

[Morning Star 09th December 2005](#)  
[When The Chat Show Ends](#)



It would be easy to caricature the change in Conservative Party leadership in slapstick terms. The arrival of David Cameron at the Despatch Box was more of a love-in than a clash of convictions it was Punch and Judy being replaced by Richard and Judy; TV chat show hosts, exchanging their social perceptions, on terms, which ensure that neither is going to fall out massively with the other.

Sketch writers may love the moment, but Labour should not kid itself about the dangerous political waters this takes us into. Cameron may be politically light, but he is a shrewd operator. He knows that, in image terms, he is Blair without the baggage. It doesn't matter that he voted for the war on Iraq (and has pledged to keep the troops in there 'until the job is done'). Somehow voters don't blame him in the same way. He remains (for the moment) free from the charge of lying and duplicity. But, the question now is where the big political dividing lines are set to be drawn.

Gordon Brown had the chance to draw some different dividing lines in his pre-Budget statement, but seemed more determined to box himself in than open up new space. His subsequent television interview, declaring that a 'Brown government' would be a continuation of Blairism, was more of a suicide note than a statement of principle. Blairism will die with Blair. It is a mindset past its sell-by date and already tripping over its own contradictions. A Brown 'Blairism' would lead Labour into opposition rather than anywhere else. Sadly, the pre-Budget statement played directly into two of Labour's most obvious Achilles' heels that the Tories are almost certain to attack: climate change and means testing.

I don't doubt that Blair understands the significance of the climate change issue. It is just that he is locked into big business interests that can only offer expensive and out of date answers to the current crisis. The greater problem is that the Treasury has no 'green' perspective at all.

It was absolutely right for Brown to slap a tax on the upstream oil companies who have been sitting on bonanza gains from the hike in oil prices. Some of us had lobbied for a £5 billion windfall tax on the industry, but £6.5 billion over 3 years will do just as nicely. The sad part is that we had also asked for the whole of the money to be earmarked for the fuel poverty programme and carbon reduction measures.

In the end, the Treasury has put £800 million into tackling fuel poverty, roughly the same amount into subsidising petrol prices, and then pocketed the remainder to balance the books. There is no Treasury plan for greening the economy.

The rest of Europe has created around 75,000 jobs in renewable energy technologies. Britain will be lucky if our domestic policies have produced 1,000 new jobs. Germany alone has 15% of the world market in sustainable technologies when the UK has 4%. Why? Because they have national policies that intervene to change the nature of the markets.

Our housing and planning policies do not make energy self-generation a duty. Our transport policies do not require roads to be 'solar' (energy producing) roads. Our education and health policies fail to deliver solar playgrounds, health centres or hospitals...all of which can be found in sustainability agendas elsewhere in Europe.

Beyond our own shores there are strategic approaches to the development of geo-thermal energy, a shift towards the hydrogen economy, the harnessing of wave, (as well as wind) power and the construction of decentralised energy systems. None of this happens in Britain because Treasury rules force procurement policies to chase today's lowest price solutions, even if they leave us with tomorrow's highest cost legacies.

If only we had the sense to recognise that tomorrow's enterprise economy – the one that will harness innovation, imagination, youth and skill – will be found in this profound re-think of how 21<sup>st</sup> century

economies will work. The first party to grasp this will steal a huge march on others in the next general election race.

Shrewdly, Cameron has already set out to do so by holding a meeting with all the major environmental NGO's, within 3 days of being elected as opposition leader. Downing Street has got itself into a complete muddle with the environment movement. First they struck Greenpeace off the invitation list (because of criticising the government). Then they stuck Friends of the Earth off, for the same reason. Then the rest of the NGO's opted not to play such patronage games, and decided that none of them would go to the Downing Street soirees. Burning bridges to the past is one thing, burning them to the future is altogether more stupid.

Ironically, this ties in to the second weakness. The Treasury has been obsessed with means-testing of almost every part of the benefit system. The latest news that 100 million telephone enquiries about benefits have been unable even to get through to the national call centres, hardly fills you with confidence. Worse still, the Treasury obsession has penalised those who save, as well as throwing up unfathomable bureaucracies for those who claim.

The National Pensioners Convention has consistently made the case for restoring the (universal) state pension, and re-connecting it with earnings. The Turner Commission has recognised the power and simplicity of this argument, as well as seeing how it restores the separate incentive to save. Yet the proposals are already being spiked by Brown and his advisors. It is a knee jerk refusal to address Gordon's fear about public borrowing and public debt.

It is a silly, irrational fear that needs to be explored and exploded. Under both the Tories and New Labour, Britain has seen a contraction of public debt paid for by an explosion of private (and personal) debt. Public debt became a bodily sin that would make you go blind. Private debt – no matter how short-term and speculative – became the engine of unsustainable growth.

When the dot.com economy began to spiral out of control, even the banks were coming to parliament begging the government to issue public bonds. They wanted a safe haven for pension savings to get off the global roller coaster. We never did so and £250 billion of pension savings disappeared  
Into thin air when the bubble burst.

Today, the government wants to force us to save, when the only vehicles for doing so are in the same speculative markets that screwed savers last time. So why not create new markets in secure, public eco-bonds?

Pension savings could go into the transformation of local economies into sustainable systems and networks. As well as being safe (from speculators) the pension funds would have a secure return and an annual 'quality of life' bonus in the roads we use, energy we consume, schools our children go to and hospitals we rely on.

In essence; it is a moment in which the real political vision is to be found in a new era of public-public partnerships. Across the world, there is a fresh interest in the public sector re-acquiring public assets and utilities, in partnership with the public itself. Somehow Labour has to break itself free from the Washington Consensus of neo-liberal economics and connect with a different vision of the future.

To fail to do so would simply make Cameron the principle beneficiary of the Blair legacy.

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