

# Labour Affairs

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## Passive Democracy— How dissent is managed in a‘liberal democracy’

Much is made by politicians and political theorists of the need for ‘active citizens’ in a liberal democracy. The education system is supposed to prepare citizens to scrutinise claims, analyse arguments and check sources of information. We can all then ‘hold to account’ those who aspire to lead us.

That’s the theory, the reality is different. The last thing the leaders of our political parties want is for anyone to seriously question their claims. They agree about nearly everything despite appearances (i.e. theatre) to the contrary. Control is carefully maintained and dissident opinions are carefully filtered out. Censorship operates behind the scenes or under the cover of regulations about not misleading the public.

The proxy war against Russia conducted through Ukraine and economic and diplomatic means brings this out very clearly. Last month Eamon Dyas explained in *Labour Affairs* how it was done. All newspapers and broadcasters repeat the same line about Russia’s ‘brutal and barbaric invasion’, repeat Ukrainian claims uncritically, ignore the past history of the conflict and suppress any inconvenient facts about Nazism in Ukraine. Any awkward media sources such as *Russia Today* are simply taken off the air with a weak excuse about violating communication regulations. Dissident voices on the internet can be and often are removed and sometimes their reputations and finances are trashed as the recent case of Russell Brand makes clear. If

necessary they can be imprisoned on trumped up charges as the fate of Julian Assange illustrates all too clearly. Fellow journalists in the mainstream media join in the lying and the slandering. All this is done in a concerted and co-ordinated way. Politicians, media officials and newspaper and internet owners collude to present a unified and carefully controlled narrative. Journalists either believe the nonsense themselves or are too afraid for their jobs to do anything other than toe the official line.

This is very effective. In order to be sceptical about someone’s claims, one needs a lot of time and also ready access to relevant information. Without the information it is impossible to make an independent judgement. So the great majority of citizens are unable to make an objective assessment concerning what is going on between Russia and ‘the West’. Just in case they might be in danger of doing so, the man is played rather than the ball. Dissidents are ‘Putin puppets’ or ‘apologists’ or ‘appeasers’. These insults are continually deployed in order to close down any possibility of dissent. In addition, emotive language rather than reasoned argument is used to create villains out of independently minded statesmen. President Xi of China is a ‘dictator’ who presides over ‘genocide’. President Putin of Russia is a ‘thug’, a ‘poisonous snake’ or a ‘killer’. Playground language, it seems, is very effective in adult life, particularly if it is regularly and continually repeated. This

play on the emotions creates a feeling of hostility against anyone who dares to question the consensus. Since they are defending 'evil' they must be tainted with evil themselves.

Just in case organisations like 'No2Nato' try to inform the public and hold public meetings the trolls spring into action and send death threats to the owners of the venues at which such events are to be held. This too is very effective and leads to the suppression of dissent. Mainstream newspapers and broadcasters do not seem to be at all worried about this.

The truth is that 'liberal democracy' fears anything that looks like critical thought. Our political system depends on the *appearance* of vigorous political conflict between parties which in fact hold almost identical views. They share a common interest in marginalising anyone who points out this inconvenient fact or who proposes something different. The success of this longstanding and ongoing scam depends on careful control and manipulation of the means of communication and dissemination. Great resources, either of the State or

of private or corporate wealth, are required to maintain this arrangement. It is simply not in the power of private citizens to seriously reach a mass audience who might be receptive to alternative views. Even the trade unions are intimidated or conned into believing the endless lies and distortions that fuel the management of opinion. Until enough people understand that they are being managed and manipulated this way of managing politics will continue. It is an uphill battle for those who do actually take a critical view of what they are fed. The best trick of all is to maintain the illusion of critical thinking and the encouragement of dissent through painting a false picture of 'liberal democracy' reinforced through 'citizenship education'.

The fact that such pains are taken to ignore, suppress or destroy dissidents indicates that those who promote these views are actually quite afraid that their game will be revealed. Unfortunately they have until now been successful in concealing it.

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### Labour Affairs

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# The funding of social housing provision (cont.): Neville Chamberlain and John Wheatley

By Eamon Dyas

In parts 11 and 12 we examined the issue of the funding of social housing provision from 1851 to Chamberlain's Housing Act of 1923 just before the advent of the first Labour Government. The subject of this part of the investigation will take that issue of funding further and begin with that first Labour administration. But to set the context for that it is necessary to outline the political circumstances under which Labour came to power in 1924.

Those political circumstances had their immediate roots in the general election of November 1922. That election was unique in many ways. Technically, it was the first to take place after the end of the First World War as the December 1918 election, although it was called immediately after the Armistice, was held before the signing of the 1919 Peace Treaty. The 1922 election was also significant as it was the first to take place without the participation of the electorate from the south of Ireland as a result of the signing of the Articles of Agreement for a Treaty on 6 December 1921. Labour was to take part in the election on a domestic programme that proposed the nationalisation of the mines and the railways, the imposition of a levy on financial capital, higher living standards for workers and better housing. On the basis of that programme the party won 142 seats pushing the combined Asquith and Lloyd George sections of the Liberals into third place and becoming the main opposition for the first time.

All these issues combined to mark the 1922 election as a landmark in British parliamentary politics. The result of that

election saw the Conservatives under Bonar Law winning 344 seats – enough for them to have been guaranteed a full term in government. However, it didn't turn out that way as it wasn't only the Liberals who went into that election as a divided party. The Conservatives were themselves divided between those advocating tariff reform and those with an over-arching commitment to free trade. Bonar Law, the leader of the Conservative Party had promised at the outset of that election not to introduce any measures that served to advance the cause of tariff reform. However, he was to resign from the positions of Leader of the Conservative Party and Prime Minister on 22 May 1923 having been diagnosed with terminal cancer (he died five months later) and was replaced by the Chancellor of the Exchequer, Stanley Baldwin. Baldwin, who could have seen out the remainder of the four-year term in office by continuing Bonar Law's policy, chose instead to go to the country for a mandate to introduce policies of tariff reform and imperial preference. He also believed that such a mandate would provide him with the means of exerting control over the dissenting free trade element within the party. As a result, Parliament was dissolved on 16 November 1923 and a new election was held on 6 December which resulted in a hung parliament. The Lloyd George and Asquith sides of the Liberal Party were opposed to working with Baldwin on the basis of his policies. Baldwin subsequently advised George V to offer the reins of government to the Labour Party as it had the second largest representation in

Parliament. For his part Asquith chose to give the Labour Party a clear road to minority government in the belief that Labour policies would be discredited with the result that the disenchanted Liberal voters who had voted Labour would then return to the Liberal fold. Through this route, with 191 seats, Labour came to government under Ramsay MacDonald in January 1924 in a way that it was always going to be a government by sufferance of the Conservatives (with 258 seats) and the Liberals (with 158 seats) and as such it found itself in a situation that was not conducive to the implementation of the most radical parts of the Labour programme. However, despite its vulnerable position this first Labour administration managed to achieve quite a lot in the short period of time it found itself in the position of forming the government. During its time in office between January and November 1924 it:

introduced improvements in the benefits for pensioners as well as extending the coverage of those benefits to embrace 70% of the over-70s bringing 150,000 additional elderly within its reach

doubled the children's allowances,

increased the unemployment benefit and extended the period for which it would be paid -

removed the benefits means tests for the long-term unemployed -

empowered local authorities to raise the school leaving age to 15 at their discretion as well as tripling the adult education grant and increasing the number of secondary schools -

limited the number of pupils in elementary school classes to 40 and removed the restrictions on grants providing school meals for children,

passed the Education Act of 1924 which modernised the secondary school system for those between the ages of 11 and 14,

increased the school maintenance allowance provided to local authorities from 20% to 50%,

passed the Agricultural Wages (Regulation) Act of 1924 which restored the minimum wage for agricultural workers resulting in a significant increase in agricultural wages,

cut direct and indirect taxation in ways which benefited the working population,

passed the Workmen's Compensation (Silicosis) Act of 1924 under which miners suffering from the complaint became eligible for workmen's compensation,

passed the London Traffic Act of 1924 which regulated privately-owned public transport and compelled them to set timetables and safety standards.

There were other improving measures dealing with public health, child welfare and maternity services and the improvement of public spaces. Where the Labour Government could be said to have failed was on its programme for nationalising the mining and railway industry, on its commitment to impose a financial capital levy and introduce an extensive public works programme to alleviate unemployment. However, these were measures, that given its minority position, were never going to find a majority in Westminster. Instead of wasting parliamentary time on such forlorn hopes, the Labour

Government concentrated its efforts on measures which it felt would command sufficient support in Parliament from the socially conscious conservatives and liberals. Given that housing was an area which at this time, immediately after the First World War, continued to engage the attention of both the Conservatives and the Liberal Parties, this was also an area which the Labour Government identified as one where they could push their agenda with more hope of a successful outcome. Hence, the introduction of a law modifying the right of a landlord to obtain possession of a house for his own family's use, if such action resulted in unnecessary hardship for the sitting tenant. The Government also passed the Eviction Act of 1924 which provided a degree of protection for tenants in the event of landlords using unjustified evictions to seek vacant possession as a means of establishing "decontrolled" status for their properties as a prelude to raising future rents on those properties. Similarly, in the area of housing the Labour Government created a fund for the repair and modernisation of 60,000 government-built homes as well as increasing the grant for local government slum clearance programmes. But in terms of housing the most significant measure introduced by the first Labour Government was the passing of the Housing (Financial Provisions) Act of 1924, known as the Wheatley Housing Act. John Wheatley was the Minister of Health in this first Labour administration. He was born in Waterford in 1869 and emigrated with his family to Scotland in 1876 where he began his working life as a miner before going on to establish a printing business that published leftist political works including several of his own booklets. He was a devout Catholic and influenced

by the early Christian-socialist movement joined the Independent Labour Party in 1907. He was also the founder and first chairman of the Catholic Socialist Society. He opposed Britain's involvement in the First World War, campaigned against conscription and helped to organise rent strikes in Glasgow. Following his election as a councillor on Glasgow City Council his popularity in that role led to his election to the House of Commons in the 1922 General Election as MP for the Glasgow Shettleston constituency, a mere two years before he was to become Minister of Health in Ramsay MacDonald's first Labour administration.

### **Chamberlain's 1923 Housing Act and Wheatley's 1924 Housing Act**

Under Neville Chamberlain's 1923 Housing Act the Conservative Government had committed to providing a fixed subsidy (grant) of £6 per house for twenty years (after approval by the Ministry of Health) to encourage house-building. Although local authorities could dispense the allotted funding they could not themselves build such houses unless it could be demonstrated that there was no means by which such building could be done by private enterprise. Chamberlain's subsidy represented a replacement of the arrangements under the Addison Act of 1919 where the subsidy to local councils had been based on the shortfall between what the local council could afford by way of commissioning house building and the actual cost of building such housing. Because of its nature as an "open" subsidy the Addison arrangement was fated to increase the cost to central government as the cost of house building increased. Among the subsequent criticism of Addison's 1919 Act was that tended to create a demand-driven

market where increases in house-building costs would manifest themselves and thereby create an inflationary cycle. Chamberlain's idea in replacing the "open" subsidy with a fixed £6 per house annual subsidy was designed to mitigate as far as possible the supposed inflationary impact of those local government house-building programmes while at the same time encourage the construction industry to continue to build houses.

Post-war governments had sought to increase the overall housing stock as the means of solving the problem of working-class housing. But the Conservative and Liberal perspective ensured that their solutions were projected from a position that favoured private housing over public housing and the belief that the main vehicle for delivering the solution was private enterprise rather than the local authority. That was the main emphasis of Chamberlain's 1923 Act with the result that houses constructed under its operation tended to be those that were constructed for sale or to be let at a level of rent beyond the reach of the majority of the working class.

When Labour came to power in January 1924 Wheatley sought a more radical approach to the housing issue. Under his scheme the machinery of the State was to be utilised on an unprecedented scale to provide a serious alternative to the inherited "solutions" to the housing problem that had so far failed to deliver. He began by establishing a committee that reflected all the interested parties whose cooperation was required to make a success of his ambitious scheme. This committee involved representatives from the construction industry, the trade unions, the suppliers of construction materials, and the local authorities. This was the first time such a committee had

been established in peacetime by a government in its attempt to address a serious social problem.

"His approach was corporatist. The committee he appointed to advise on the legislation 'comprised fifteen union representatives and nineteen representatives from the employers; there was nobody from the government'. Wheatley offered the unions 'fair wages' in housing contracts and promised secure employment via a 15-year rolling house-building programme in return for 'dilution' in entry terms to the building trades. He promised the housing industry full order books and told the builders that he wanted the houses erected 'at a fair and reasonable price, and we want you to meet us in that spirit'." (Lund, p.154).

Though he had hoped to procure a ten-year housing programme involving the construction of 200,000 homes per annum with a unit cost of £500 per home let at a rental of 7s per week, and had spent days pushing his argument on the Cabinet Standing Committee on Housing, he was compelled to settle for a less ambitious programme. Consequently, what emerged from the debates within the Cabinet was a dilution of his original proposals although not the abandonment of the principles behind it.

From the outset Wheatley stated openly that his housing measures were not socialist in nature and he acknowledged that in many ways they would have the effect of encouraging the involvement of private enterprise in his housing programme. He explained this in his introduction to the Second Reading of his Housing (Financial Provision) Bill on 23 June 1924 as follows:

"Nor is it true to say . . . that these proposals discourage private enterprise. They do nothing of the kind. I stated, in introducing the Financial Resolution, that these

proposals were anything but Socialistic proposals. Far from discouraging private enterprise, they actually do more to promote private enterprise than any Measure that has been before this House in recent times. Let me examine what they do. They leave intact the provision of the 1923 Act which gives a subsidy to private enterprise in building houses for sale. Hon. Members opposite will realise that there are many things about that provision with which I disagree and many things that I should have found great difficulty in defending if I were submitting them to the House and subjecting them to criticism; but I took the view, suggested frequently from the other side of the House, that these provisions were producing houses. I want to get houses. The people engaged in the production of these houses for sale had been led by the 1923 Act to expect this subsidy for a period, and I was not, although I dislike the provision, going to step in and reverse a policy which, undoubtedly, was giving houses, although it was not producing houses for that section of the community which I felt was most in need of houses.

"I have left private enterprise exactly as I found it in regard to the provisions of houses. If I go so far as the Right Hon. Member for Ladywood (Neville Chamberlain – ED) or the party opposite in regard to private enterprise, I cannot be regarded as an enemy of private enterprise. Do they want me to go further than they did in their provision? Do they want me to give larger subsidies for houses for sale than those which they have provided? I am sure that they do not expect me to do anything of the kind. I had a deputation from the small builders during the period of negotiations and they asked me what I intended to do on this particular point. I stated at a very early date that I intended to leave that

provision as it was. They were delighted with my decision, and said that I was doing everything that could be expected from a most moderate Member of the House for their particular industry.

"I go further than that. When you are discussing this question of private enterprise, always remember that it is private enterprise that is killing private enterprise today. It is not Socialism that kills private enterprise today. What is happening today is that one section of private enterprise throttles another. As Minister of Health my duties would have been comparatively light, had it not been for keeping the ring for these competing sections. I find that when private enterprise in manufacture puts up its prices in order to get higher profits and be successful as private enterprise, it chokes off the little builder who depends on cheap production, and the little builder comes to me – I am not exaggerating – with tears in his eyes and asks me to protect him, not against Socialism, but against private enterprise that is killing him. So as the protector of the small builder, I am the defender of private enterprise and one of its best friends. I am quite honest about it. I have said that this country has accepted private enterprise as a means of carrying out its business. I deplore it, because I think it is out of date and ought to be scrapped, but, at any rate, the country says that we have gone on for a number of years with private enterprise, and I have accepted it. I have come in as a judge of the situation and have tried to act as an honest man amongst these competing people and have tried to do my best for all of them. By promoting a larger market for houses, I am creating a field for private enterprise that it could not possibly have in anything but these proposals. It required Labour proposals, Socialist proposals if you like,

in order that private enterprise could get going again." (Minister of Health, introducing the Second Reading of the Housing (Financial Provisions) Bill, 23 June 1924).

A core component of Wheatley's Act was that it was structured to operate in favour of the building of houses for rent rather than for sale. It achieved this by the creation of a new form of financial assistance which operated in tandem with the annual rates (tax on assessed rental value) of the built houses. This stipulated that houses rated less than £4.10s were to be rented at figures not exceeding the rents charged for similar pre-war houses in the district. This was meant to negate the tendency of new housing programmes to act as an inflationary influence on the rent demanded for older pre-existing homes. As these new homes (both private and public) were compelled to charge a rent that was related to the cost of their construction the resultant rent, which reflected the higher costs of land materials and labour, in turn tended to set the level for all pre-existing accommodation and thereby ended up generating a higher return for those landlords in possession of older properties. Wheatley sought to reverse this relationship by using the pre-war rental as the benchmark for those new houses needed by the working class (hence the £4.10s rate). However, in order that such an arrangement did not discourage the necessary ongoing investment in housing for rent, his scheme offered a subsidy of £9 per year for forty years in urban areas and £12.10s for a similar period in rural areas.

At the same time the 1924 Wheatley Housing Act did not revert to the terms of Addison's 1919 "open" subsidy arrangement for similar reasons that Chamberlain had previously identified. It retained Chamberlain's idea of the fixed

subsidy arrangement but with three significant modifications. Firstly, it extended for a further five years the period for which a council could submit applications for the fixed subsidy scheme (under Chamberlain's Act it was due to expire in 1925-26). This meant that local councils would continue to be eligible for the subsidy provided they made a successful application within that extended period. Secondly, the period for which the per-house subsidy would be provided was extended from 20 years to 40 years. This meant that councils would receive this annual per-house subsidy for the period of the "life" of the house (i.e. the estimated period within which the cost of building the house would be repaid through rent which, dependent upon the rental, was usually 30-40 years). After that period the ongoing rental income would then be used to bolster the capital funds that local councils would require to continue their house building programmes. Thirdly, it increased the annual per house subsidy from £6 to £9 for those 40 years.

On top of that the Wheatley Act improved on the Chamberlain Act by slightly increasing the dimensions of the standard house as well as being the first housing act to compulsorily direct that the homes be equipped with a bathroom instead of a bath in the scullery. Local councils were also given the authority to provide their own assistance by way of grants to builders or other bodies who submitted plans to construct houses for the working class providing such plans were approved by the Minister of Health. This was to be facilitated through the use of discretionary power to increase the grant by accessing local taxes. These grants were made for houses built either for sale or for rent but as things turned out these grants were

principally used for houses built for sale by private enterprise.

In terms of the direct involvement of local government in house construction, under Chamberlain's 1923 Act

"Local authorities were allowed to build only after demonstrating that private enterprise could not meet identified need. Moreover, local authority Direct Labour Organisations, introduced in 1892 by the LCC and spreading to other local authorities, were curtailed." (Lund, p.153).

Here again, Wheatley's Act ensured that the existing restrictions on local authority house building were removed and they were once more permitted to use directly employed labour in their construction.

Overall, Wheatley's Act represented a significant improvement over everything successive governments had achieved before by way of council housing and private rental housing. While Chamberlain's 1923 Act is estimated to have resulted in a little over 75,000 new council homes Wheatley's 1924 Act over the inter-war period that it remained operational is claimed to have been responsible for the production of 493,449 new council homes (see: The British Housing Programme, by N.H. Engle in *Current Developments in Housing*. Published in *The Annals of the American Academy of Political and Social Science*, Vol. 190, March 1937, pp.194-195, and *Municipal Dreams: The Rise and Fall of Council Housing*, by John Broughton. Published by Verso, London, 2019, p.42).

But aside from the Wheatley Housing Act the achievements of the 1924 minority Labour Government which held office for such a short period from January to October were quite impressive. In fact, those achievements were enough to spook the establishment into orchestrating the fall of the Government in October 1924

through the use of red scare tactics – tactics that extended into the subsequently general election campaign where the *Daily Mail* was to publish the infamous Zinoviev letter four days before voting as a means of ensuring that the Labour Party would be kept out of office.

### The aftermath of Wheatley's 1924 Housing Act.

Having abandoned calls for protection, the Baldwin Government replaced the Labour minority government in the General Election of 29 October 1924 with an overall majority of 223. The Conservative Government lost no time in making its mark on the housing issue with the 1925 Housing Act. This was mostly significant because of the way one of its provisions was later to have a resonance with the Thatcher Government of 1979. That resonance related to the provision in the 1925 Act which gave local authorities the authority to sell council houses to their tenants. However, while the 1925 legislation provided local authorities with this power it was a power vested with the local authority which would be the agency by which such sales might or might not be enacted. With the Thatcher Government that authority was vested in the tenant who was given the right to compel the local authority to sell, a right backed up by law in the "Right to Buy" schemes.

The main political and social issue during Baldwin's ministry was the 1926 General Strike during which he had no hesitation in deploying the military and volunteers to break the strike. In that new government Neville Chamberlain once more became the Minister of Health where was again responsible for housing. However, not before his political career experienced a nasty scare. During the election he had only survived as an MP in his Birmingham Ladywood constituency by a mere 77 votes over his Labour opponent, Oswald Mosley and he subsequently moved to the more

affluent Birmingham Edgbaston constituency where he felt he was safe against a potential ousting at a future election. Chamberlain initially chose not to interfere too radically with the operation of Wheatley's 1924 Housing Act as the political atmosphere of the time continued to inhibit any radical attack on it or on the existing rent controls. Nonetheless, his political instincts were not conducive to him providing indefinite support and he was soon to come under pressure from the National Federation of Master Builders who wished to assume a greater share of government sponsored house building programmes by removing, or at least reducing, local authority involvement in these programmes. At a Cabinet Meeting in February 1926 Chamberlain revealed his priorities with regards to housing when:

"he gave assurances that 'it is his desire and intention to bring the Wheatley Scheme to an end as soon as practicable and also to proceed actively with the policy of the sale of Addison Houses.' (*Housing Politics in the United Kingdom: power, planning and protest*, by Brian Lund. Published by Policy Press, University of Bristol, 2016, p.154).

However, given the political situation in 1926, which in May of that year culminated in the General Strike, whatever his personal preferences, Chamberlain found his options limited with regard to the continuation of the Wheatley Scheme. But on 28 December 1928, with the Baldwin administration in the final months of its hold on power, he announced that he intended to use the provisions under Section 5 of the Wheatley Act to abolish the subsidy he himself had introduced in his own Housing Act of 1923 (and which had been allowed to continue under Wheatley's Act) while at the same time reducing the Wheatley subsidies that had been introduced in 1924. He did this through a

proposal put to Parliament under Section 5 of Wheatley's Act which gave authority for the Minister of Health to adjust the housing subsidy in the light of changed circumstances. That proposal was duly carried and came into effect in 1929. The design requirements of houses eligible under the existing Wheatley scheme were diluted, with the result that "parlour" houses became rare and fixed baths in kitchens once more emerged in place of dedicated bathrooms; the annual per-house subsidy was more than halved from Wheatley's £9 to £4.

Wheatley participated in the debate on the proposals that Chamberlain had put to Parliament on 28 December 1928. During that debate Wheatley stoutly defended his housing act and his contribution to the debate provides further insights into his thoughts on the housing problem and its solution. At its core was a desire to use State power to re-configure the housing and rental market in ways that made it much easier for a greater proportion of working class to access decent housing. The quotation is necessarily long as it confronts an issue that in itself is quite complicated. It also serves to illustrate how a robust Labour Party armed with genuine defenders of working-class interests can expose the nature of the opposition to those interests in ways that survive the test of time and experience. In dealing with the object of his subsidies he said:

"The object of the subsidy was to bring the rents of habitable, healthy houses within the reach of the average working man, and the cost of the houses did not necessarily bear a relation to it. Let me put it this way. If a house was costing £600 to build and the wages of the man for whom it was provided were £6 a week, and the cost of the building came down to £300 and the wages at the same time to £3, the fall in the cost of building had not brought you one step nearer the solution of the problem that confronted you. The problem was to enable the man, out of the wages which he was receiving, to pay a rent for the house that was being erected at the current cost. What the right hon. Gentleman leaves out of

account altogether is the fact that, while the cost of building has come down, the rate of wages has come down proportionately, and that the rent of the houses is no less for the man for whom they were originally intended than it was when the cost of building was double what it is to-day. Nominal wages have come down, and with nominal wages coming down, the product of labour comes down. If the house has come down from £600 to £300, and the wages from £6 to £3, the fall in the cost of the house is not to be claimed as a reason why we should refuse State assistance to the man whose wages are also down.

"My hon. Friend the Member for Bridgeton (James Maxton, a fellow ILP member and one of the leading "Red Clydesiders" who had been imprisoned during the First World War for his activities as a conscientious objector - ED), the other evening, said that it seemed to be the settled policy of the Government to give as many parting gifts to their friends as possible before they meet their fate at the General Election [which was later held on 30 May 1929 - ED]. I ask the House to regard the draft Order (Chamberlain's proposals), which is to be pressed through by the Government majority to-day, as one of the Government's death-bed gifts. In the old days, if one had assisted one's friends out of public funds, it would have been done in such a crude manner as to be evidently corruption. The modern method is more scientific and respectable. The Government put through an Act of Parliament which is quite clearly calculated to help the friends to whom they look to give them backing. Considerable capital is sunk in dwelling-houses for letting purposes; I suppose that there are few industries in which a larger amount of capital is invested.

The return on this invested capital depends, of course, upon the rents that can be obtained for the houses, and the new publicly-built houses naturally come into competition, in the fixing of rents, with the existing privately-owned houses. If the new houses are scarce, if building is slow, the supply is reduced, and you put up under the competitive system the market value of the commodity. If the rents of the new houses are kept

high, the rents of the old houses can be kept high; and if the rents of the old houses can be kept high, there is to a greater extent that extra return on capital which was desired by the hon. Member for Mossley [Austin Hopkinson, eccentric maverick Liberal M.P. and vociferous advocate of the benefits of free trade -ED].

"When the subsidy is withdrawn, undoubtedly rents will be put up. You will shift the burden from the State, from the taxpayer, and to a corresponding extent from the ratepayer, and put it on to the shoulders of the working-classes who are the inhabitants of these houses. You at the same time enable the private owners of houses to put up their rents and you put millions of money into their pockets as a result."

With regard to the overall object of the 1924 Housing Act, Wheatley went on:

"The 1924 Act, . . . expressed the Labour View of how the housing problem ought to be faced. That Act is based on the idea that State help should be given only to those who need State help. . . The 1924 Act set out to give substantial assistance to the local authorities to enable them to provide houses to let. . . If everyone could afford to buy his own house, there would be no housing problem to trouble us at all. In the 1924 Act, unlike the 1923 Act, stipulations were made to ensure that the assistance given by the State for the erection of houses would reach the people for whom the assistance was intended. The local authorities were bound under that Act to pass on the subsidy to the tenants."

He then called on local authorities to mount "vigorous opposition" to the implementation of the Government proposals and that he opposed this proposal:

"on the ground that it violates all the pledges given by the Government of 1924 to all the people interested in the solution of the housing problem. Hon. Gentlemen opposite may sneer at the violation of pledges given to our own people. That is characteristic of them. If we give pledges to Frenchmen, those pledges are sacred; but if we make promises to our own people, they are to be regarded as belonging to the piecrust order.

Hon. Gentlemen opposite sneer at their own people, but they hail with reverence and deference the people of other countries in their negotiations with them and in the promises made to them. We violate here solemn pledges to our own people in 1924. It is impossible to convey to this House, even after a brief period of four years, the difficulties which stood in the way of housing in 1924. Hon. Members opposite and their party were completely helpless, and came to this House and confessed their helplessness. The fundamental criticism in 1924 was that out of the chaos in which the industry was it was impossible for us to carry out our policy and impossible to build houses. The party opposite had tried it. The right hon. Gentleman had put his Act of 1923 on the Statute Book, but no houses were being built, and, after all, it is houses that matter, not Acts of Parliament. The right hon. Gentleman, or his successor at the Ministry of Health, had to come here and state in the most lamentable language that they could not get houses built.

"I remember the Conservative predecessor of the right hon. Gentleman at the Ministry of Health, now the Home Secretary (William Joynson-Hicks, who during the First World War advocated the indiscriminate bombing of German civilians and in 1919 supported General Reginald Dyer's role in the Amritsar Massacre - ED), coming to the Treasury Box here and telling us that he had been practising bricklaying. They had started off on the assumption that the first step necessary in solving the housing problem was to smash trade unionism. You could make no progress till you had smashed the trade unions. The right hon. Gentleman the present Home Secretary wanted to demonstrate that there was really no craftsmanship in the laying of bricks, and so he accepted an invitation from a speculative builder who later, I suppose, pocketed the 1923 subsidy, and went down to where houses were being built, and then solemnly came back and told the House that with the aid of a hoard which served as a guide line he could lay six bricks while a bricklayer was laying one. I

submit that as just a sample of the tone which prevailed in the House at that time. There was a shortage of houses, there was a shortage of men, there was a shortage of materials, and right hon. and hon. Gentlemen opposite, whom many of you here believe to have superior business capacity- wrongfully believe it, because they are inferior to you, so far as my experience of them has gone- held up their hands in holy horror, and said: 'We cannot get out of the difficulty until we smash something. Let us begin with the bricklayers, let us go for the plasterers, let us go for the joiners, let us smash everybody who can help in the building of houses, and then we shall be able to solve the problem.' That was the attitude adopted towards the problem, and that was the basis of their policy in 1924.

Although always admitting that his Housing Act was not a socialistic measure Wheatley had hoped that the model it created in its formulation would be used as a template for solving other issues relating to the working class and capitalism.

"I submit that the 1924 Act was more than an Act of Parliament. It was a first-class piece of national industrial organisation. We are witnessing today not merely the breaking up of an Act of Parliament, but deliberate, smashing blows at probably the one intelligently organised industry in this country.

"In 1924 we found the building industry in chaos, and we brought together all the people interested in a solution of the problem. We made an appeal to them on high moral lines as well as on other grounds. We appealed to them for the sake of the nation to come together and help us. We got the local authorities, operatives, manufacturers, contractors and merchants to meet the Government and the representatives of the tenants, and these people agreed to terms which, for the first time in this country, put the building industry on a solid basis. The Government gave pledges to the country, and I say that those pledges are just as solemn and worthy of recognition as any pledge given to any nation in the world. If the people of this country know their own business

and have any respect for their own honour, they will make short shrift of the Conservative Government that violated the pledges which were given in 1924. . . .

"It was the duty of everybody to improve upon the scheme of 1924 and extend it to every branch of the industry. Now the people who prate about the importance of national unity are taking every possible opportunity to strike a blow at the poorer section of the community, and they are doing this to put an extra penny into the pockets of their own supporters. This is something which is not only indefensible but it is scarcely respectable in politics, and it certainly emanates from a mentality that deserves no respect from the people on this side of the House or the people whom we represent." (House of Commons Debate, 28 December 1928).

However, as has been said, despite Wheatley's speech, the large Conservative majority in the House secured a victory for Chamberlain's proposals. Yet, those proposals hardly had time to bed in before the General Election of 30 May 1929. The result of that election was that the Labour Party increased the number of its MPs from 151 in 1924 to 287 in 1929 while the Conservatives dropped from 412 to 260. Yet, despite having the highest number of seats in the House (representing another historical landmark for the party) with the Liberals also increasing the number of their MPs from 40 in 1924 to 59 the Labour Party once again had to be content with forming another minority administration. In the meantime, Wheatley, who was a member of the ILP and had become increasingly critical of Ramsay MacDonald's leadership of the Labour Party, was not allocated a position in the 1929 Labour Government. He died on 12 May 1930. What followed the emergence of Ramsay MacDonald's 1929 minority Labour government in terms of housing will be described in the next instalment.

# Statement by the President of the Republic of Cuba, Miguel Díaz-Canel Bermúdez on behalf of the G77 at the Summit on the Sustainable Development Goals (New York, 18 September 2023)

Miguel Díaz-Canel Bermúdez calls in particular for an end to sanctions and a change to the way debt is managed: “Today, 25 nations of the South are spending over 20 per cent of their government revenues solely on servicing debt.”

Mr. President, I have the honour to speak on behalf of the Group of 77 and China.

This mid-term review of the 2030 Agenda for Sustainable Development is taking place at a time of extremely critical juncture, in which developing countries face multiple challenges and an unjust economic order that perpetuates inequalities and poverty.

The reports prepared by the Secretary General contain indisputable figures that portray a rather sombre reality. Even before the COVID-19 pandemic the world was already off track to meet the Sustainable Development Goals (hereafter referred to as SDGs).

We will reach 2030 with 575 million people living in extreme poverty. By then, barely one third of countries will succeed in halving national poverty levels. We will not end hunger as agreed. On the contrary, today 735 million people face chronic hunger, more than in 2015. At the current pace, none of the 17 Sustainable Development Goals will be met and more than half of the agreed targets will be missed.

Being conscious of this state of affairs, the G-77 and China, has accorded the highest priority to this event, aiming at placing again sustainable development at the centre of the international agenda and at giving the necessary political impetus to ramp up the implementation of the 2030 Agenda.

It is in that spirit that the Group embarked in the process of negotiation of a political declaration, seeking to scale up and accelerate concrete, innovative, transformative and ambitious actions and measures to achieve the SDGs.

It is in this context, that the Group pioneered the global call for an urgent reform of the international financial architecture, shared by so many leaders and personalities of

the whole world. This was largely advocated by the Secretary-General, who called on this Summit to “right the historic injustices at the core of the international financial system to give the most vulnerable countries and people a fair chance at a better future.” We must continue to uphold the role of the General Assembly in dealing with these issues if we want to make sure that the voice of every nation is properly heard and taken into account in such important matters pertaining global governance.

This call also implies an improved global sovereign debt architecture with the participation of the South, allowing for fair, balanced and development-oriented treatment.

The high cost of borrowing prevents the capacity of developing countries to invest in the SDGs. Today, 25 nations of the South are spending over 20 per cent of their government revenues solely on servicing debt.

At the same time, an early and sizeable recapitalisation of the Multilateral Development Banks is urgently needed to radically improve their lending conditions and meet the financial needs of the South.

In this regard, we call upon the international community to follow up and support the UN Secretary-General’s proposal for an “SDG Stimulus” for developing countries, which aims at massively scaling up affordable long-term financing for development and aligning financing flows with the SDGs.

We also call on developed countries to finally fulfil their unmet ODA commitments.

The climate change agenda must be fully implemented in accordance with the UNFCCC and its Paris Agreement and upholding the principle of equity and common but differentiated responsibilities and respective capabilities. It is critical to increase ambition on mitigation, adaptation and means of implementation, and materialise the provision and mobilisation of resources by developed countries to tackle climate change and address our development challenges at the same

time. We strongly call on developed countries to fulfil their pledges in this area.

Developing countries’ efforts to implement the 2030 Agenda must also be backed up by concrete actions on technology transfer and capacity building as well as North-South cooperation to foster industrialisation and investment in quality, reliable, sustainable and resilient infrastructure.

The international trading system should be further reformed, and sustainable supply chains should be built to contribute to the achievement of the SDGs through the promotion of export-led growth in developing countries. To this end, special and differential treatment for developing countries should be strengthened as a multilateral principle. Unilateralism and protectionism including unilateral trade protection and restrictions, incompatible with the WTO Agreements, should be speedily eliminated.

That is also the case for those countries suffering the imposition of unilateral coercive measures that constitute a serious violation of the purposes and principles of the Charter of the United Nations. Those measures gravely hinder the efforts of the affected countries towards the achievement of the SDGs and sustainable development in general. The international community, including the United Nations system, should continue to firmly reject the imposition of those measures and to work for their unconditional lifting.

The claims just mentioned have been enunciated on several occasions by the leaders of the South. The lack of progress must not be attributed to a lack of solutions. Actions are there. What is urgently required, is political will to really “leave no one behind” and overcome one of the most complex crises humanity has seen in the modern history. That would be our best contribution to the common future we need to build together.

# Notes on the News

By Gwydion M. Williams

Global Liberalism – its Second Massive Failure

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## Global Liberalism – its Second Massive Failure

The true history of the 20<sup>th</sup> century is how Europe's advanced societies ripped themselves apart in the First World War. It injected a habit of violence that took decades to heal. Renewed by a Second World War that had been widely expected after the botched Versailles peace.

Imperial Germany can't be blamed in isolation. They were provoked by Serbian terrorists who murdered the heir to the throne of Austria-Hungary, as part of their claim to the whole of Bosnia. This used to be mentioned freely, before the West suddenly decided that the claim was wicked. British talk of 'brave little Serbia' lurks embarrassingly in past publications. But most commentators are **non-investigative journalists** when the rich media moguls want the truth covered up.

Awkward truths usually ignored are:

Germany asked if Britain would be offended by a march through Belgium. They were given to believe that it would not be a reason for Britain to join in. Only once it was done was it 'discovered' it made war unavoidable.

When Germany failed to win a quick victory, they wanted to call the war a stalemate. Everyone could go back to where they were at the start of the war. But Britain's rulers insisted that the war could not end until Germany was broken.

Though the U-boat campaign gets the most publicity, the British blockade of Germany caused far more deaths. (See *Starving the Germans: The Evolution of Britain's Strategy During The First World War*, by Eamon Dyas.)

There is zero difference between a U-boat and a submarine. The sudden wartime habit of using an odd foreign term helps obscure it.

There was not a single socialist government in 1914. The main blame rests with Broad Liberalism. A liberalism that went well beyond people and parties that called themselves liberal.

Europe's mainstream political parties insisted on the disastrous First World War. They failed to stabilise the wounded Europe that emerged from it. Were nearly displaced by the rival movements of Fascism and Leninism. Tried to use Nazism to destroy Leninism. Then needed Leninism to avoid Nazism becoming the dominant force in Europe.

Leninism broke the back of the Nazis land forces.<sup>1</sup> Helped by a USA that was further from liberalism than it has ever been before, or since.

Roosevelt had found a Fourth Way, correctly denounced as a break with liberalism until its success became overwhelming. He borrowed the Mixed Economy from Mussolini, who implemented the interventionism that Keynes theorised about. And Roosevelt borrowed much progressive ideology from Leninism, but carefully on race since his power depended on openly racist Southern Democrats. He kept the culture and constitution of US liberalism, but with a vastly expanded state.

Non-Communist Europe mostly followed this pattern. Surviving fascist states found it easy to join. Dictatorial Portugal was in NATO. Spain was kept out until after Franco's death, but did fine with a solid US alliance.

But like a dog returning to its vomit, the USA tried to revert. Did so when Freedom went beyond what the elite of the time could tolerate.

Young people insisted that freedom meant freedom for them to have sex – and also drugs, which proved less wise. This caused social rupture, until the older members of the elite died off and their replacements saw it as normal.

African-Americans demanded real equality. They got enough of it for the Southern Democrats to switch to being Republicans.

Republicans had always been the party of Big Business, even though it was a Progressive Radicalism of the Rich when Abraham Lincoln led them in the USA's Civil War. The capture of the state by business interests was what they were about. Democrats were often the main resistance, linked to Trade Union power.

Nixon and then Reagan paved the way for a revival of Global Liberalism.

The weakening of the Soviet Union was misunderstood. Not seen as Khrushchev and Brezhnev messing up a loosening which a new elite in the Party Machine wanted after Stalin's death.

It could have gone otherwise. It did go otherwise in China: Deng and his heirs never abandoned the notion that general equality was a good aim. Nor did they bad-mouth the man who had created the state that the new leaders had inherited. China's alternative is only now being properly noticed.

A bunch of lightweight thinkers spread the glad tidings that the West and its liberalism had been right all along. Vast shifts on racial and sexual equality were glossed over. Also the abandonment of Imperialism under pressure from Moscow-influenced protest movements.<sup>2</sup> The new vision was that liberalism had been right all along.

The new Historic Truth was that the 1914 order was an

1 <https://www.quora.com/q/mrgwydionmwilliams/Nazi-Germany-Was-Defeated-in-Russia>

2 <https://labouraffairsmagazine.com/m-articles-by-topic/m99-topic-menus-from-long-revolution-website/998-from-labour-affairs/the-french-revolution-and-its-unstable-politics/against-globalisation/the-left-redefined-the-normal/>

ideal that suffered an unexpected and unmerited outbreak of Trench Warfare: something that it had now recovered from.

Sadly, it was welcomed by some in a British Labour Party that had emerged out of Liberalism. That had in the 1920s absorbed many of its leading characters.

But failure is now obvious.

### Broad Liberalism Isn't Working

Broad Liberalism is built on an abstract ideal of *equality of opportunity*. This remains real, though imperfect. But it often denies that *equality of outcomes* is even desirable.

My socialist bias? Look at the Wikipedia:

"Liberalism became a distinct movement in the Age of Enlightenment, gaining popularity among Western philosophers and economists. Liberalism sought to replace the norms of hereditary privilege, state religion, absolute monarchy, the divine right of kings and traditional conservatism with representative democracy, rule of law, and equality under the law. Liberals also ended mercantilist policies, royal monopolies, and other trade barriers, instead promoting free trade and marketization."<sup>3</sup>

Liberals were comfortable with slavery, for as long as it was people quite unlike them. *Britons never shall be slaves.*

Comfortable with work contracts that oppressed the poor and weak. Comfortable among the privileged. And from 1979, eager to grab more privilege after the Soviet Union lost its attractions for Europe's working class.

Younger readers mostly won't know that Communist Parties got a quarter or a third of the vote in France, Italy, etc. A truth evaded by today's Western authors, but an undeniable fact.<sup>4 5</sup>

Liberalism was built on an assumption of privilege. The claim is talented people need that privilege – but that's only true when the basic human instinct for Mutual Care is weak. And it need not be extreme – a ceiling of maybe five times the average income or wealth would be enough.

A real social order that is built by people raised within selfishness cannot go straight to *equality of outcomes*.

3 <https://en.wikipedia.org/wiki/Liberalism>

4 [https://en.wikipedia.org/wiki/French\\_Communist\\_Party#Legislative](https://en.wikipedia.org/wiki/French_Communist_Party#Legislative)

5 [https://en.wikipedia.org/wiki/Italian\\_Communist\\_Party#Italian\\_Parliament](https://en.wikipedia.org/wiki/Italian_Communist_Party#Italian_Parliament)

People need motivations to work hard. They need reasons to disrupt their lives, which no-one likes doing. And the collective feelings of particular human communities may not accept equality for all humans.

It's difficult. But that's no reason not to try. And best to first reject liberalism as such.

Having undermined socialism, the new Global Liberalism is widely disliked as empty and selfish. And nothing special for wealth creation.

In much of the world, its weakness allowed a revival of things that a mix of socialism and moderated liberalism had kept down.

A revived Islam accepts vast inequality in wealth – Muhammed was a rich man, after all. And strengthens separation and inequality for the sexes.

A revived Hinduism is very much about caste inequality. Accepts women at the top levels, but allows gross abuse of women who are not protected by family power. Is full of pseudo-science and phoney history. Ready to accept other religions only if they are confirmed as inferior. And likewise homosexuality – still technically illegal, is always tolerated.

China is the best hope, but imperfect from a liberal-left Western viewpoint. China decriminalised homosexuality, as part of a general drift to Westernisation. But moves toward more openness and possible legalisation of homosexual marriage have been reversed sharply. It makes them culturally acceptable within the Global South alliance they are making through BRICS. Few people would mind what a few Chinese do in private: as a cultural influence they are moderate.

The media are certain that this is wickedness by the dictatorial Xi. To me, the reason was a sudden shift to hostility by the West. Both Hong Kong and Taiwan were encouraged to reject a balance that Beijing had been happy with. It was accepted that full integration with Mainland values would take time: intolerable to reject it as the final goal.

### Democracy – the Sinatra Principle

In his famous song *My Way*, Sinatra boasted "*more, much more than this / I did it my way.*"

He said nothing about helping others.

He was a bully, and might sensibly have sung **I did it my way, you'll do it my way.**

A defector from Democrat to

Republican, who got on very well with Ronald Reagan. (And with his highly influential wife, we are told.) He could be generous when secure, but not interested in equality. Nor in doubt about his own superiority:

"Regrets, I've had a few / But then again, too few to mention".

Part of a wider pattern, with Western liberals deciding that whatever the West decided yesterday must be accepted by everyone as eternally true.

They also say as little as possible about the massive growth in inequality since 1979. They see no problem if the decision-makers do nicely out of it.

How many British prime ministers entered office with modest upper-middle-class status, and are now multi-millionaires? If there is another case besides Tony Blair, please let me know.

For the core leaders – the smarter ones who understand that 'freedom' means a finite range of freedoms defined by law and custom – there is nothing so crude as to be illegal. Useful politicians can be rewarded with gigantic book advances and well-paid lecture tours. Or nice consultancies.

In the USA, we now learn how a right-wing Supreme Court was fed favours. No evidence of payment for a specific ruling. But they are friendly to business, and business is friendly to them.

They also make judgements on race and sex that please the racist and chauvinist voters that the whole Neoliberal project depends on. Theoretically committed to universalism, those politicians have to feed the prejudices of their voters. And in many cases share them.

This messy system is recommended to the rest of the world in the name of Democracy.

Parliaments were invented to be Consultative, not Democratic. It was common for monarchs to have a Council of the most important men, plus occasionally a female heir to what had been male power. But much of Europe remembered the Senate of Classical Rome. They evolved Parliaments where the lesser elite could have a House of Commons chosen by an open election among the richer minority. Numbers varied, but Britain's grand reform in 1832 gave the vote to about one man in seven. A big improvement on a few hundred rich families controlling most House of Commons seats.

The electorate did not include a majority of males living in the British Isles until the 1880s.<sup>6</sup> For the Empire,

6 <https://labouraffairsmagazine.com/m-articles-by-topic/40-britain/665-2/>

regional assemblies excluded or marginalise those not of the White Race, an official category until after World War Two.

And sadly, a democratic electorate has always been prevented from having real control. Various tricks are used, including scaring those with a hazy notion of politics.

The liberal left moan a lot about Parliamentary systems losing ground. But don't reflect on what a bad job they have been doing.

They play games with language. Get offended when the democratic choice is not to their taste, like Russian liberalism reduced to a ridiculous rump in a series of entirely open elections. Or Singapore favouring a party that began as a front for the illegal regional Communists, and gets on splendidly with Beijing. Or India's sectarian hard right, who have called a halt to moves towards freer capitalism that once got them praised in the West.

The Western media try to deny that these are democratic choices, but can't explain why. **I did it my way, you'll do it my way.**

### China and its Pen-Foes

China is being bad-mouthed, because it has replaced the fallen Soviet Union as an alternative to the West and to Neoliberalism. And has not repeated the Soviet error of thinking they could bend the wider world to their will. BRICS is a pragmatic alliance: its members have a range of different values.

China also shows that a Mixed Economy works, and can be used for the socialist aims of curbing the rich and spreading equality. Optional choices – the West has remained Mixed Economy under the rhetoric, but has followed Feed-the-Rich choices.<sup>7</sup>

China in 1949 rejected a Western system that had kept it poor and weak. And then in 1959, they rejected the Khrushchevite reforms to Stalin's harsh but very successful politics and economics. Reforms that were to prove a dismal failure.

What Deng accepted in the late 1970s was the Mixed Economy, with none of the New Right rubbish that did such damage in the countries of the former Soviet Union. Western leaders were slow to realise this:

“Trade freely with China and time is on our side.” That was the confident view of George W Bush, the former US

7 <https://labouraffairsmagazine.com/problems-magazine-past-issues/the-mixed-economy-won-the-cold-war/>

president, in the run-up to China joining the World Trade Organization in 2001. A generation later, many in the west have come to the conclusion that time was, in fact, on China's side.

“Bush was making a political judgment. He believed that a China that integrated deeply with the global economy would become more open and more democratic. But under Xi Jinping China has become more closed and authoritarian. It is also more overtly hostile to the US. Meanwhile, China's rapid economic growth has funded a massive military build-up.”<sup>8</sup>

Not actually a huge build-up for the world's second richest economy. They noticed the Iraq Wars. The double-cross when Gaddafi tried to please the West.

### Unhappy Britons

“According to a study of 24 countries, Britons are less likely than people from elsewhere to place importance on work. Increasingly, they also no longer believe that hard work brings a better life...

“People in the UK ranked low for believing that hard work would bring a better life in the long run. Just 39% of people held this opinion, leading to a ranking of 12th out of 18 countries and a decline since a peak in the early 2000s. This is notably below the US, where 55% of people hold this view.

“The study also reveals generational differences. While most generations' opinions on whether work should always come first have remained stable, millennials, born in the early 1980s to mid-1990s, have become much less likely to agree with this view: in 2009, 41% felt this way; by 2022, this had fallen to 14%...

“People in the UK have also become more likely to say luck counts for as much as hard work since 1990, rising from 40% to 49%. They also increasingly believe that it would be a good thing if less importance were placed on work, a figure that has risen from 26% to 43%.”<sup>9</sup>

Thatcherism did not do what it promised. It just multiplied rewards for the rich.

8 <https://www.ft.com/content/0f37f540-b87b-4e95-9249-162d3fd54a1b> - pay site.

9 <https://www.theguardian.com/money/2023/sep/07/britons-view-work-less-important-other-nationalities-study>

“If his prognosis is correct, then an entire consensus around taxing and spending could start to crumble. Since the 1980s ushered in Reaganomics in the US and Thatcherism in the UK, the dominant political idea in many advanced economies has been smaller states that do less and tax less.

“But challenges such as the Covid-19 pandemic, the transition to greener energy and rising geopolitical tensions have emboldened governments to be more hands-on. The current US administration is intervening in the economy in a way not seen since the 1930s.”

But the establishment are strongly against taxing the rich, who gained most from the Thatcher / Reagan system.

### Snippets

#### India Very Foreign

A long-standing demand that a third of parliamentary seats be reserved for women has become law, with Mr Modi's support.<sup>10</sup> Positive.

I'd also back them, if they decide their country's name in Global English should be **Bharat**. The Indus Valley Civilisation was a root, but the culture of ancient Hindu religious writings was very different. The mysterious Indus civilisation lacked palaces or temples. The core of modern 'India' was much more the Ganges. Most of the Indus and its tributaries are now in Pakistan.

Depressing are suggestions that the words 'socialist' and 'secular' be removed from the constitution. Added in 1976, when Indira Gandhi tried to be a modernising authoritarian.

Inequality remains bad. They were accused of hiding slums during the recent G20 meeting.<sup>11</sup>

But is there a good alternative?

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#### Nuclear the Least Dangerous?

There was a recent report of a climate activist saying the anti-nuclear prejudice is out of date.<sup>12</sup> Something I've long felt, but panic about nuclear matters is widespread. China has a strong nuclear power program, but finds fears

10 <https://www.bbc.co.uk/news/world-asia-india-66878565>

11 <https://www.theguardian.com/world/2023/sep/08/ashamed-of-our-presence-delhi-glosses-over-plight-of-poor-as-it-rolls-out-g20-red-carpet>

12 <https://www.theguardian.com/environment/2023/aug/29/young-climate-activist-tells-greenpeace-to-drop-old-fashioned-anti-nuclear-stance>

about tritium useful in its long-running arguments with Japan.<sup>13</sup>

It would be good to separate Green issues and Survival Issues. They overlap, but are not at all the same.

It would be tragic if unregulated greed exterminated the whales and other beloved wild creatures: but we would get away with it. Likewise for spoiling the world's surviving natural beauty. But we are almost certain to have to help hundreds of millions of displaced people, thanks to several decades of pig-headed neglect of the need to control Greenhouse Gases.

It may well get much worse, if we delay action. Yet people try to evade the costs, or dump them on someone else.

In Britain, Sunak is following the classic Tory policy of '*Weep for the Poor; but Feed the Rich*'. A Wealth Tax could easily fund subsidies to cover the cost of asking poor people to replace boilers and polluting cars. But the whole point is to get them angry, but do as little as possible for them.

13 <https://www.theguardian.com/environment/2023/aug/25/fukushima-daiichi-nuclear-power-plant-china-wastewater-release>

Labour under Starmer may be just as bad.

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### **Ukraine – A Collapsing Crusade**

Step by step, it is admitted that the Grand Offensive gained no more than tiny nibbles on what Russia holds.<sup>14</sup>

The war-mongering *Guardian* suddenly has an article about far-right Russians fighting for 'Kyiv'.<sup>15</sup> Not mentioning that the Ukrainian Far Right has been running free and killing people since 2014, but it is a start.

The awkward fact that most Russians back the war gets shoved aside with denials they are free to speak. But now we learn that 59% of Indians back Putin.<sup>16</sup> Typical of the world beyond NATO.

They express amazement at a row with Poland. Hostility to Poland has been a large part of Ukrainian identity since it separated itself from other branches of the Rus peoples. It can be mutual; a 2016 Polish film tells how Ukrainian

14 [https://twitter.com/War\\_Mapper](https://twitter.com/War_Mapper)

15 <https://www.theguardian.com/world/2023/sep/21/ukraine-awkward-allies-far-right-russians-fighting-kyiv-side>

16 <https://swentr.site/india/582098-59-percent-indians-back-putin-poll/>

nationalists massacred them during the Nazi occupation, and Jews also.<sup>17</sup> The same people that Kiev now treats as heroes.

US Senator Bob Menendez is an enthusiast for Armenia and for Ukraine's anti-Russian crusade. Is it just a coincidence that he is now hit with allegations of massive bribes from Egypt?

And now we have a second blunder from Canada, this time praising a veteran Nazi. I could believe they do have infiltrators, just not the people they are chasing!

\*

Old newsnotes at the magazine websites. I also write regular blogs - <https://www.quora.com/q/mrgwydionmwilliams>

## **Branded**

### **Russell Brand declared guilty after questioning the war on Russia**

We have collected some quotes from Russell Brand where for the past year or so he has been telling the truth about the Ukraine war, on video, to an audience of millions, either directly or by interviewing journalists like Aron Maté. He had to be stopped somehow. It was out of the question to actually engage with his arguments, so other means were found, in the shape of a trial by media. Trial by media sets out to demonstrate guilt without recourse to the police or the courts. Very convenient. The government, through the Culture, Media and Sports Committee even asked Rumble (video platform used by Brand) to punish Brand by demonetising his work: the State had found him guilty in advance of any judicial process.

Addressing US tax payers:

"That war that you're funding between Ukraine and Russia and that you're participating in, is privately believed to be ultimately unwinnable, so why are top brass in the military lying under oath that there is a plan, that it can be won, is that not perjury and lying, and why can't the Pentagon pass any audits, why are you being asked to pay for a war that people believe ultimately can't be won?" June 2023, partially quoted on Channel 4, 18/9/23.

Interviewing Aron Maté January 2023

The UK deliberately sabotaged peace talks to keep the war in Ukraine going; why would they do that?

Maté : the US goal is not to defend Ukraine, it's to weaken Russia.

Why are we spending so much money on a proxy war that increases the chances of a nuclear war?

Russia and China are not setting up bases all over the world (the US has 900); they're not overthrowing governments and crippling them with murderous sanctions like the US is doing.

August 2023 Ukrainian counteroffensive

US officials are saying they are afraid that the Ukrainians are becoming 'casualty averse'. That's really an unfortunate piece of language, saying that Ukrainians are not willing to sacrifice their sons and daughters to an American proxy war.

June 2023

The current attempt to bring about Armageddon by provoking the Russian bear through the proxy war that is the war in Ukraine....they spent billions and billions on weapons 70% of which they don't know where they've gone. The US will use Taiwan as the pretext for their next war, the one with China.

Asking Aron Maté to comment on the expansion of NATO.

The war we are in now is the result of a three decade long policy of pushing NATO to Russia's borders.... The idea of NATO being a defensive organisation is a joke, look at the destruction of Libya, of Yugoslavia, the attack on Afghanistan.

And we concur with his latest comment:

25<sup>th</sup> September 2023

Has the legacy media been investigating the causes of this war, the origins of this war with the kind of vigour that they use elsewhere....we need to analyse, review, understand what is happening.

*In the context of a debate on the situation in the NHS, we publish an article by Phil Bevin to open the discussion.*

# Why the NHS is dead:

## Our health service was Killed by Labour and the Tories and it's too late to save it

By Phil Bevin

The NHS is dead and this is something that it is essential for people to grasp. The system of managed care is not the same thing as a public health service at all. The NHS was a single institution. Managed care is a series of separated fragmented entities driven by profit.

To pretend managed care systems can be reformed is misleading. It is the notion that has undermined NHS campaigning for a decade and more, with people pushing the entirely false notion that money is the main issue and somehow in-sourcing is a solution. This is of course not true because the managed care system incentivises the denial of care.

Whether its run by ostensible public bodies being run as private entities or the private sector itself, the incentive is to deny, rather than the provide care, in order to assist prompt the growth of the private health insurance industry, which is happening at pace. What people don't understand, and presumably why they are upset is the fact, and it is a fact, that our right to healthcare has been removed as an intentional result of legislation pushed through parliament by both Labour and Tory administrations. Until that is grasped, we won't be able to fight for a new public health system modelled on the now deceased original NHS.

The NHS, once a single organisation that provided comprehensive healthcare free to all, at the point of need, is dead, and the Labour Party is an accomplice to its murder. This is the conclusion I have reached

through my own research and studying the work of Dr Bob Gill. Dr Gill is a long-term campaigner against NHS privatisation and has fought tirelessly against hospital closures for many years. He also produced the must-see documentary film, the Great NHS Heist.

In "Sicko UK", an article published in Consortium News in July 2021, Dr Gill argued:

"The marketized NHS with its bloated administrative and managerial bureaucracy (consuming about 10 percent of the total NHS budget according to 2005 estimates) has continued to expand. The 2012 Health and Social Care Act converted the NHS internal market into a fully compulsory external market with all services up for grabs by the private sector."<sup>1</sup>

Like so many public maladies, the cancer of NHS privatisation began under Thatcher. This malignant growth then metastasised thanks to John Major, Tony Blair and Gordon Brown's PFI restructuring initiatives, which mutated the NHS from a single, centralised organisation into a fragmented structure of cells in the form of Primary Care Trusts, which competed against one another in an internal market. It was under New Labour that the NHS was readied for death by privatisation.

The illness became terminal in 2012, with the Passing of the Conservative Government's Health and Social Care Act. To ensure that their patient not only would not recover but would be dismembered and its parts

harvested for consumption after death, the Tory Government appointed Simon Stevens – a former Blair advisor and Director of Expansion for private healthcare giant UnitedHealth – as Chief Executive of NHS England in 2014. Perhaps as a reward for overseeing the snuffing out of the most successful socialist institution in Britain, Simon Stevens was awarded a peerage, becoming Lord Stevens of Birmingham.

In truth, what Simon Stevens oversaw was the managed collapse of the NHS and its replacement by a US-style "managed care system", constructed in the image of the United States' inefficient, fragmented and costly insurance-based model.

However, some people and organisations maintain that, although sick, the NHS is not yet dead. Such people sometimes diagnose a different problem as the root cause of the Health Service's maladies. They claim the issue is more one of neglect or starvation through underfunding than death by intentional dismantling and privatisation. For example, an article published by the King's Fund titled "Health and social care in England: tackling the myths", argues that:

"The health and care system is under intense pressure, with rising waiting times, persistent workforce shortages and patients struggling to access the care they need. As a result, patient and public satisfaction with services has dropped significantly, prompting debate and discussion about the future of health and

## care services.”<sup>2</sup>

The article makes reference to the failure of Government spending on the NHS to “keep up with demand” and also downplays the expansion of NHS privatisation, boldly stating:

“There is no evidence of widespread privatisation of NHS services. The proportion of the NHS budget spent on services delivered by the private sector has remained broadly stable over the past decade.”

Rather ironically for an article that claims to be “tackling the myths” surrounding health and social care in England, this point is itself easily debunked. For example, an LSE study, which claims that the level of NHS spending on privately provided services is higher than the 7.2% cited by the King’s Fund.<sup>3</sup>

In a piece titled “Flawed data? Why NHS spending on the independent sector may actually be much more than 7%”, David Rowland claims:

*“The presentation of data on NHS expenditure is flawed, writes David Rowland, which prevents policymakers from having a clear understanding of where money within the system is going. He estimates that in 2018/19, the amount spent by NHS England on the independent [private] sector was around 26% of total expenditure, not 7% as widely reported.”*

This, he claims, is an increase of approximately 23% since Simon Stevens was appointed as Chief Executive of NHS England in 2013/14.”

According to Rowland, the discrepancy emerges because the 7% figure does not include services outsourced to the private sector via local authorities. I explained the implications of this in a previous article, written in 2021:

“As a result of these changes, the Health and Care Bill will level down our NHS so that it comes to resemble the disastrous social care model that’s presently failing our most vulnerable populations. Social care is a mess in the UK. Management of care budgets is farmed out to cash-strapped councils who contract private providers to do the work on their behalf.”<sup>4</sup>

In my view, that 26% of NHS England’s expenditure is on outsourcing to the “independent” or private sector should certainly be classed as “widespread privatisation”.

However, the real crux of the matter is contained within a short sentence slipped in at the end of the King’s Fund piece, which refers to “a recent rise in the number of people choosing to use the private sector, paying for their treatment, in the context of long NHS waiting lists and times.”

This is a symptom of the killing of the NHS; where a single institution that provided comprehensive healthcare to all, free at the point of need once stood, now resides a fragmented system that encourages the denial of healthcare by design and to the benefit of the private health insurance industry.

As Dr Bob Gill has again made clear:

“ICSs[Integrated Care Systems]are modelled on US Kaiser Permanente ‘managed care’ [a model introduced by President Nixon]. They have been maturing and operational in shadow form for some years previous called Accountable Care and Sustainable Transformation Plans. The name change does not signal a change of heart. Managed care business model is profit maximisation through the denial of care.”

Underpinning this shift from

comprehensive care provision to incentivising care denial are changes to the law. Amendments brought in via the Health and Social Care Act 2012 mean that the Secretary of State for Health and Social Care is no longer legally responsible for ensuring the provision of a comprehensive healthcare service in England. The legalisation of care denial was concluded with the Health and Care Act 2022, which removed the obligation for Integrated Care Systems to treat patients seeking care via Accident and Emergency Wards. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9449439/>

A system made up of a patchwork postcode lottery of Integrated Care Systems that are not legally obliged to provide treatment, and which are incentivised not to do so, is not the NHS as it was originally founded.

As Rowland’s piece for LSE suggests, the diminished central Government funding stream allocated to healthcare is being redirected away from patients and into the pockets of privateers. The NHS, as an institution, is gone. Its remnant assets – buildings and land – are now being stripped.

The NHS is not sick and does not need saving. It is already dead, killed by alliance between Labour, the Tories and the Private Health Insurance Industry. The only solution now is not rescue but rebirth – a new NHS, founded on the original principle of healthcare as a human right, free to all at the point of need. But neither the Tories nor Labour – both of which receive donations from the private health sector – will reinstate an NHS.<sup>5,6</sup>

## Endnotes

1 Dr Bob Gill, “Sicko UK”, <https://consortiumnews.com/2021/07/14/sicko-uk/>

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3 David Rowland, ““Flawed data? Why NHS spending on the independent sector may actually be much more than 7%”, <https://blogs.lse.ac.uk/politicsandpolicy/nhs-spending-on-the-independent-sector/#:~:text=The%20presentation%20of%20data%20on,within%20the%20system%20is%20going>

4 Dr Phil Bevin (PhD), “It’s time for us to step up and fight for our right to access health and social care”, <https://www.thecanary.co.uk/analysis/2021/10/03/its-time-for-us-to-step-up-and-fight-for-our-right-to-access-health-and-social-care/>

5 Steph Brawn, “This is how much Labour and Tory MPs get from private health firms”, <https://www.thenational.scot/news/uk-news/23568478.much-labour-tory-mps-get-private-health-firms/>.

6 Paul Knaggs, “Selling Out the NHS: The Shocking Links Between Labour MPs and Private Healthcare Donations”, <https://labourheart-lands.com/selling-out-the-nhs-the-shocking-links-between-labour-mps-and-private-healthcare-donations/>.

# The NHS is not dead

By David Morrison

Phil Bevin begins his article as follows:

"The NHS, once a single organisation that provided comprehensive healthcare free to all, at the point of need, is dead, and the Labour Party is an accomplice to its murder."

The Kings Fund [says](#)<sup>1</sup> that in England "**there were an estimated 570 million patient contacts with GP, community, mental health, hospital, NHS 111 and ambulance services in 2021/22**". This is equivalent to every person in England being assessed, treated and cared for by the NHS 10 times a year on average, or 1.6 million interactions with patients every day.

It is an unhelpful exaggeration to say that an organisation that provides mostly satisfactory health care on this scale continuously is dead. That is not to deny that NHS England has problems. It has serious problems, particularly in meeting the demand for its services.

Furthermore, the NHS has never been a single organisation, for example, from the start, primary care was provided by an army of private general practitioners. That private element of the NHS persists to this day but there is no mention of it in Phil Bevin's article. Also, the NHS was completely free to all for only a few years before charges were introduced.

## Health care denial

The main message from Phil Bevin's article is that NHS

England is dead. Another message is that NHS England is legally entitled to deny care to patients who need it. It says that NHS England is now "a fragmented system that encourages the denial of healthcare by design to the benefit of the private health insurance industry". It goes on:

"Underpinning this shift from comprehensive care provision to incentivising care denial are changes to the law. The legalisation of care denial was concluded with the Health and Care Act 2022, which removed the obligation for Integrated Care Systems to treat patients seeking care via Accident and Emergency Wards."

The message from Phil Bevin is: don't be surprised if the next time you turn up at A&E, you are turned away and, if you object, you are told that it is legal under the Health and Social Care Act 2022. This is nonsense, isn't it? If people were being denied treatment in anything other than the most exceptional circumstances we would know about it and questions would be asked in the House of Commons.

## Health and Social Care Act 2012

This Act was the brain child of Andrew Lansley who became Health Secretary in the coalition government formed in June 2010. His plan, developed during several years as shadow Health Secretary, was to establish a comprehensive system of competitive tendering for health care provision in NHS England, a system which

would be mandatory in most instances and open to any qualified provider within or outside the NHS. The Act put private health care providers on a par with NHS providers in the operation of NHS England. The Act also made major changes to the structure of NHS England, in particular, it created GP-led clinical commissioning groups (CCGs) to organise services in local areas.

With this Act the process of marketisation in NHS England reached its zenith. This process began with Kenneth Clarke's White Paper Working for Patients in January 1989, a set of changes that introduced a purchaser/provider split in the NHS and came into effect in 1991. Famously, Kenneth Clarke said that as a result of these changes he wouldn't have to close hospitals in future, since the market would take care of it from then on. Under New Labour, the system for purchasing services was amended more than once and more services were bought from private providers.

The Cameron government had difficulty getting the 2012 Act through Parliament. This reflected doubts within the NHS about the workability of the Act in practice and fears that private provision would be vastly increased. But it was eventually passed into law in March 2012 after an unprecedented pause in the legislative process and extensive amendments. By then, the Act's author, Andrew Lansley, had become immensely unpopular and he was sacked in September 2012

and replaced by Jeremy Hunt. A year later, Simon Stevens was appointed Chief Executive of NHS England.

Quoting Dr Bob Gill, PHIL BEVIN writes the following about the Health and Social Care Act 2012:

“The 2012 Health and Social Care Act converted the NHS internal market into a fully compulsory external market with all services up for grabs by the private sector.”

Phil Bevin’s article implies that this system envisaged in the 2012 Act continues to operate today.

I think there is considerable doubt that it is the case. Indeed, it may be the case that competitive tendering no longer operates in NHS England at all: for example, of the NHS Long Term Plan published in January 2019 [Wikipedia](#) says:

“The plan marked the official abandonment of the policy of competition in the English NHS, which was established by the Health and Social Care Act 2012.”

However, I have been unable to find solid documentary (non-Wikipedia) proof that the competitive tendering provisions of the 2012 Act have been abandoned. However, below are some indications that it might be so:-

**(A) The NHS under the coalition government (King’s Fund, February 2015, see [here](#)<sup>2</sup>)**

In this review of the record of NHS England in the three years after the 2012 Act was passed, the King’s Fund wrote:

“The 2010–15 parliament has been a parliament of two halves for the NHS. The first half was dominated by debate on the Health and Social Care Bill (which was largely designed to devolve decision-making, put GPs in control of commissioning, and extend competition and choice). The second half was taken up with limiting the damage caused by the Bill, with less emphasis on competition and greater efforts to strengthen the regulation

and quality of care and prioritise patient safety.”

“Jeremy Hunt (Lansley’s successor) has taken the lead on damage limitation, studiously ignoring many of the reforms promoted by his predecessor (rarely mentioning competition, for example) and staking his claim as the defender of patients’ interests in the wake of the Francis report into failures of care at Mid-Staffordshire NHS Foundation Trust.”

“Debate on Lansley’s plans generated strong feelings on all sides, with critics claiming that the Health and Social Care Act 2012 would not only extend competition but also lead to much greater privatisation of provision. In fact, our assessment shows that the private provision of care to NHS patients has changed little with over 90 per cent of services still delivered by NHS providers.”

**(B) Five Year Forward View** (published by NHS England, October 2014, see [here](#)<sup>3</sup>)

This document, prepared under the leadership of Simon Stevens a couple of years after the 2012 Act was passed, doesn’t mention the Act at all and the word “competition” doesn’t appear in it.

**(C) Jeremy Hunt (Interview with Health Service Journal, 28 November 2017, see [here](#)<sup>4</sup>, behind paywall)**

“The idea of lots of competing foundation trusts and payment by results works well when you have in your mind that most of the work the NHS does will be single episode elective care, but when you’re dealing with complex patients who are going in and out of the system a lot those structures prove not to be fit for purpose. ... The NHS internal market and the independence of foundation trusts are hampering efforts to deliver standardised safe care ...”

**(D) The NHS long-term plan explained (King’s Fund, 23 January 2019, see [here](#)<sup>5</sup>)**

“On 7 January, the NHS long-term plan (formerly known as

the 10-year plan) was published setting out key ambitions for the service over the next 10 years.

... It signals a shift in gear from the bottom-up, iterative approach that followed the Forward View, while retaining a balance between national prescription and local autonomy. However, there is now no doubt that the NHS is moving rapidly away from the focus on organisational autonomy and competition that characterised the Lansley reforms.”

**(E) Are Andrew Lansley’s NHS reforms being binned? (BBC, 19 January 2019, see [here](#)<sup>6</sup>)**

“Consider this, it is just over three years since the last piece of the jigsaw in Andrew Lansley’s controversial NHS reforms was put into place. In 2015, health visitors moved into local government to complete the transfer of public health from the NHS to councils. It completed what former NHS chief executive Sir David Nicholson once described as a reform programme so big it could be seen from space.

“Now - with the country mired in Brexit - it is easy to forget just how tricky it got for the government in the early coalition years. Unions and royal colleges lined up to oppose the changes and at one point it even threatened to turn the coalition partners against each other. Eventually changes were made and Mr Lansley got them over the line with the Health and Social Care Act passed in 2012.

“The restructuring created a new body, NHS England, to run the health service, set up new regulators and replace primary care trusts with GP-led clinical commissioning groups (CCGs) to organise local services, while handing healthy lifestyle programmes to town halls. Underpinning the changes was the idea that greater competition in the NHS would help create a service fit for the 21st Century.

“But on Monday that was effectively reversed, with the NHS Long Term Plan arguing collaboration was key.”

**How much does the NHS spend on the private sector?**

Kings Fund: Is the NHS being privatised? (1 March 2021, see

[here<sup>7</sup>](#))

"It is difficult to determine how much the NHS spends each year on the private sector. This is because central bodies [do not hold detailed information](#) on individual contracts with service providers, especially where these contracts may cover small amounts of activity and spending. Information on private sector spending is available from the annual accounts of the Department of Health and Social Care but also requires judgement and interpretation.

[In 2019/20 NHS commissioners spent £9.7 billion on services delivered by the private sector \(also called 'independent sector providers'\)](#). This is more than the £9.2 billion spent in 2018/19, but due to inflation and growth in the Department of Health and Social Care budget, the share of their total revenue budget that was spent on private providers remained relatively stable at 7.2 per cent.

[The Department of Health and Social Care accounts also record how much the NHS spends on services provided by the voluntary and not-for-profit sectors and local authorities. If spending on these services was added to the spending on independent sector providers, this would total £14.4 billion in 2019/20. This amount was 10.8 per cent of total revenue spending by the Department and is similar to the levels in previous years.](#)

"The Department of Health and Social Care's accounts also show that NHS providers spent £1.5 billion on services from non-NHS organisations in 2019/20. Data from NHS Improvement shows that NHS providers spent £271 million on outsourcing services to other providers, including the private sector,

in 2018/19 – up from £221 million in 2017/18. This includes outsourcing elective hospital treatment in order to deliver waiting times targets.

["If spending on primary care services – including GPs, pharmacy, optical and dental services – is included, some have estimated that approximately 25 per cent of NHS spending goes on the private sector. ....](#)

"Private provision of health care services has always been controversial, even though some services, such as dentistry, optical care and pharmacy, have been provided by the private sector for decades and most GP practices are private partnerships."

### NHS England: what needs to be done?

NHS England has hundreds of millions of patient contacts annually and provides satisfactory health care for millions of people, which is largely free at the point of delivery. But its service also has serious deficiencies - too many people get a less than satisfactory service, in too many cases waiting time for treatment is too long, etc, etc. These problems need to be addressed now.

A necessary condition for doing so is that the NHS fills the existing gaps in its medical workforce and pays its medical staff sufficient to retain them. That cannot be done overnight but it can be done eventually, if the Government provides the appropriate training places for relevant staff and sufficient extra funding. This would increase hospital throughput and help to lower waiting times.

Hospital throughput could also be increased if the perennial problem of stranded patients was fixed: according to the [Guardian<sup>8</sup>](#), last October on average one in seven NHS England hospital beds were occupied by patients who are well enough to be discharged but, because of the long-standing inadequacy of our social care system, did not have suitable places to go. That has to be addressed. Social care staff wages need to be increased so that more social care staff can be recruited, trained and retained - and the Government will have to provide sufficient extra funding.

Phil Bevin has absolutely nothing to say about how these deficiencies in health care provision can be addressed. Despite the fact that the NHS provides satisfactory health care to millions of people, he says that it is "already dead" and that "the only solution now is not rescue but rebirth". Extra cash is not the answer, he implies: "the notion that money is the main issue" is "entirely false", he writes. The answer is "a new NHS, founded on the original principle of healthcare as a human right, free to all at the point of need".

But at its birth any "new NHS" will be faced with the same deficiencies as the old NHS, with the same inadequate staff and infrastructure as the old NHS.

#### Endnotes

1 <https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/NHS-activity>

2 <https://www.kingsfund.org.uk/publications/nhs-under-coalition-government>

3 <https://www.england.nhs.uk/publication/next-steps-on-the-nhs-five-year-forward-view/>

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5 <https://www.kingsfund.org.uk/publications/nhs-long-term-plan-explained>

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7 <https://www.kingsfund.org.uk/publications/articles/big-election-questions-nhs-privatised-2021>

8 <https://www.theguardian.com/society/2022/nov/13/hospital-beds-england-occupied-patients-fit-discharge>

# Historical trends and the NHS

By Labour Affairs

We can look at the question of the NHS through historical trends.

Since Thatcher, trends have taken three directions.

One towards a small state and a greater part played by the private sector.

The second the principle that goods should be produced where they are cheapest.

The third, which goes with the first two, is the promotion of individualist ideology: what matters first is the individual, not the common good.

The second is perhaps the most crucial: deindustrialisation and reliance on services, especially financial services, to sustain the British economy. Other services became staffed by immigrants, again for cheapness.

The first led to privatisations of gas and electricity, water, transport, steel, post office and telecommunication, ports and airports etc.

Local Authority Housing has shrunk massively with Right to Buy and no money for building.

Education and Health have not been privatised in the same way; in education non local authority schools (academies) have appeared, bought by private entities and running on state money, but non profit making. The status of teachers has shrunk at the same time, leading to poor retention of staff.

The health system was split into an internal market in 1989 (The Working for Patients Act) with two parts; a buying service (commissioning) part and a service part. The commissioning part could increase the share of private services they bought, again with the state providing the income stream. In 2012 the Minister for Health was relieved of final responsibility for providing services, the state symbolically washing its hands of the Health Service.

The status of doctors shrunk at the same time, leading to poor retention and worsening conditions due to understaffed shifts.

The third element. What better illustration of the individualist ideology than the name of the 1989 Act "Working for Patients". The

implication was that the original NHS was not working for patients: the state is a bad thing, anything run by the state is badly run. Since then, changes have been presented as good for patients in terms of greater choice and more personal treatment.

The other element in the NHS picture is the increase in population, increased longevity, better technology meaning more ways to keep people living longer, so more work for the NHS.

The NHS can't completely cope with the demands: 7m people are on a waiting list, of which 3 for more than a year (round figures). September saw a joint strike by junior doctors and consultants, following on from unheard of strikes by nurses.

What to do?

The population is opposed to privatisations: polls show a majority clearly in favouring of bringing back water, energy and railways back under public ownership, even among Tories.

This is the way forward; once these are back in public ownership, the rest will follow. Opinion will change back towards the common good.

## The financial angle

Every aspect of what was previously delivered as a state funded public service has been remoulded over the past 40 years in a way that was deliberately designed to ingrain them with, and provide opportunities for, free enterprise and the financial service industry in Britain.

The public utility privatisation programmes were the first and most obvious examples, then the public housing stock and the NHS. The utility privatisations and Right to Buy housing schemes directly involved the financial industry (through loans and mortgage provision) but the NHS, as a service in the purer sense of the word - i.e., its purpose is not related to a physical transferable tradable commodity - will inevitably display that feature in a more opaque way.

Thus, we see the manner in which things like social care have been reconfigured to offer "more individual choice" through grants and subsidies that the individual recipient can spend

as they see fit. Whereas in the past there was a district nurse or a care visitor directly employed by the local NHS whose responsibilities included visiting people in their own home, that service is now in many cases either done by a contracted out company which the recipient can either use the subsidy for or just pocket the cash and use it as they wish. Similarly, people requiring accommodation in care homes can enter a local council care home if they are lucky or if not are forced to avail of private care homes. In both cases they end up using part or all of their income and assets to pay for such care, which ultimately could include their own homes should they be lucky enough to own one.

In those many instances where that home was previously a council home purchased under the Right to Buy schemes or where the profits from that scheme were later used by the ex-tenant to move up the property ladder we have the farcical situation where the Right to Buy scheme ends up ultimately financing the care facilities of the ex-tenant which may or may not be provided by a public health provider but in many cases may more likely be a private enterprise one.

Then to complete the circle of interdependence we have the pension funds and the way in which they are now intrinsically tied in with the finance and insurance industry, the property industry and the pharmaceutical industry.

Pension funds invest in anything that can yield a profit, so that they own or part own care homes and private medical provision (laboratories, some hospitals) or to put it another way, the financial services are the source of the prosperity of this country, the "means of production, distribution and exchange" of yore.

The challenge that this poses is the one which we all struggle to solve but the solution, even allowing that there may be one, is that it cannot be effective unless this inter-connectability is acknowledged as part of the problem.

# Tory and Labour U-turns on Aid to Developing Countries

Michael Murray

## Introduction

The UN requires that countries allocate 0.7% of their Gross National Income (GNI) on Official Development Assistance (ODA) for the purposes of the economic development and welfare of developing countries.

The International Development (Official Development Assistance Target) Act 2015 lays down how the UK will meet this requirement and further stipulates a government duty to lay a statement before Parliament if the 0.7% target is not met.

On 13 July 2021, the Boris Johnson-led Government put a motion to the House of Commons asking it to reduce ODA aid to 0.5%.

The previous day, Rishi Sunak, his Chancellor of the Exchequer, gave the reasons why the Commons should vote in favour of it.

**"The damage inflicted on our economy and the public finances by coronavirus has been immense. We have suffered the biggest recession in 300 years. Last year we borrowed nearly £300 billion—equivalent to 14.3% of GDP—the highest since world war two. Debt as a percentage of GDP reached nearly 100%, the highest since 1962. This year we are forecast to borrow the second highest amount on record during peacetime—second only to last year. This is clearly unsustainable, and the economic damage of coronavirus cannot be fixed overnight."**

**"That is why we have had to take difficult decisions to get borrowing down and restore the public finances—including by increasing corporation tax, freezing income tax personal thresholds and maintaining public sector pay at current levels.**

**"As part of these difficult decisions, we took the decision last year to temporarily reduce the ODA budget to spend 0.5% of gross national income on overseas aid in 2021.**

**"A motion will be tabled by the Government alongside this written**

ministerial statement asking the House of Commons to consider this approach, for debate tomorrow. If the House approves the motion, recognising the need to manage the public finances responsibly and maintaining strong investment in domestic public services like the NHS, schools and police, then the Government will continue with the approach set out in this statement.

"However, if the House were to negative the motion, rejecting the Government's assessment of the fiscal circumstances, then the Government would consequently return to spending 0.7% of GNI on international aid in the next calendar year, and with likely consequences for the fiscal situation, including for taxation and current public spending plans." He continues: "Consistent with the fiscal principles set out at March Budget 2021, and with the principles contained within the Conservative Party 2019 Manifesto, the Government commit to spending 0.7% of GNI on ODA when the independent Office for Budget Responsibility's fiscal forecast[1] confirms that, on a sustainable basis, we are not borrowing for day-to-day spending[2] and underlying debt[3] is falling."

(Above, extracts from Hansard, UK Parliament: International Aid: Treasury Update, Vol 699: debated on Tuesday 12 July 2021, emphasis in bold added. Ed)

This is going to hurt me more than it hurts you.

The following day the Prime Minister, Boris Johnson opened the debate in an unusually collegial and serious tone.

BJ: "I believe that, on this vital subject, there is common ground between the Government and hon. Members on both sides of the House, in the sense that we believe in the power of aid to transform millions of lives. That is why we continue to agree that the UK should dedicate 0.7% of our gross national income to official development assistance.....

"This is not an argument about principle. The only question is when we return to 0.7%. My purpose today is to describe how we propose to achieve this shared goal in an affordable way."

"This pandemic has cast our country into its deepest recession on record, paralysing our national life, threatening the survival of entire sectors of the economy and causing my right hon. Friend the Chancellor to find over £407 billion to safeguard jobs and livelihoods and to support businesses and public services across the United Kingdom. He has managed that task with consummate skill and ingenuity, but everyone will accept that, when we are suddenly compelled to spend £407 billion on sheltering our people from an economic hurricane never experienced in living memory, there must inevitably be consequences for other areas of public spending....."

Johnson ended his speech by reminding the House that:

**"..the International Development (Official Development Assistance Target) Act 2015 expressly provides that fiscal circumstances can allow departure from the 0.7% target."**

How was Labour going to respond to Sunak and Johnson's coherently put argument for a delay in renewing the 0.7% ODA commitment? An argument, moreover, underpinned with the commitment to return to the 0.7% of GNI when the OBR could confirm (1) that we are no longer borrowing for day-to-day spending and (2) the underlying debt is falling.

Labour's response to proposed cuts.

The Labour leader's response was unequivocal.

Keir Starmer,

**"Let me be clear: Labour will vote to reject this motion tonight and to return overseas aid to 0.7% of GNI....."**

He pointed out the double whammy involved in the Government's proposed reduction.

“.....We all recognise that a contracting economy means a relative contraction in our aid budget, but the Chancellor and Prime Minister are asking the House to agree to go beyond that, to impose a new target of 0.5% and to create entirely new criteria for ever returning to 0.7%. In effect, the Chancellor is proposing a double lock against reverting to 0.7%. The written ministerial statement makes it clear that Britain will go back to 0.7% only when public debt is falling as a percentage of GDP and there is a “current budget surplus.”

“.....The case that we make is this: first, that the cut is wrong, because investing 0.7% on international aid is in Britain’s national interest; secondly, because the economic criteria set out by the Chancellor would lead to an indefinite cut that is likely to last beyond this Parliament,..”

“... thirdly, because it matters that this House keeps its word to the voters who elected us. Every Member here—every Member here—was elected on a manifesto to retain the 0.7% target, and it matters that we keep our promises to the world’s poorest, particularly at such a time of global uncertainty.....”

BJ “.... There is no question about our commitment to overseas aid. The only question is when we return to the 0.7% target. The motion puts beyond all doubt that we will do so once two clear objective tests have been met: our national debt is falling, and we are no longer borrowing for day-to-day spending.”

Rachel Reeves Labour Shadow Chancellor:

“... The Government say that global Britain is at the heart of how we engage with the world, but this move to unilaterally cut overseas aid is a direct attack on what it means to be global Britain. It is a decision that will reduce our power, reduce our influence in the world and undermine our security here at home. At this moment perhaps more than any other, we should be looking to project our power and influence for good around the world, to create change in our national interest but in the global interest, too.

“...The Chancellor knows full well that our country’s commitments are as a proportion of our gross national

income, and that is right; it means that as our economy grows our generosity as a country grows, but as our economy shrinks so does our generosity to those in the poorest parts of the world. That is right and it happens automatically, without the cuts being proposed on top....

“....But with a 30% reduction—that is what we are talking about today — In just one year, never has our aid budget been cut so savagely, so suddenly and by so much. If this cut goes through this evening and the House votes for it, it will diminish Britain. It will reduce our power and influence for good in the world, and it will undermine our security here at home too. This is not just about how much aid we give overseas. It is about the country that we are and the country that we want to be. I urge hon. and right hon. Members to reject the motion and do what they know is right.”

(Above, selective, extracts from a cross party debate reported in Hansard, UK Parliament: International Aid: Treasury Update, Vol 699: debated on Wednesday 13 July 2021, emphasis in bold added. Ed)

In the event, when put to the vote, in an almost full House, the result was: 333 for the Government motion and 298 against.

A leading anti-poverty campaigning organisation, one of many it can be said, blasted the result:

“This is a dreadful day for people around the world living in poverty and facing injustice. Despite the best efforts of many MPs of all political parties who showed solidarity and compassion, today, the UK Government has set out firmly where it stands on this vital moral commitment by setting a test that is, for all practical purposes, impossible to meet. Make no mistake: this was a political decision, not an economic or technical one.

“With half the world’s population still without access to essential health services, and with the COVID-19 pandemic still raging, the reduction of UK aid from 0.7% to 0.5% has meant that this year alone hundreds of thousands of additional preventable deaths are inevitable, and this will continue year on year

unless and until we deliver on our promise. This is a massive decision - millions of lives literally hang in the balance, once you factor in how the knock-on effect of the UK effectively saying ‘0.7% is never affordable’ could affect other donors.” Results. UK, 13 July, 2021

Fiscal responsibility spelled out.

Yet, a little over a year later, David Lammy, Labour’s Shadow Foreign Secretary, was reported in Devex.com as having doubts about Labour returning to a 0.7% aid budget, and quoted as saying: “We will get Britain back on track to meet its commitment to the U.N.’s 0.7% development target as soon as the fiscal situation allows.” (23 November, 2022)

Asked how Labour would judge when the fiscal situation would be acceptable, Lammy refused to answer, saying instead: “It would be fiscally irresponsible for me to tell you the terms under which we would return to 0.7%” (Devex, op. cit)

Incidentally, the Treasury watchdog has advised that economic tests set by the Conservatives for returning to spending 0.7% will not be met before 2028 at the earliest. David Lammy would have known that.

Déjà Vu - or - here we go again.

“Keir Starmer has confirmed that a Labour government would keep the Conservatives’ controversial two-child benefits cap, despite unease among his top team and leading academics over the policy, which has been blamed for pushing families into poverty.

“Starmer said on Sunday that he was “not changing that policy”, when asked if he would scrap it if Labour wins the next election. His shadow work and pensions secretary, Jonathan Ashworth, had condemned it as “heinous” just last month.

“Labour had come under fresh pressure to promise to scrap the cap after it emerged that one in four children in some of England and Wales’s poorest parliamentary constituencies live in families left at least £3,000 a year out of pocket as a result.” (Guardian 17 July, 2023)

Regular readers of Labour Affairs, aware of today’s Labour Party “live, horse and you’ll get grass” attitude

to policy formulation, reading about the ODA aid issue will have been reminded of Labour's U-turn on the 2-child benefit cap issue and the consternation it caused.

It was the subject of Michal Lerner's article in the September, 2023 issue of Labour Affairs 'How to pay for it. The case for the elimination of the cap on child benefit'

In the July, 2023 issue of Labour Affairs it had been argued that the fatal flaw in the Labour Party, including its left wing, was the assumption that there is no difference between the budget of a government and the budget of a household. And this, inexorably, invites the killer question: how are the proposed policy initiatives going to be funded?

At a time when the Labour Party conference, and its accompanying myriad fringe events are just around the corner it may be timely and appropriate to re-dedicate ourselves to understanding how a currency issuing government finances its spending and the idea, developed in the article, that "the size of the national debt is an irrelevant statistic and that it should never influence government policies." See the Labour Affairs

September The Independence of the Bank of England – Editorial.

The July Labour Affairs article "Starmer's Moment of Weakness Approaches" concludes with this observation: failure to understand the difference between household and government budgeting led to the collapse of Labour in the face of George Osborne's austerity, and an exhortation: Let's make sure it does not happen again under Starmer.

Another fine mess ....

The U.K. will be prevented from diverting billions from its aid budget to pay the domestic costs of asylum-seekers as a result of the recently enacted Illegal Migrant Act, cracking down on new arrivals, the Organisation for Economic Co-operation and Development (OECD) has indicated.

According to civilserviceworld.com the Home Office spent £3.7bn of ODA in 2022 – more than a quarter of the £12.8bn budget for the year – mainly on hotel accommodation for refugees. (22 May, 2023)

"There's now a scramble between three departments to avoid responsibility for paying for this if

the costs can no longer be counted as ODA," said one source familiar with the row.

"The Treasury has told the Home Office it can't have more money, the Home Office is saying it doesn't have the budget for it, so it will have to come from the Foreign and Commonwealth Office (FCDO) But the FCDO is saying that if it isn't ODA, it won't pay," an inside source told Devex. (26 July, 2023)

Sarah Campion, MP for Rotherham and Kate Osamor are the Labour members of the cross party International Development Committee, a Commons Select Committee. Sarah is its Chair. It can be followed on Twitter @commonsIDC

When the committee called for the ring fencing of ODA aid for overseas spending it was met with the following response from the Treasury: "not affordable in the current highly challenging economic and fiscal context".

For the two main UK political parties fiscal rectitude, it seems, is your only man.

## Palestine Links

Killings, pogroms, expulsion: Israel dispossesses Palestinians of their lands using settler violence (B'Tselem, 10 August 2023)

['Watershed moment': Over 700 academics equate Israeli occupation with apartheid \(Middle East Eye, 8 August 2023\)](#)

[Israeli Minister Ben-Gvir praises settlers who killed teen as "heroes" \(Tamara Nassar, Electronic Intifada, 6 August 2023\)](#)

[90 years ago, a negotiated 'transfer' led over 50,000 German Jews to Palestine \(Le Monde, 6 August 2023\)](#)

[UN agency reports nearly 600 settler attacks over past six months \(Times of Israel, 3 August 2023\)](#)

['Israel Is an Apartheid State': Progressives Explain Decision to Boycott Israeli President's Speech \(Common Dreams, 19 July 2023\)](#)

['The escalation is frightening': Jerusalem Christians fear for their future \(Natan Odenheimer, +972, 14 July 2023\)](#)

[Three Worlds: The high price Arab-Jews paid for the Zionist project \(Victoria Brittain, Middle East Eye, 12 July 2023\)](#)

[Palestinians removed from Jerusalem home to make way for Israeli settler takeover \(Middle East Eye, 11 July 2023\)](#)

[UN Special Rapporteur, Francesca Albanese, accuses Israel of sexually abusing Palestine prisoners \(Middle East Monitor, 11 July 2023\)](#)

[US intelligence assessment says Iran not currently developing nuclear weapons \(Yahoo News, 11 July 2023\)](#)

[Palestinian Population Census Published: These Are the Numbers \(Palestine Chronicle, 10 July 2023\)](#)

[US State Department dodges question on whether Palestinians have right to defend themselves \(Michael Arria, Mondoweiss, 10 July 2023\)](#)

[Israel Killed Civilians, Targeted Hospitals in Jenin With US Weapons and Support \(Marjorie Cohn, Truth Out, 10 July 2023\)](#)

[Oom-Shmoom: Israel's Battle against the United Nations \(Professor Avi Shlaim, Jadaliyya, 9 July 2023\)](#)

[Over 1,100 Palestinians said held by Israel without trial, highest figure since 2003 \(Emanuel Fabian, Times of Israel, 2 July 2023\)](#)

['It's like 1948': Israel cleanses vast West Bank region of nearly all Palestinians \(Oren Ziv, +972, 31 August 2023\)](#)

# The NHS—socialist order and capitalist freedom

Brendan Clifford

The NHS was established as a Communist service for a capitalist economy, made possible by the proceeds of Empire. It was a realisation of the safety net envisaged by the manufacturing capitalist, Joseph Chamberlain, in the 1880s. Chamberlain was convinced that the working class would not in the long run tolerate the *laissez faire* system. He urged that life should be made tolerable within the capitalist system by means of a safety net. He broke with the Liberal Party, the party of pure capitalism, on the issue, and joined forces with the Tories. The Tories were the party that first established legal restrictions on the operation of capitalist enterprise. The merger of the Tories with the social reform Liberals was called the Unionist Party.

The conflict of Unionism and Liberalism sharpened almost to the point of civil war on the issue of Ireland, when a Unionist Government had enacted extensive social reforms. In the course of that conflict, the Liberal Party came to adopt the position it had adopted in the 1880s. When it wrecked itself by the way it launched and conducted the Great War, and the Labour Party suddenly emerged as the second party, many eminent Liberals became socialists for the purpose of both making Labour an effective governing party and narrowing its governing horizons.

For most of the period between 1924 (when Labour first formed a Government) and 1945 Labour acted in a National Coalition with the Unionists (which had been calling themselves Tories since 1922) and remnants of the Liberal Party.

There has never been a clear class development of British politics, except perhaps for the Liberal/Capitalist era following the Great Reform.

Labour was effectively in power domestically under Churchill in 1940-1945. Churchill was an Imperialist rather than a Capitalist. He gave the domestic economy to the Trade Union boss, Ernest Bevin,

to run. Bevin had built up working class power within Capitalism during the twenties and thirties, and it was as a Trade Union boss accustomed to making deals with capitalists that he became a senior Cabinet Minister in 1940 before becoming a Member of Parliament.

He remained unparliamentary in his ways, and was subject to harassment by the Labour Left, which was very Parliamentary in mode. And it was under Bevin, within the general Churchillian atmosphere, that the country became accustomed to being ordered about by a Socialist.

In May 1945 there was doubt about whether Party government would be resumed after a long suspension, or whether National Government would continue. Either way something like the Welfare State would have been established. The foundations were laid during the War.

Imperialism was common ground of effective British party politics in 1945. Aneurin Bevan, the Left Labour Parliamentary Socialist, stood on it no less than Ernest Bevin. But Bevin was taken out of British politics by Attlee and given the job of maintaining the British position in the world.

Bevan was an administrator rather than a statesman. He would, if he could, have established the NHS as a comprehensive State service, without private admixture, but he was unable to do so. The medical profession insisted on remaining a profession. He was obliged to make two compromises with it. The GPs cooperated with it only on the condition that they retained independent status, and Consultants acted within it only on the condition that they could use its facilities for private practice.

The NHS was never a comprehensive system free to all on an equal basis. Money always counted for something within it. As a free service it was subject to a degree of rationing. Infinite resources could not be on tap—even with the proceeds of Empire—and if the system had been strictly national—unsupported

by Empire—it would have had to be constructed in a different way.

With money one could jump the queue. But it is far from certain that the system would be improved by the abolition of private medicine—and the ethos of a profession along with it.

The presence of the private element rankled ideologically. As soon as the system was established, the *Keep Left* element in the Labour Party made an issue of *teeth and spectacles*, and *means testing*. Later on the contentious issue was the arrangement with the Consultants.

The NHS was constructed as a Communist service for a capitalist society. It has therefore an element of rationing in it. Is that element of rationing maximised or minimised by the fact that it is a service for a capitalist society rather than a Communist society?

It is organised as a managerial bureaucracy. How else could it be organised? Communist society, to the extent that it was ever established, was a very complex system of committees. It was a vast bureaucracy which was soon found to have a problematical dynamic.

Trotsky berated Lenin for ten years before 1917 as a bureaucrat who would stunt the free flow of mass activity. After 1917 he spent about five years collaborating with Lenin in establishing a Communist or Socialist State as a network of committees. When Lenin felt that he was dying he appealed to Trotsky to take over direction of the system. It appears that it was only then that Trotsky became aware that the system was constructed as a hierarchy of committees—a bureaucracy.

He refused to become Lenin's heir. He did not explain why. And he never tackled the problem of how the freedom of Capitalism can be combined with Socialist order.