lack of money or skills as the main obstacle.

Libraries represent a fundamental principle of equality of access to information, one that is especially important in a knowledge economy. But they also represent a unique, truly democratic space, to which everyone has equal access, where you are not being sold anything, and where you go to pursue your own interests and development. That is something not even a school or hospital can offer. Libraries have an intangible but real impact as a visible expression of these values: they are a signal of what sort of society we are, and the value we place on them is a signal of the sort of society we want to be.

But this does not seem to be the sort of society pursued by the current government. For the Tories, the community role of libraries seems to be mainly a chance to make savings and shuffle off responsibility onto volunteers. Instead they should be champions for the value of libraries: making libraries stronger, more connected, better at reaching out to those who don't use them and more relevant to their needs. The idea that libraries are irrelevant is nonsense; the idea they could have a greater impact is certainly not.

More ideas from Stella Creasy, Sadiq Khan, Gisela Stuart, David Winnick and many more at Fabian Review Online at [www.fabians.org.uk](http://www.fabians.org.uk)

## FABIAN QUIZ



THE PRICE OF  
INEQUALITY  
Joseph Stiglitz

In this timely book, Joseph Stiglitz argues that inequality is both cause and consequence of the failure of the political system, and moreover that it contributes to the instability of our economic system.

Penguin has kindly given us five copies to give away – to win one, answer the following question:

*Which economist famously argued that the private pursuit of interest will lead to the well-being of all?*

Please email your answers and your address to [review@fabian-society.org.uk](mailto:review@fabian-society.org.uk) or send a postcard to:

Fabian Society  
Fabian Quiz  
11 Dartmouth Street  
London SW1H 9BN

Answers must be received no later than Friday 31st August 2012

## Socialism now

As the Labour party moves towards the next general election and beyond, **Kevin Hickson** argues we need to remake the case for a socialism that is democratic; transformative; liberal; and uses the central state to address real issues



*Dr Kevin Hickson is Senior Lecturer in Politics at the University of Liverpool*

In 1974 Tony Crosland, the leading post-war Labour party intellectual, wrote his last major work, *Socialism Now*. Three years later he was dead. The title can be meant in two ways. The first is an analysis of socialism (or social democracy) in contemporary conditions, an evaluation of the recent past and of the best way of moving forwards. This he did with a critical evaluation of the Wilson government of 1964-70 and its lessons for the next Labour administration. But it can also mean an instant demand for socialism. Arguably it is once again the time for socialism now, in both senses of the term. The coalition government appears increasingly right wing, while the leadership of Ed Miliband is now approaching its third year.

We need to make the case for socialism once again. This is informed by the strong belief that ends (values) are the proper basis for means (policies) if the Labour party is to, first, win the next general election, and then to be a radical government. There are three elements to such a reappraisal of socialism. The first is to provide a clear account of socialist values, emphasising its liberal foundations against calls for a communitarian or even a conservative basis. The second is to re-emphasise the importance of the central state as the essential mechanism through which socialism is realised, dismissing localism and arguments about the lack of governing capacity. The final element is that socialism understood in this way is inherently democratic and has implications for the political and electoral strategy of the Labour party today.

### Socialist values

As Tony Blair once said, although perhaps came to regret later, governments are rudderless without a clear set of guiding principles. It is the commitment to clearly perceived ends which define radical governments. This was true of the Liberal government of 1906-14, the Labour government of 1945-51 and the Conservative governments of 1979-97. Each had a clear sense of purpose and mission.

One of the striking features when reading Crosland's work, or that of other leading post-war revisionists such as Hugh Gaitskell or Douglas Jay, is the confidence which they

had in their socialist ideology. Since the 1970s socialists have lost confidence in their doctrine in the face of the neo-liberal counter-revolution, despite some very effective work from the likes of Roy Hattersley and Raymond Plant in the 1980s. The third way of Blair and Tony Giddens could be seen as the final capitulation to globalisation and free markets. The banking crisis and recession should now instil a greater sense of belief in socialists having seen neo-liberalism fail so spectacularly.

Crosland pointed out that socialism is not a commitment to certain means, such as nationalisation, but to ends. The principal ends are equality, social justice, rights and freedom. The mechanism: democracy. The objective: individual emancipation. Socialism, properly understood, is a liberating doctrine. It is not about the extension of state power at the expense of individual freedom, nor is it puritanical.

*It is essential that Labour's electoral appeal is more ideological given the major economic shocks over the past four years and the nature of Labour's electoral performance since 1997*

Firstly, equality was the principle which most clearly defined socialists from their political opponents. Without a commitment to equality, socialism had no meaning. Equality did not mean a complete equality of outcome in which the duke had as much as the dustman, but it did mean more than equality of opportunity where everyone had the same chances to compete for the highest grades and salaries. It involved the radical idea that markets produced unfair outcomes; over-rewarding those who were successful in the market, and penalising those who were not. Since we were not wholly responsible for our position in relation to the distribution of resources then to fail to rectify such inequalities that were created by the market would be an injustice. The most effective way of rectifying these unjustified inequalities was through redistributive taxation. The result was a more just society. The recent arguments about 'pre-distribution' – reforming the economy so as to avoid the creation of these unjustified inequalities – is a welcome development but it doesn't replace the need to redistribute: firstly, to stimulate economic activity in a time of recession; secondly, to remedy already existing injustices; and, also, to ensure that the market continues to act in a way which does not further infringe social justice.

*Tony Crosland argued for 'socialism now'. The time is right to do so again*



Without the correction of unjustified inequalities then basic rights could not be realised. The disadvantaged would be more likely to under-perform in education, suffer from ill health and die at a younger age. Moreover, equality and social justice were required in order to extend individual freedom. Freedom only made sense in the positive use of that term; that is to say that unless someone had the means to give practical effect to their theoretical freedom then they were not truly free. Some of the privileges of the fortunate may be lost as a result of redistribution but the increase in the absolute and relative position of the worse off would extend their practical freedom.

What is striking about this understanding of socialism is its radicalism compared to the New Labour years, where there was significant redistribution but the gap between the rich and poor widened as increases in salaries and bonuses at the top outpaced the fiscal gains for those at the bottom. New Labour seemed all too willing to accept such inequalities in the name of global competition or economic efficiency. They endorsed meritocracy, whereas socialists had traditionally rejected it.

Also significant is the inherently liberal nature of socialism. The neo-liberal view of freedom – that people are free so

long as they are not subject to coercion – fails to provide an adequate understanding of freedom, which only socialists properly grasp: that without equality people cannot be truly free. The aim is emancipation of all citizens within the societies in which they live. Such abstract principles provide the most effective basis for a socialist approach to the major economic and social ills of the day. Appeals to community and tradition – most recently associated with Blue Labour – in contrast, are inadequate and can work against the kind of society socialists wish to create. Blue Labour appears nostalgic in its appeal to working class solidarity while traditions are constantly made and remade in light of changing social and economic circumstances. The emotional and intellectual appeal of liberal socialism is, therefore, far greater than that of Blue Labour.

### **Socialism and the state**

Another popular argument in recent times has been localism. The central state is deemed distant, bureaucratic and authoritarian whereas people can be empowered in participatory local communities.

It should be pointed out that this focus on localism, which has been a feature of Blue Labour and Progress's Purple

Book, is an over-reaction to the 'big society' agenda and is futile and irrelevant in many of the central challenges facing Britain today. No doubt the local amateur dramatics society, community association or women's institute are full of well-intentioned citizens but it is impossible to find ways in which they could resolve the big issues of the day, such as the economic downturn, regulation of the banks, the eurozone crisis and climate change. Only the central state can do this.

This was the argument that I made in a recent contribution to the debate with Roy Hattersley and it still seems incontrovertible to me. At no point did we say that the central state must act in isolation. In some cases the central state should work with regional and local government and in others with international institutions such as the European Union, but act it must. Nor does it mean that centralists oppose democratic reform of the state.

Localists misunderstand the nature of power, which is often less about 'power to' and more about 'power over'. In order to gain power, someone else must lose it. Given that considerable power resides in large-scale corporations, such transfers of power can only be achieved by nation states. By taking power away from private sector business elites, the socialist state democratises economic power in the interests of the many. Crosland argued that such a transfer of power had already occurred in Britain by the 1950s as the capitalist class had lost power to the state, to organised labour and to an autonomous managerial class. Many of these changes were reversed by Thatcherism and it is now necessary to consider such issues once again.

However, some would retort that the state cannot act because it has been hollowed out by processes such as globalisation. This idea, it can be argued, had an important effect on New Labour. The role of the state is limited to maintaining the confidence of financial markets and attracting the inward investment of multinational corporations. We are, according to globalisation theorists, in a borderless world where states lack any power to pursue a different course. However, even a cursory glance at the different state structures which exist today shows all too clearly that we are not in a one-size-fits-all world and there are better models of capitalism which could be followed by a Labour administration than the neo-liberal United States – such as the more welfarist system in Sweden or the German corporatist model with its emphasis on planning and partnership between managers and workers. Both systems have proven to be more resilient in the face of the banking crisis than the British economy, which was dangerously over-reliant on financial services.

### Socialism and the electorate

Apparently safe in the knowledge that history was on their side and that the final victory of communism was inevitable, Marxist socialists did not feel the need to convince the electorate of the moral superiority of socialism. However, even as early as the late 19th century, revisionists from Bernstein onwards have pointed out the failure of Marxist analysis to explain developments in capitalism, while the collapse of communism in eastern Europe showed that it was not the final stage of history.

Lacking this faith in laws of history, democratic socialists have had to persuade the electorate that socialism offered the way to a better society and superior form of economic organisation. Socialism, understood in its non-Marxist form, is an inherently democratic doctrine. It involves making arguments to the electorate to gain their support and trust so that socialism can be introduced through the state. Initially lacking a rigorous economic theory, the Labour party drew heavily on

Keynesian analysis in the 1930s and successfully pitched to the electorate in 1945 and again in 1966, with lesser victories in 1950, 1964 and 1974.

Often, however, the Labour party has appeared to lack faith in its own ideology. This was true for many on the left of the party in the 1950s and early 1980s who argued that it was better to wait in opposition for the inevitable crisis of capitalism when they would be elected to power to introduce true socialism. New Labour, although in every other way far removed from the Labour left, also shared this sense of pessimism that socialism could be popular on a regular basis. There was a trade-off between power and principle and therefore socialism should be abandoned in order to attain office. The 1992 general election was arguably the last time the Labour party presented a socialist manifesto.

### Between 1997 and 2010 Labour lost five million votes. The biggest loss of votes occurred between 2001 and 2005

It is essential that Labour's electoral appeal is more ideological given the major economic shocks over the past four years and the nature of Labour's electoral performance since 1997. The best, if not the only way for Labour to win is to be explicit in its socialist commitment. A determination to match the coalition's spending cuts, as advocated by some, is not a viable electoral strategy, leaving aside the ethical arguments against such a policy stance.

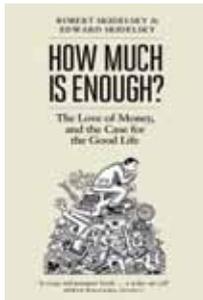
Between 1997 and 2010 Labour lost five million votes. The biggest loss of votes occurred between 2001 (already down from 1997) and 2005, with four million votes lost under Blair and a further million under Brown. Of these five million, only one million went to other parties. Some went to the Conservatives believing they had genuinely changed, while others went to alternative 'left-of-centre' parties including the Liberal Democrats, SNP and Plaid Cymru. Four million abstained. The most likely explanation for this is that many voters became disillusioned by New Labour and would therefore respond positively to a more radical Labour party.

A Blairite emphasis on an appeal to the unmovable 'median voter' and to those suffering from 'southern discomfort' on the basis of opinion poll and focus group data is inadequate, both as an electoral strategy and as a socialist belief in the capacity of the democratic transformation of the economy and society through the state. Democracy, as socialists understand the term, is not passive but rather proactive, involving leadership and debate in the belief that socialism can be made relevant and popular and that public opinion responds to political argument.

At moments of upheaval, such as the one we are now living in, there is an opportunity to recast the political agenda. There is no inevitability that political opinion will move leftwards. Indeed, it may move to the right as people look for scapegoats to blame for the current difficulties. It is only by making the case for socialism that we can persuade people that the left offers a better alternative, with more attractive values and sensible policies. Since it offers the only real answers to the major issues of the day it is socialism, as outlined above – democratic; transformative; concerned with real issues, which can only be tackled through the concerted action of the central state; and based on explicitly liberal socialist values – that is the most appropriate basis for the Labour party as it moves towards the next general election and beyond. ■

## Imagining a life after capitalism

The good life isn't about money says Robert and Edward Skidelsky's new book. But what they put in its place is too prescriptive for **Zoe Gannon**



*"How Much is Enough? The Love of Money and the Case for the Good Life"*  
Robert Skidelsky  
& Edward Skidelsky

Allen Lane, £20



Zoe Gannon is head of research at the High Pay Centre

How much is enough? A fitting question in these times of austerity, and for the answer we are directed to a lesser-known essay by the economist John Maynard Keynes, *The Economic Possibilities for our Grandchildren*. In this essay Keynes predicts that within one hundred years, by 2030, we will have reached a point where we will no longer need to continue to grow to satisfy our needs and instead capitalism would be a means to an end, the end being the ability to satisfy our needs and step off the treadmill. Robert and Edward Skidelsky ask us to imagine a life after capitalism; a life of leisure.

The first part of this book takes Keynes to town, and demonstrates in no uncertain terms why his prediction has not come to pass, bringing in an improved understanding of the difference between wants and needs and the features of our capitalist system. The Skidelskys highlight the faustian nature of our deal with capitalism, painting Keynes as somewhat naive to imagine that capitalism would shut up shop on its own.

This is a book littered with interesting facts which illustrate the insatiable nature of capitalism. I'm sure I am not alone in my ignorance that Veblen goods, named after the American economist, are the goods desired because they are expensive and known to be so. There is a Russian joke which sums it up: one Russian oligarch walks up to another and asks how much his tie cost. The second duly answers "one thousand dollars". "Unlucky" replies the first, "mine cost two thousand dollars".

Some of the sacred cows of hegemonic political thought are also challenged. The authors argue that growth can't be an end in itself, only a means to an end, so we should do away with GDP. What should replace it? Not happiness: "to go from the pursuit of growth to the pursuit of happiness is to turn from one false idol to another." Free trade is a "dogma" rather than a means to economic growth: "No country has become rich under a free trade regime." Each argued with precision, an eye for detail and a plethora of sources.

With these sacred cows slain we move to the meat of the question: what is the good life? They put aside Amyata Sen's arguments for 'capabilities', as having the means to achieve the good life is not sufficient: the good life can only be defined as ends, the outcome. They denounce the notion of moral relativism, which has been dominant for some time. It is not an individual quest for the good life, which each person defines on their own terms. Instead there is a definitive good way to live your life, and for that matter a bad way.

The authors identify seven basic 'goods' from which to determine what this 'good life' should look like: health, respect, personality, harmony with nature, friendship and leisure. In this mix there is a lot to agree with, but overall it's hard not to feel patronised. In a quest against moral relativism their good life is already decided and it feels overly prescriptive. But perhaps this is only to be expected given they describe themselves as non-coercive paternalists. Added to this they seem too keen to privilege a middle class, western ideal while pretending it is applicable across the globe. I started to seriously depart from their vision of the good life when they advocate marriage over all other forms of union, stable or otherwise, and seem to imply that sexual freedom is not a desirable state of affairs. This departure was complete when, in the penultimate paragraph of the book, the authors make perhaps their only supposition without evidence: "Could a society entirely devoid of religious impulse stir itself to pursuit of the common good? We doubt it". I won't be alone in finding this off the cuff remark somewhat insulting – to suggest that without a commitment to a higher being we cannot be committed to the common good seems lazy to say the least.

Some of the sacred cows of hegemonic political thought are also challenged. The authors argue that growth can't be an end in itself, only a means to an end, so we should do away with GDP

Given the quality of some of Skidelsky's previous work before, this book is sadly a disappointment. It feels in parts like it really should be two books: the first an exploration of Keynes' text and an analysis of why he was proved wrong, the second a philosophical exploration of what the good life, or the good society really is. These books sit uneasily together, but there is still much to agree with and much that's of interest, despite the assumption that the good society is a religious one undermining the book at the last.

The authors quote Keynes at one point, who stated that it is better to be "broadly right than precisely wrong." In this regard they may have succeeded. Do they have all the answers? No, but they never pretended to. What they have done, and this should be recognised, is contributed to the debate we should all be having. ■

## NOTICEBOARD

### FABIAN EXECUTIVE ELECTIONS

Call for nominations.

Closing date 15th August 2012

Nominations are now invited for:

- 15 Executive Committee places
- 4 Local Society places on the Executive
- Honorary Treasurer
- Scottish Convenor
- Welsh Convenor
- 12 Young Fabian Executive places

Election will be by postal ballot or, for the first time, electronic ballot of all full national members and local society members.

Nominations should be in writing and individuals can nominate themselves. Local society nominations should be made by local societies. At least two of the 15 national members and one of the four local society members elected must be under the age of 31 at the AGM on 10th November 2012.

Nominees for both national and Young Fabian elections should submit a statement in support of their nomination, including information about themselves, of not more than 70 words.

Nominations should be sent to: Fabian Society Elections, 11 Dartmouth Street, London SW1H 9BN. Or they can be faxed to 020 7976 7153 or emailed to phil.mutero@fabian-society.org.uk. Please write the position nominated for at the top of the envelope, fax or subject line of the email. The closing date for nominations is 15th August 2012.

### SUBSCRIPTION RATES

At the Annual General Meeting, members agreed to increase the annual Ordinary rate subscription by £1 to £38.00 (£36.00 for those paying by direct debit).

The Reduced rate subscription for students, retired and unwaged/unemployed members remains unchanged at £19.00 (£18.00 direct debit).

### AGM RESOLUTIONS

Any full member, national or local, may submit a resolution to the AGM. The deadline for resolutions is 15th August 2012. They should be addressed to the General Secretary at the address above or emailed to phil.mutero@fabian-society.org.uk. Resolutions will

be circulated in the Autumn issue of Fabian Review and amendments will be invited. Please contact Phil Mutero at phil.mutero@fabian-society.org or phone 020 7227 4911 for more information about the above.

### THE EXECUTIVE COMMITTEE HAS AGREED THE FOLLOWING AMENDMENTS TO THE FABIAN SOCIETY'S BYE-LAWS

#### COMMITTEES

The following paragraph shall be inserted between paragraph (i) and (ii): 'The executive committee shall appoint a research and editorial committee consisting of not less than five persons, to oversee the society's research and editorial strategy'.

#### PARTICIPATION IN SOCIETY MEETINGS

The title of this bye-law shall be amended to 'participation in society activities'.

The following sentence shall be added to the end of paragraph (i): 'It shall similarly be able to bar people from contributing editorial content.'

In paragraph (ii) the word 'meeting' will be replaced by 'activities'.

#### FABIAN WOMEN'S NETWORK

A new bye-law shall read:

Membership of the Fabian Women's Network shall be open to all national members of the Society who are women. The affairs of the group shall be regulated by a constitution, amendments to which shall be subject to the approval of the executive committee. The group shall be responsible for the organisation of its own activities, which shall include the publication of pamphlets and the holding of schools, conferences and meetings.

#### SCOTTISH AND WELSH FABIAN SOCIETIES

A new bye-law shall read:

Membership of the Scottish Fabian group and the Welsh Fabian group shall be open to all national members and fully-paid up members of local societies whose membership addresses are in Scotland and Wales respectively. The affairs of the two groups shall each be regulated by a constitution, amendments to which shall be subject to the approval of the executive

committee. The groups shall be responsible for the organisation of their own activities, which shall include the publication of pamphlets and the holding of schools, conferences and meetings.

#### SELECTION OF PARLIAMENTARY CANDIDATES

The title of the bye-law shall be amended to: 'Selection of Parliamentary candidates and Labour Party officers'

The introductory paragraph shall be deleted and replaced with: 'The executive committee shall lay down procedures for the selection of parliamentary candidates and Labour Party officers which shall be adhered to by the society, local Fabian Societies and Young Fabian groups. These shall include the following:'

All but the first sentence of paragraph (i) shall be deleted and it will be extended with the following words: 'or for Leader or Deputy Leader of Scottish Labour and Welsh Labour, and the candidate for Mayor of London.'

A new paragraph shall be inserted after paragraph (i) to read: 'in any contested election within the Labour Party where the society or a local society or Young Fabian Group has a right to cast a vote on behalf of its members, the society/group will only cast a vote after a ballot of all members who have membership addresses in the geography of the election.'

In paragraph (ii) the words 'in exceptional circumstances' shall be deleted and the following words added at the end: 'or for representatives to the National Policy Forum of the Labour Party'

Paragraph (iii) shall be amended to replace the word 'society' with 'executive committee'. The second sentence shall be replaced with: 'In the case of Scotland and Wales, the Fabian nominee for this seat will be nominated by the executive of the Scottish or Welsh Fabian groups respectively'

Paragraph (iv) shall be deleted.

#### FABIAN FORTUNE FUND

##### WINNER: Barbara Hawkins £100

Half the income from the Fabian Fortune Fund goes to support our research programme. Forms and further information available from Giles Wright, giles.wright@fabians.org.uk

# The Fabian Society today

A recent survey of the Fabian membership is a reminder of the Society's place as the British left's most plural and open intellectual tradition, discovers **Georgia Hussey**



*Georgia Hussey is a Labour blogger, who worked for the Fabian Society on editorial and membership projects*

The cartoon of a stereotypical British politician would always depict an upper class, white male of fifty plus. Even interest in politics is seen as the dominion of the older generations, with voting turnouts showing waning interest in the under 25s. So how does the

typical Fabian Society member fit into this pigeonhole?

With an average age of 55, and a male to female ratio of 4 to 1, the figures from our survey of 500 Fabian members did little to break the caricature. The majority of Fabian members are highly educated – 37 per cent achieved master's degrees, and more people have gained a PhD than had stopped education after secondary school. Over half of those who replied were over 60.

When asked at the start of 2011 whether the Fabian Society should view the Liberal Democrats as political partners or adversaries, members were closely split

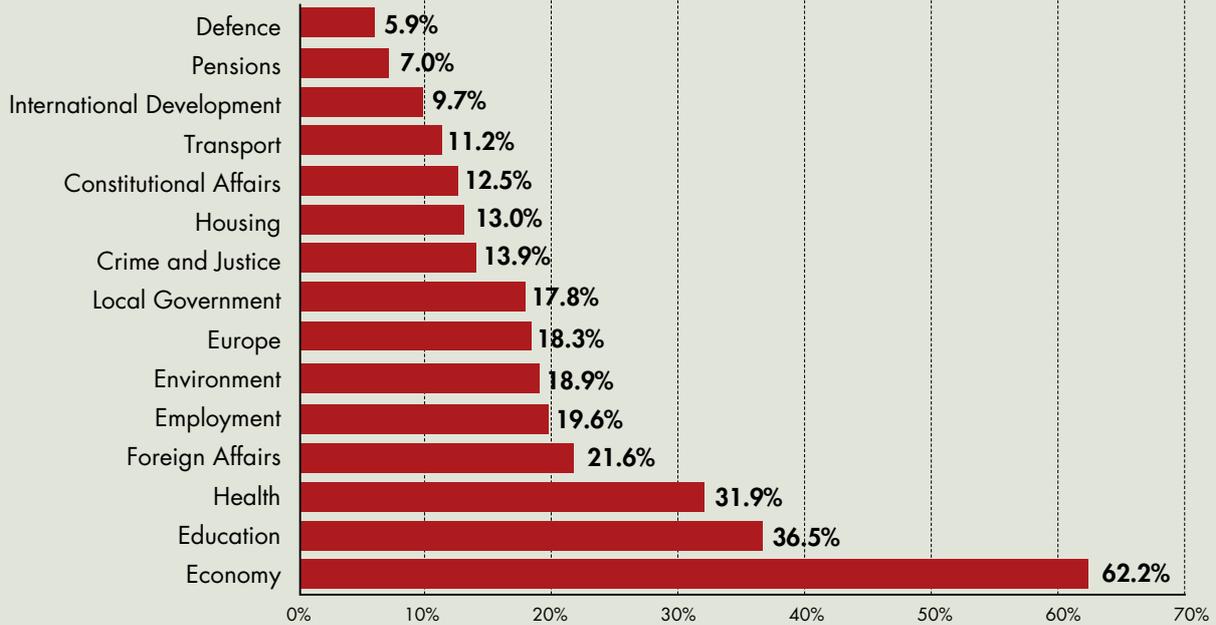
However, in spite of a somewhat homogenous demographic in some areas, in others the typical Fabian proved hard to narrow down. Our members named professions from postman to architect, taxi driver to CEO, and were evenly spread across income brackets. But in one area more than any other there proved to be no typical Fabian member: their political views.

When asked at the start of 2011 whether the Fabian Society should view the Liberal Democrats as political partners or adversaries, members were closely split: just over half saw the party as adversaries. Favourite politicians were also varied, with those named spanning from Tony Benn to George Osborne (really), and the Fabians were also divided by their membership of other Labour party organisations, half having joined at least one other, and half being solely

Q. Do you think the Fabian Society should view the Liberal Democrats as political partners or adversaries



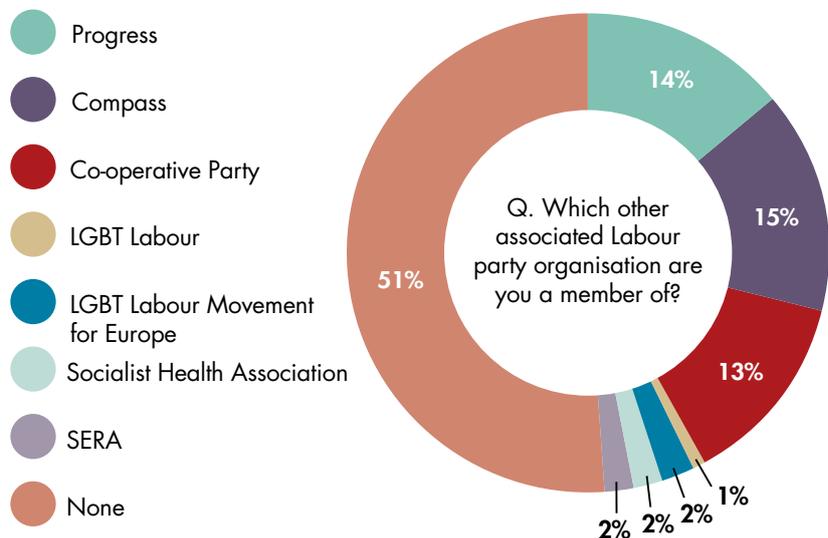
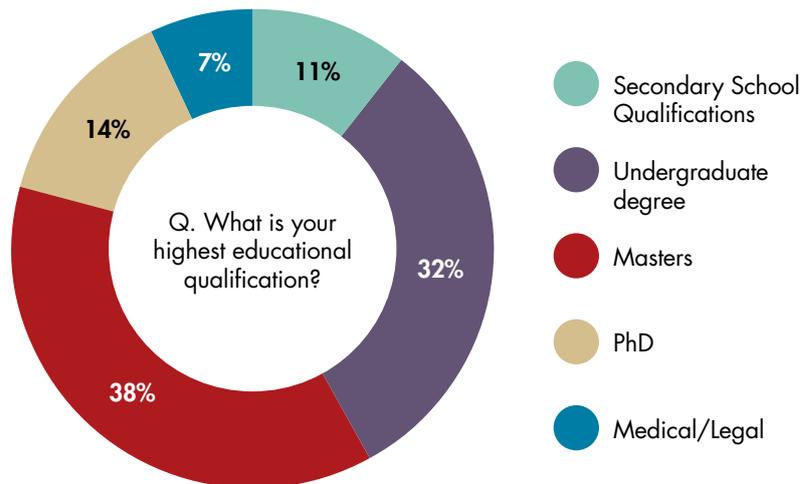
Q. Which three policy areas are you most interested in?



Fabian. Though interest in policy areas fell mainly towards a concern for the economy, the Fabian members showed a range of policy priorities. When asked which policy areas they were most interested in, 62 per cent placed the economy as a main concern, followed by education and then health at 37 per cent and 32 per cent. Interestingly, although 40 per cent of the survey members were retired, concern for policy on pensions rated second lowest, at 7 per cent.

Though interest in policy areas fell mainly towards a concern for the economy, the Fabian members showed a range of policy priorities

So trying to describe what the stereotypical Fabian member stands for seems to be an impossible task. Our members showed split views on everything from the Lib Dems to their interest in policy areas. However there was one interest shared by each survey member. When asked whether the ability to influence the Labour party was a factor in the member's membership, the overwhelming answer was a 'very important'. With a collective 6970 years of membership to the Labour party between them, and an average membership of 21 years, it is clear that the one stereotypical Fabian trait is commitment to the Labour party. ■



## THE SUMMER IN REVIEW

What might an Ed Miliband government look like? The most comprehensive answer to that question so far arrives in a new Fabian book *The Shape of Things To Come: Labour's new thinking*. Edited by John Denham MP – who is Ed Miliband's PPS, as well as being a former cabinet minister and a member of the Fabian Society executive committee – the book features chapters from shadow cabinet rising stars Rachel Reeves and Chuka Umunna, as well leading centre-left thinkers like Will Hutton, Marc Stears and Kitty Ussher. At the heart of the whole collection is the recognition that our economy must be reshaped to deliver the responsible capitalism Ed Miliband has advocated. A more dynamic, competitive and fairer economy will help reduce the public costs of failing markets and help deliver public spending discipline.



The Fabian Society hosted a major one-day conference looking at how Labour can win a majority at the next election. The conference explored the messages Labour needs to win, the policies that resonate with the electorate and the organisational changes that will turn Labour into a campaigning force without peer in British politics. The main event was Ed Miliband, who spoke of “the dramatic revelations” of the latest banking crisis, and said that “for too long, we have had an economy that works for a few at the top but not for most working people”. Miliband criticised “short-term, fast-buck behaviour” in banking and said that “values of integrity, responsibility and stewardship must be put back at the heart of the British banking



## LISTINGS SUMMER 2012

### BEXLEY

Regular meetings. Contact Alan Scutt on 0208 304 0413 or alan.scutt@phonecoop.coop

### BIRMINGHAM

All meetings at 7.00 in the Birmingham and Midland Institute, Margaret Street, Birmingham. Details from Claire Spencer on virginiasawithc@gmail.com

### BOURNEMOUTH & DISTRICT

26 October. Bridget Phillipson MP All meetings at The Friends Meeting House, Wharnclyffe Rd, Boscombe, Bournemouth at 7.30. Contact Ian Taylor on 01202 396634 for details or taylorbournemouth@gmail.com

### BRIGHTON & HOVE

14 July. Alex Sobel and Karin Christiansen on ‘Labour’s Next Majority Project’. 5.15 at Friends Meeting House, Ship St, Brighton Details of these and all meetings from Maire McQueeney on 01273 607910 email mairemcqueeney@waitrose.com

### BRISTOL

Society reforming. Contact Ges Rosenberg for details on grosenberg@churchside.me.uk

### CAMBRIDGE

Details from Kenny Latunde-Dada cambridgefabiansociety@hotmail.co.uk Join the Cambridge Fabians Facebook group at <http://www.facebook.com/groups/cambridgefabiansociety>

### CAMDEN

Contact Tristan Stubbs for details at tristanstubbs@hotmail.com

### CARDIFF AND THE VALE

Details of all meetings from Jonathan Wynne Evans on 02920 594 065 or wynneevans@phonecoop.coop

### CENTRAL LONDON

Regular meetings at 7.30 in the Cole Room, 11 Dartmouth Street, London SW1A 9BN. Details from Giles Wright on 0207 227 4904

### CHISWICK & WEST LONDON

All meetings at 8.00 in Committee Room, Chiswick Town Hall. Details from Monty Bogard on 0208 994 1780, email mb014f362@blueyonder.co.uk

### COLCHESTER

Details from John Wood on 01206 212100 or woodj@madasafish.com Or 01206 212100

### CUMBRIA & NORTH LANCASHIRE

For information, please contact Dr Robert Judson at dr.robertjudson@btinternet.com

### DARTFORD & GRAVESHAM

Regular meetings at 8.00 in Dartford Working Men’s Club. Details from Deborah Stoaite on 0207 227 4904 email debstoaite@hotmail.com

### DERBY

Details for meetings from Alan Jones on 01283 217140 or alan.mandh@btinternet.com

### DONCASTER AND DISTRICT

New Society forming, for details and information contact Kevin Rodgers on 07962 019168 email k.t.rodgers@gmail.com

### EAST LOTHIAN

5 August. Summer Garden Party. 2.00 onwards. Details of this and all other meetings from Noel Foy on 01620 824386 email noelfoy@lewisk3.plus.com

### FINCHLEY

Enquiries to Mike Walsh on 07980 602122

### GLASGOW

Now holding regular meetings. Contact Martin Hutchinson on mail@liathach.net

### GLOUCESTER

Regular meetings at TGWU, 1 Pullman Court, Great Western Rd, Gloucester. Details from Roy Ansley on 01452 713094 email roybrendachd@yahoo.co.uk

### GREENWICH

If you are interested in becoming a member of this local Society, please contact Chris Kirby on cck Kirby@hotmail.co.uk

### GRIMSBY

Regular meetings. Details from Maureen Freeman on m.freeman871@btinternet.com

### HARROW

Details from Marilyn Devine on 0208 424 9034. Fabians from other areas where there are no local Fabian Societies are very welcome to join us.

### HASTINGS and RYE

Meetings held on last Friday of each month. Please contact Nigel Sinden at fabian@sindenql.com

### HAVERING.

- 4 July 9.45. Visit to City Hall to observe Members Question Time.
- 17 July. Chris Leslie MP 7.30 at Havering Museum, High St, Romford, RM1 1JU Details of all meetings from David Marshall email david.c.marshall.t21@btinternet.com tel 01708 441189 For latest information, see the website <http://haveringfabians.org.uk>

### HORNSEY and WOOD GREEN

New Society forming. Contact David Chaplin – chaplind@gmail.com

### HULL

New Society. Hull Fabian Society Secretary Deborah Matthews and Chair Kevin Morton can be contacted at HullFabians@gmail.com, on Twitter at @HullFabians or on 07958 314846

### ISLINGTON

15 July. Summer Garden Party with Lord Stewart Wood, strategic advisor to Ed Miliband 3.00. Details from John Clarke at johnclarke00@yahoo.co.uk

### LEEDS

7 July. Criminal Justice with speakers including Linda Riordan MP and Mark Burns-Williamson. 12.45 at Hebden Bridge Town Hall



Details of all meetings from John Bracken at leedsfabians@gmail.com

#### LEICESTER

Please contact Annie Moelwyn-Hughes on anniemh@fiscali.co.uk

#### MANCHESTER

Details from Graham Whitham on 079176 44435 email manchesterfabians@googlemail.com and a blog at <http://gtrmancfabians.blogspot.com>

#### MERSEYSIDE

Please contact Phillip Brightmore at p.a.brightmore@gmail.com

#### MIDDLESBOROUGH

Please contact Andrew Maloney on 07757 952784 or email andrewmaloney@hotmail.co.uk for details

#### MILTON KEYNES

Anyone interested in helping to set up a new society, contact David Morgan on jdavidmorgan@googlemail.com

#### NEWHAM

Regular meetings. Contact Tahmina Rahman – Tahmina\_rahman\_1@hotmail.com

#### NORTHUMBRIA AREA

For details and booking contact Pat Hobson at pat.hobson@hotmail.com

#### NORTHAMPTON AREA

If you are interested in becoming a member of this new society, please contact Dave Brede on davidbrede@yahoo.com

#### NORTH STAFFORDSHIRE

Any Fabian interested in joining a North Staffordshire Society, please contact Richard Gorton on r.gorton748@btinternet.com

#### NORWICH

Society reforming. Contact Andreas Paterson – andreas@headswitch.co.uk

#### NOTTINGHAMSHIRE

Contact Dr Arun Chopra – arunk Chopra@gmail.com, [www.nottsfabians.org.uk](http://www.nottsfabians.org.uk) twitter @NottsFabians

#### PETERBOROUGH

Meetings at 8.00 at the Ramada Hotel, Thorpe Meadows, Peterborough. Details from Brian Keegan on 01733 265769, email brian@briankeegan.demon.co.uk

#### PORTSMOUTH

Regular monthly meetings, details from June Clarkson on 02392 874293 email june.clarkson@ntlworld.com

#### READING & DISTRICT

For details of all meetings, contact Tony Skuse on 0118 978 5829 email tony@skuse.net

#### SHEFFIELD

19 July at 7.15. Lord Maurice Glasman on 'Blue Labour'. The Quaker Meeting House, 10, St James St, Sheffield. Details and information from Rob Murray on 0114 255 8341 or email robertjmurray@hotmail.com

#### SOUTH EAST LONDON

- 18 July, speaker tbc 8.00 at 105 Court Lane, SE21 7EE
  - 2 September, 3.00–6.00. Summer Garden Party
- Details, contact Duncan Bowie on 020 8693 2709 or email duncanbowie@yahoo.co.uk

#### SOUTH WEST LONDON

Contact Tony Eades on 0208487 9807 or toneades@hotmail.com

#### SOUTHAMPTON AREA

For details of venues and all meetings, contact Eliot Horn at eliot.horn@btinternet.com

#### SOUTH TYNESIDE

For information about this Society please contact Paul Freeman on 0191 5367 633 or at freemanpsmb@blueyonder.co.uk

#### SUFFOLK

- 14 July from 2.00 . Summer Garden Party with speaker Baron Phillips of Sudbury speaking on the international situation in Iran.
  - 20 September at 7.30. Richard Bourne of the Socialist Health Association on 'Health and Social Care' at Ipswich Library Lecture Hall
- Details from John Cook on 01473 255131, email contact@ipswich-labour.org.uk

#### SURREY

Regular meetings at Guildford Cathedral Education Centre Details from Maureen Swage on 01252 733481 or maureen.swage@btinternet.com

#### TONBRIDGE AND TUNBRIDGE WELLS

For details of meetings contact John Champneys on 01892 523429

#### TYNEMOUTH

Monthly supper meetings, details from Brian Flood on 0191 258 3949

#### WARWICKSHIRE

All meetings 7.30 at the Friends Meeting House, 28 Regent Place, Rugby Details from Ben Ferrett on ben\_ferrett@hotmail.com or <http://warwickshirefabians.blogspot.com/>

#### WEST DURHAM

The West Durham Fabian Society welcomes new members from all areas of the North East not served by other Fabian Societies. It has a regular programme of speakers from the public, community and voluntary sectors. It meets normally on the last Saturday of alternate months at the Joiners Arms, Hunwick between 12.15 and 2.00pm – light lunch £2.00. Contact the Secretary Cllr Professor Alan Townsend, 62A Low Willington, Crook, Durham DL15 0BG, tel, 01388 746479 email Alan.Townsend@dur.ac.uk

#### WIMBLEDON

Please contact Andy Ray on 07944 545161 or andyray@blueyonder.co.uk

#### YORK

Regular meetings on 3rd or 4th Fridays at 7.45 at Jacob's Well, Off Miklegate, York. Details from Steve Burton on steve.burton688@mod.uk



## A note from Local Societies Officer Deborah Stoute

At this time of year, the listings page mentions many summer social events, with garden parties being popular. Most Fabians would probably think that an hour or three of Fabian fun with like-minded people was quite exciting enough, but not the early Fabians who, from 1907 for many years, ran Fabian holidays, lasting a fortnight in North Wales, briefly in Switzerland, the Lake District and latterly Surrey.

Holidays were run with puritanical management and clearly defined rules regarding meals, lecture times, lights out and time for phonograph playing. Alcohol was strictly forbidden and each day began with Swedish Drill run by a gymnastics teacher called Mary Hankinson. The fun continued with fancy dress evenings, charades, excursions and communal singing from 'Songs for Socialists'. It's easy to mock at a century's distance. However as Patricia Pugh remarks "for one month a year, it fulfilled some of the first principals for the founders, that socialists of their ilk should live in a community and work out co-operatively their social, economic and political philosophy". Plus "the more exalted benefitted from meeting the criticisms and hearing the reservations of the less well known, bringing them down to earth".

Today's Fabians have to make do with meetings only, and occasional summer garden parties which are, after all, still opportunities to rub shoulders and challenge points in a friendly and convivial atmosphere, even if it's only for a couple of hours.



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