

WAITING FOR GORDO



Interregnums are strange events. You never quite know where you are. If they follow a death, people at least know that they are entitled to mourn. Handovers of political power bring no such certainties. Labour MPs hover in clusters, uncertain about which sheepdog to follow. On the international stage, Blair goes to a whole series of events with nothing much to say, whilst Brown is conspicuous by his absence.

As he set off for the last G8 summit, Blair announced that he would have 'tough words' with president Putin about Russian plans to target any US Missile Defence stations located in Europe. Putin's response was to schedule a meeting with Blair on the last hour of the last day of the summit conference. It is in such small detail that political leaders can be seen to move from the living to the dead.

Back at home, Blair has been allowed an almost nostalgic departure. On the weekend following his formal retirement announcement a constituent stopped me in the street announcing that already she missed hating him. The word 'Iraq' inevitably trails him everywhere. The fact that he has a personal exit strategy while the troops do not, will continue to wrangle with people until Britain finds a way of extricating itself from the carnage Blair took us into. But what about Gordon?

The huge challenge Gordon Brown faces is how to excite people about a dynamic new agenda that, in practical terms, will be little different from the previous one. Brown has been such a dominant political figure over the last decade that it is hard to see anything he could do now that he couldn't have done previously... if only he had had the political will to do so.

Brown has been the architect of Blairite economics. The use of Private Finance Initiatives, Public Private Partnerships and the transferring of public services into private hands, were all devised by Brown as a way of moving into 'off balance sheet' accounting. The executives of Enron are doing time in prison for this. Gordon just does time in Downing Street.

Britain has been moved into a debt driven economy. We are asked to believe that private debt is good debt, whilst public debt is bad. You could almost expect to find the mantras turning up on the pages of Animal Farm.

Private equity companies stage predatory raids on some of the country's biggest names and brands. Takeovers are almost entirely debt financed and the cost of this debt is heavily subsidised by the taxpayer. To pay out higher dividends (and repay debt interest charges), companies dive into a round of asset stripping in which jobs, standards, ethics and pensions are all seen as the feeding ground from which dividends get paid.

Elsewhere in the economy people wring their hands in despair about the state of housing. The absence

of a social housing programme for the best part of 20 years has forced a crisis in the supply side of the housing market. Cheap loans allowed the demand side to move from aspirations into real inflationary pressures. And out of this the Treasury has quietly pocketed huge increases in its revenues.

You don't have to increase stamp duty or property taxes to make money out of this. The Treasury can just sit back and allow house prices to spiral into the sky. The fixed percentage it takes from each house sale shovels bucket loads of extra cash into the Treasury purse. Large parts of the Labour Party still cannot understand why a Labour government has so intransigently opposed a new era of council house building. It would address the housing needs of the poor at the same time as taking pressure out of the private housing market. Brown's financial dependence on the income stream from house price inflation is as much a part of the explanation of our absent social housing programme as Blair's ideological opposition to it.

If we are to move into a different political era, Brown has to be different from himself as much as from Blair. For every Party member whose heart wants this to happen there are a dozen whose heads tell them that it is beyond the man's capacity. There will be no fundamental redistribution of wealth and ownership under the new regime. In its place we are likely to be offered loud but empty calls for a redistribution of power. Claims about devolution of decision making and the empowerment of the citizen will litter the agenda of Brown's first 100 days. The difficulty is that most claims will fall away with the autumn's leaves. It will fall to the Labour Party rather than the Labour leadership to come up with real policies about devolution and citizen empowerment.

Progressive voices across the land have to pull together demands for a genuine 'level playing field' upon which social policy is rebuilt. Some of the demands are simple and straight forward. They involve dismantling the rigged market in today's social policies.

New Labour's obsession with city academy schools has been driven through by threats, bullying and blackmail of Local Authorities. Education Authorities are told that unless they are willing to bid for a city academy, funding will be withheld for the maintenance, repair and renewal of other schools in their area. Private sponsors of academies have been allowed to distort pupil intake to give the appearance of educational improvement. They have also been able to massage figures about results for the same purpose; all to the detriment of the local education system.

At a community level, people know this is a scam. They also know it is a scam that uses resources stolen from other education budgets to force its way (unaccountably) into the education matrix.

The same argument applies to the renewal of social housing. Council tenants are refused the right to remain as council tenants. Local Authorities have been forced to transfer housing stock to arms length providers who, in turn, have been allowed to write-off debt liabilities by the government. Lines of political accountability for housing allocations have disappeared. Financial accountability in the new organisations has been hidden beneath a cloak of 'commercial confidentiality'. The only noticeable improvement has come in pay rises that new managers have awarded themselves.

Gordon Brown could change all this within a programme of genuine openness, accountability and equality of choice. He could make it central to all of the government's social programmes. If Labour is to be serious about local choice, then it means that towns and cities have to be able to plan their own social

housing programmes. Education Authorities have to be able to construct schools programmes that meet the needs of all of their children rather than playing one set off against another. Cities have to have the right to plan integrated transport policies with the same powers and freedoms that most of their European counterparts already enjoy. Moreover, towns, cities and regions have to be able to pursue far reaching policies about local sustainability.

Gordon Brown wants to begin building five new eco-towns in Britain by 2016. By the same date Germany will have turned between 40 and 50 of its existing cities into Sustainable Cities. Their programmes begin with the housing stock that people live in now, rather than new properties that a few may live in a decade hence. German cities have the power to set their own planning, building and development requirements about the incorporation of renewable and sustainable technologies. Their citizens and localities openly compete with each other to become the most ecological in the pack.

The rules Gordon Brown brings with him from the Treasury almost specifically preclude this from happening in Britain. The Downing Street mindset openly opposes market intervention measures. Ministers and civil servants repeat the mantra that to allow cities to set their own standards above the norm would be a recipe for chaos, inconsistency and confusion. In truth, it is an approach that panders to the developers' and construction industry lobby who still want to build to undemanding environmental standards that future generations will have to pay heavily for.

Brown could break this intellectual and ecological deadlock, but only if he can break with his own past. The tragedy will be if he attempts to repackage the future as a continuation of this past. The harsh reality is that New Labour cannot be repackaged in any meaningful way. It is no longer a winning ticket for the next general election.

To do so would invite the public to do to Labour what Putin did to Blair. The Brown agenda could find itself consigned to the last hour of the last day of public credibility in their electoral diary. The public are not waiting for Gordo, but waiting for him to be different. One way or another, Labour has to move on to a new interventionist agenda that tackles the inequality and instability of where we are now. If not, the public will move on without us.