

Why growth won't deliver better public services

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We published this shorter video at 17.00 today:

Can growth fix our NHS? Will a booming private sector fund schools and care homes? Rachel Reeves thinks so. I don't. This video explains why growth consumes the very people and resources we need for care and education—and why it's time to stop chasing infinite consumption on a finite planet.

<https://www.youtube.com/watch?v=rUXA3hsnB8g&si=iN-cHfDwWJtzdZxK>

This is the transcript:

Rachel Reeves says we can't have better healthcare, education, or public services in the UK unless the economy grows.

But what she really means is that private sector growth must fund the state, and that's not just wrong, it's impossible.

The UK, as a country, has finite numbers of people and resources.

Even with migration, we aren't seeing a significant increase in the number of people working because migrants are replacing those who are now retiring, who can't be replaced by those who are born in this country, because there aren't enough of them.

So, in other words, there is a fundamental physical constraint in this country, and the private sector is competing with the public sector for both people and resources.

So if Rachel Reeve says the private sector has to grow as a precondition of the public sector growing, what she's saying is, there won't be enough resources left over for the public sector to grow anyway, because the private sector will have already absorbed all the necessary resources. What she's claiming, therefore, is something that has to be untrue, and that's because growth in this situation creates scarcity and not abundance.

If more people are employed making luxury cars or financial products, then there are quite simply fewer available to teach, or to nurse, or to care. Reeves' model assumes we can take from the same pool and still grow both, but that's economic nonsense unless, of course, she is making some very big assumptions about AI.

One of those possible assumptions is that the state sector might use AI and significantly reduce the number of people it needs, or alternatively, she's assuming that the sector will do the same and grow without using more people.

There's no evidence that this is really happening on a big scale in the private sector as yet, excluding a few sectors like, curiously, law and accounting.

But there is most definitely a need for people in the public sector.

Can a robot, for example, nurse your elderly parent? I'll put it to you quite simply. It can't.

Can Chat GPT teach a dyslexic child? I'll also put it to you quite simply. I don't think it can.

And can AI diagnose what a really distressed patient cannot explain in simple terms? I don't think it can.

All of those things are impossible because AI can only answer the questions we can put to it. But many people who need care, or support, or assistance with regard to teaching, or whatever else it might be, can't actually articulate what they need.

That's why they need the help of real people. They need human contact, empathy, and judgment. ; And those aren't growth sectors. They're care sectors.

Reeves is demanding more private sector growth to fund public goods, but growth in the private sector will prevent resources being available to the public sector.

And anyway, what she's tried to do is promote infinite consumption on a finite planet.

Everything that she's talking about is a trap, and she's walked straight into it. It's as if she didn't see the fault in the argument before she presented it.

Reeves isn't offering a new model. She's actually doubling down on Thatcherism.

She's saying let the market grow and then hope to tax the scraps that are left over.

In any other language, this is trickle-down economics, and because we know the rich don't pay a fair share of tax and markets don't want to fund what people really need, she's actually offering us a fantasy and not a model of sustainable finance.

So what should we be doing? We should be prioritising public services.

We need to properly fund care, health, education, and other public sector activities directly and that means the state has to get at least an equal footing to the private sector, and on occasions, more.

The real question isn't 'How do we grow?' It is 'How do we live well within our means on a finite planet?' And that means putting well-being and care at the centre of our thinking, and not GDP.

Rachel Reeves is wrong. Economic growth is not the answer to any known problem that now exists on our planet, let alone in our country. It's time to ask better questions, starting with how do we make care, education, and dignity central to our economy?

Taking further action

If you want to write a letter to your MP on the issues raised in this blog post, there is a ChatGPT prompt to assist you in doing so, with full instructions, [***here.***](#)

One word of warning, though: please ensure you have the correct MP. ChatGPT can get it wrong.