Funding the Future

To improve well-being we must abandon failed economic i...

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Do you recall this lot?

* Margaret Thatcher,
* John Major,
* Tony Blair,
* Gordon Brown,
* David Cameron,
* Theresa May,
* Boris Johnson,
* Liz Truss,
* Rishi Sunak ,and
* Keir Starmer.

You might be able to add Andy Burnham to that list very soon, and nothing about what I say here will change.

They all made big claims for themselves. They were:

* Different people.
* Different personalities.
* Different political parties.
* Different promises.

And yet, in one vital respect, they have all been very much the same.

Each arrived in Downing Street claiming that they could make Britain work better.

Each suggested that they had a solution to the country’s problems.

Each promised some version of renewal, reform or transformation.

And then each accepted the same economic constraints imposed by the Treasury, the Bank of England, the City of London and the neoliberal economics profession.

Those constraints are now so deeply embedded in our political culture that they are rarely recognised by most politicians, commentators or people beyond the Westminster bubble. As a result, they are almost never questioned.

They all told us that:

* The government has no money of its own, when that is not true, as quantitative easing proved.
* Public spending must be constrained by tax revenues, which is, again, not true, as quantitative easing has proved.
* Deficits are dangerous, yet they all ran them over their time in office.
* Debt, as they call savings lodged with the government, is a burden, but none of them repaid any in net terms over their time in Downing Street.
* Financial markets must be appeased, and
* Growth is the answer to almost every problem.

Their language changed a little, one from another.

The details were varied slightly.

Their political branding was different.

But the underlying economic story remained absolutely constant.

There was very little in most cases to choose these people, excepting maybe their relative competence in delivering the single agenda they all shared, and still share in the case of those still alive, and which they still demand be delivered.

Those outcomes they delivered were remarkably familiar:

* Public services were allowed to deteriorate.
* The NHS kept declining.
* So, too, did education.

* Infrastructure decayed.
* Housing becomes less affordable or simply unavailable.
* Insecurity increased.
* Wealth accumulated at the top.
* Communities were left behind.
* Environmental obligations were deferred.
* Social care was neglected.
* Privatisation and asset sales to shrink the state continued.
* People noticed the continuing decline in their absolute and relative well-being.

The result has been all too obvious.

The public has become frustrated.

We have blamed each of these prime ministers.

We blamed their governments.

We voted them out, but replaced them with another set of politicians who promised that this time things would be different.

But why was that ever the case?

If the diagnosis remained the same, and the prescription was similar, and both were wrong, why should things have ever improved? And, they have not.

The problem facing the UK is not simply that we have had poor leaders, although that cannot be disputed, and some have been worse than others. The deeper problem is that all of them accepted an economic narrative that has repeatedly failed.

That narrative is neoliberalism. It is the belief that:

* Markets know best.
* Government is largely a problem.
* Public provision is inherently inefficient,
* Taxation is a burden, and
* Economic success is best judged by the rate at which GDP grows.

Forty-five years on, the evidence is clear. Neoliberalism’s promises have not been delivered. But despite that, much of the UK’s political debate is still about choosing between politicians who accept this story rather than asking whether the story itself is true.

Until we question the narrative, changing the politicians will change very little.

The issue is not who occupies Number 10.

The issue is whether we are finally prepared to abandon the failed economic ideas that have occupied Whitehall for more than four decades.

We need a new politics and a new economics. A politics of care and an economics of hope.

Those supporting Andy Burnham right now take note: he's just the next link in this chain, destined to fail like all others of his kind.