

Why outsourcing does not work

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We should be quietly grateful to G4S for messing up big time on its Olympics contract. Not that I'm saying that it should ever have had such a contract; it shouldn't, but because by getting it so badly wrong it shows why the whole logic of outsourcing does not work.

First, it put profit first. As a result it has cut corners. That's not what public service needs. We all know that. They just graphically prove it.

Second, they show short termism is a disaster. You can't expect to recruit and train people whilst imparting useful skills in a short time scale. The people involved know they are being treated with contempt; the service standard that follows is contemptuous. The same is seen wherever this logic is used.

Third, the logic of recruiting people a few weeks before the games and sacking them immediately thereafter shows that the logic of cheap labour inherent in outsourcing is dependent upon mass unemployment and the expendability of people. No wonder the Tories are doing nothing to tackle unemployment. Their friend's business models are dependent upon it.

But most of all, nothing of real value comes from this. When the only definition of value is cash profit nothing of real value to the people involved, the community they serve or of lasting relevance is created.

The state has the ability to create that value through commitment. Outsourcing does not. Which is why it is a disaster.

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