

UP 161511 (414)

towards a radical agenda: comments on Labour's programme

ten fabian task forces
fabian tract 414

50p



fabian tract 414

towards a radical agenda: comments on Labour's programme

contents	1	introduction	1
	2	running the economy	3
	3	industrial relations	7
	4	redistribution of wealth	11
	5	common ownership	13
	6	employment and the regions	17
	7	urban policies	27
	8	science policy	37
	9	education policy	44
	10	social policy	49
	11	the law and human rights	57



25/10/1972

this pamphlet, like all publications of the Fabian Society represents not the collective view of the Society but only the view of the individuals who prepared it. The responsibility of the Society is limited to approving publications it issues as worthy of consideration within the Labour movement. Fabian Society, 11 Dartmouth Street, London SW1H 9BN. October 1972

ISBN 7163 0414 7

1. introduction

Peter Hall, Chairman Executive Committee, 1971-72

Towards a Radical Agenda: Comments on Labour's Programme is the Fabian Society's contribution to the debate at the 1972 Labour Party conference, on the policy which the Party will put to the nation at the next general election. It results from only six months of intensive work by a series of specially commissioned task forces. The membership of these groups is not identified in this pamphlet as they included many individuals who, either because they were public servants or for other good reasons, had to preserve anonymity.

Each of the task forces worked independently. Only at the end did their Chairmen meet to discuss the document as a whole; and then, as could be expected, strong reservations and disagreements were expressed regarding certain sections and recommendations. It must be strongly stressed therefore that in the nature of the exercise, none of the members of these task forces—numbering well over one hundred—could be expected to subscribe to every part of this document. Indeed, in several cases, not all members of a single group necessarily support all that group's recommendations. Like all Fabian documents since the formation of the Society in 1884, this then does not represent a Fabian Society policy; for the Society has no collective policy. It represents merely the views of individual Fabians, which are presented here as worthy of consideration by the Labour movement.

The policy areas that are covered are deliberately selective. Time and resources did not permit an across the board treatment. The document deals only with the field of home policy. It is intended that a separate pamphlet, dealing with foreign and commonwealth matters, will be published under the auspices of the International and Commonwealth Bureau Committee of the Society in a few months' time.

Within the field of home policy, the task forces have been set up so as to concentrate on the issues that seemed most important for a future Labour government. And within each of these areas,

again, the approach has been highly selective: to try to concentrate on the key issues.

The original hope and intention was that the main policy proposals in the document should be costed and compared with forecasts of the state of the economy, so that a fully integrated Counterbudget could be set out. That hope has not yet been fulfilled at this early stage; as yet the policy proposals are too generalised to permit it. But it is worth stressing here one of the principal conclusions of the Economic task force is that on reasonable expectations about the state of the economy on a Labour return to office in or about 1974, to permit even a modest increase in personal consumption for average income households would mean that little was left for early increases in public expenditure. This is a conservative estimate, because some considerable slack may exist in the economy even at that time. But if it proved true, some of the principal policy proposals in the Agenda could not be implemented at once.

That goes equally for the Labour Party's own official proposals. *Towards a radical Agenda* has been produced in parallel with these proposals, which are set out in the Party's paper for the 1972 conference, *Labour's Programme for Britain*. Many task force members were also active participants on the Party study groups whose work culminated in this paper. Towards the end of their work, all task forces were invited to contribute comments on the Party's proposals, and these are incorporated in the various sections of this pamphlet; hence the subtitle, *Comments on Labour's Programme*. It is hoped that these constructive criticisms will prove useful to the Party in the debate that will take place at conference.

Naturally, in a report produced on this short time scale, the presentation here is a highly summary one. The task forces have sketched the outlines of the main problem areas and have suggested some solutions. These solutions now need working out in more detail. Nearly all the task forces have already determined to stay in being after publication of this pamphlet. Over

the course of the next year, 1972-73, they will follow up their main conclusions, either as a group or individually. They will present further evidence to back up their conclusions, and will develop their policy proposals in greater detail, in a series of Fabian pamphlets. The objective, finally, is to have a set of coherent and well worked out policies ready for consideration by the next Labour government: a true Radical Agenda. This pamphlet is a first step on that road.

2. running the economy

economic task force report

The management of the economy cannot be confined behind the closed doors of the Treasury. If it is seen merely as the Chancellor doing battle with economic forces by manipulating the levels of public expenditure and rates of taxation, economic management is too uncertain and unstable a process to provide the strong and consistent framework needed for the social and economic life of the nation. The management of the economy lies in the hands not only of Ministers, but also of wage negotiators, investing industrialists and hard pressed housewives. They should be brought fully into the business of running the economy. The wage negotiators should play their part in determining public expenditure and taxation and in tackling unemployment and inflation, and not kept in the outer courtyard just to be lectured on wage increases. Industrialists must be asked to look ahead to future changes in the pattern of demand and employment, and not left to respond belatedly to full or empty order books. The housewife must be recruited and equipped to fight effectively in the war against inflation, and encouraged to secure the social expenditure needed on housing, schools, health and pensions for her family.

So it is right that the Labour Party should talk to the TUC to thrash out economic policy. Until those talks have reached a conclusion the statement on economic policy in *Labour's Programme for Britain* will be incomplete.

A close relationship will be needed between a Labour government and industry, so a framework such as that put forward in *Labour's Programme for Britain* is needed for detailed industrial policy.

prices and incomes

Effective restraint on prices with guidelines for fair prices and the strict control of key prices, implying subsidies for food, rents and fares as proposed in *Labour's Programme for Britain*, with local means of enforcement will help to make sure that prices do not accelerate inflation.

In a climate of social justice it will be less difficult, though it will never be easy, to face those questions of priorities in the demands on resources which are as much a test of a Labour government as of any other government.

Much current economic debate, and much press comment on *Labour's Programme for Britain* suggests that incomes policy is the central issue in economic policy. This partly reflects the real concern felt by all sections of the community at the high rate of inflation, which has accelerated under the Tories and which has been made to bear more heavily upon the less well off by regressive changes in taxation and social services. And it is partly opponents of the Labour Party rubbing salt into the wounds the Labour government suffered in its efforts to carry out its prices and incomes policy.

But it is not clear that incomes policy should be accorded this lonely eminence in economic policy. Full employment with a higher pressure of demand and hence a higher growth rate, a flexible exchange rate, and a prices policy have their parts to play in a balanced economic policy. Furthermore there are important structural factors, including regional policy, technological change, and manpower policies to combat the obsolescence of skills which should play a central part. The quality of life, whether reflected in the distribution of wealth and income, or in the use of those resources for more satisfying and important purposes, is not encouraged by a policy which concentrates attention solely on the total of wage incomes. Finally, with the total of wage incomes in relation to real resources nevertheless an important factor in the economy, a non-inflationary balance may not be well served politically and psychologically by constantly harping on incomes policy. Hypochondria can become real.

incomes policy and collective bargaining

An incomes policy must take account of the institutional realities of trade unions and the collective bargaining process. Trade unions exist to increase the wages

and improve the conditions of their members. This purpose cannot be stood on its head by asking unions to restrain wage increases. Unions have no police powers over their members. But the trade union member or official can take as long and broad a view as anyone else where it is necessary to weigh the short term against the long term, or the benefit of the individual against that of the group. Yet the advantage has to be shown and felt.

Trade union organisation and activity is as necessary for the smooth running of industry in today's circumstances of rapid social and technological change as ever it has been. We reject notions of trade unionism which seek to change its essential character.

The Tory government, conscious of the strength of trade unions in wage bargaining, has sought to reduce the power and effectiveness of trade unions by the Industrial Relations Act. But the folly of using the law in the day to day conduct of industrial relations has already been amply demonstrated. Looking at the level and distribution of incomes in Britain today a sounder conclusion would be that wage bargaining needs strengthening, and extending to encompass prices, production and employment which can otherwise whittle away the value of wage increases. Economists, and others more conscious of the behaviour of economic aggregates than of the realities of collective bargaining, have suggested removing wage determination from the field of negotiation in the factory, firm or industry. Proposals have been made for national job evaluation schemes under the control of a national body with trade union, management and independent members. Another suggestion is that the trade unions should be handed a national cake and left to divide it harmoniously between themselves. A variant is that employers paying increases above a national norm should pay a heavy tax proportional to the excess of the wage increases above the norm, thus increasing the threat to the security of employment of over pushful workers.

Such proposals run foul of the realities of collective bargaining and its fundamental

nature. Job evaluation is not an objective mechanical process. With the most careful use of work measurement, factor grading, bench marks, comparison methods, and proposal and appeals procedure a job evaluation scheme can provide a useful framework for collective bargaining in a factory. The principles can be applied in the different factories of a multi-plant firm, with considerable variations from plant to plant. Going beyond the firm only the most general ideas can be transferred and their application is far from uniform and automatic. Job evaluation offers a useful framework for collective bargaining: it is not a substitute for it. This also is the view of the Industrial Relations task force in the section that follows.

Leaving trade unions to divide the national cake between them seems a clever way of putting the ball in the unions court. But it ignores the interaction between wages and other production costs and profits, and between costs, prices and the growth or decline of demand for the particular product. These are balances that cannot be struck solely at the national level.

There is no escaping the need for a sound collective bargaining system distributed between the different levels of industry according to the needs of the situation. The pattern of collective bargaining needs constant revision, and it can get badly out of gear. But it cannot be eliminated.

With this background the economists should point to the effect of wage increases in the complex of interacting factors in the economy. Considering only short term first order effects, prices are affected by wage costs per unit of output, and import prices. Wage incomes, resulting from wage rates, hours worked, and employment are affected by price increases through the use made of the cost of living in collective bargaining. The rate of increase of wage incomes are also reduced by rising unemployment, but since the loss of output implied by unemployment pushes up costs per unit of output, unemployment has no restraining effect on price increases. Faster growth of demand and output does reduce unemployment, and conversely the output

possible in the short term is limited by the labour available at full employment. None of these effects are precise. Many take time to show. None of them work on their own. And in every case there are secondary and longer term effects some of which are important in the long run.

Economists argue for wage restraint for three distinct but related reasons: first in order to restrain price inflation; second in the distribution of real resources to allow sufficient for other demands, namely public expenditure, investment, and the balance of payments; and thirdly to allow for income redistribution and the protection of those less effectively covered by collective bargaining or market power.

All of these are important considerations, both in the longer term objectives of a Labour government and in the short term position a Labour government will find on taking office and subsequently. There is always a short term judgment to be made. It is misleading to suppose that having sorted out the mess a government inherits on entering office it can expect the changing force of circumstances to permit short term policies to conform exactly to long term objectives. The effectiveness with which long term objectives are attained depends on the judgment and skill of a government in using its limited room for manoeuvre in the short term consistently in the pursuit of underlying objectives.

resources, public spending and personal consumption

Labour's Programme for Britain and the proposals in this pamphlet make heavy demands on resources and on public expenditure in particular. With the limited resources available more on public expenditure means less on personal expenditure.

The following table shows for different

growth rates of gross national product and of public expenditure, approximate growth rates of consumer expenditure (or real incomes after tax), assuming the demands of investment and the balance of payments are met.

It is clear that at low growth rates of GNP high growth rates of public expenditure leave nothing for increased consumer expenditure. Wage increases will be completely eaten up by price increases. A Labour government will have to judge the balance to aim at. We suggest that if there is a prospect of low growth it is not practicable to set growth rates of public expenditure which would reduce the rate of growth of real incomes after tax below 2 per cent per annum for the average worker. The attempt to set higher growth rates of public expenditure will cause economic crisis in one way or another, in accelerating inflation or a balance of payments crisis leading to rising unemployment.

The problem is further complicated in that the machinery for the control of public expenditure is very cumbersome and slow acting. Public expenditure is committed a long time in advance, and committed in real terms with the effect that rising prices are met out of the government's bottomless purse. This leaves the consumer, and indirectly investment and the balance of payments, to take the ups and downs of the economy, and the effect of price inflation. The management of the economy would be more fair and effective if government expenditure of which the exact timing is not critical was organised in such a way that the actual expenditure of real resources could be advanced or delayed at short notice. In the not so long run this would reduce the stop-go of public expenditure as much as that of the rest of the economy. It can be done, particularly on capital expenditure, with a proper system of preparation pools, and

GROWTH RATES: PER CENT PER ANNUM

	2			3			4			5		
GNP	0	4	8	0	4	8	0	4	8	0	4	8
public expenditure	2.6	1.4	0.2	3.9	2.7	1.5	5.2	4.4	2.8	6.5	5.3	4.1
consumer expenditure												

in time it would result in a higher and not a lower volume of public expenditure.

In 1972 there now exists a substantial margin of spare capacity. It should be possible for GNP to grow at 4 or 5 per cent per annum for the next four or five years. It is impossible to tell how much slack there will be in the economy at the time of the election. It seems likely that in two years time Tory window-dressing with an election boom will have placed heavy demands on immediately available resources from imports and consumer industries without having reduced unemployment or increased investment sufficiently to take up the capacity of industry as a whole or of the development areas. In these circumstances the objective of a Labour government should be the continued reduction of unemployment through sustained growth, much of which will have to go initially to investment, including public sector investment, and exports, with further action if necessary, on the exchange rate.

The prospects are therefore that even with present spare capacity, by the time of the election any short term bonanza for consumer expenditure and public expenditure now possible will have been exhausted, and their growth rates will have to fall back to rates sustainable in the long term. It would then be undesirable to create conditions which would make any kind of voluntary incomes policy impossible by pre-empting all resources for increased public expenditure, allowing none for increases in real incomes after tax.

We therefore suggest that planned increases of total public expenditure for the first one or two years should be kept to around 6 per cent; that this need not include public expenditure on the unused resources that will be available from the development areas; and that contingency plans should be made for further quick changes of public expenditure, up or down, if it is found that the economy permits or requires them.

We believe that faster growth of the economy in directions desired by the people as a whole, with greater social

justice and a higher quality of life is attainable if we realise what resources are available and use them well.

In the context of such an economic policy a voluntary incomes policy has its part to play. We support the seven points about such a policy made recently by Mr. Wilson (*Sunday Times*, 6 August 1972), namely unemployment has no part to play; a statutory freeze is not the answer; the policy must be fair including action on prices, rents, school meals and fares with no provocative pay increases for top people; threshold agreements can be useful; the lower paid should get at least the same cash increase as the better paid; an independent body is needed; and public sector employees must not be treated worse than anyone else by the Government.

Finally, we stress again, as Mr. Wilson did, that this can only be a part of economic policy, and that the process of "economic management" should be brought into the light of day, for a start in discussions between the government, the TUC and the CBI about the distribution of resources between different public and private purposes.

Industrial relations, income and wealth distribution, taxes, regional policy and other aspects of economic policy are discussed in later sections of this pamphlet.

3. industrial relations

industrial relations task force report

On a number of aspects we have reached conclusions which are summarised below. On others we believe we have identified the main problems which still require to be resolved and in later discussions on these points we shall have regard to the current discussions between the Party and TUC, since an agreement between the Party and the TUC is, in our view, a prerequisite for a successful industrial relations policy by the next Labour government. In this respect we welcome the TUC/Labour Party liaison committee's recent joint statement on Industrial relations and the expressed intention that the work of this body should continue. We very much hope that such a committee will become a permanency and, in particular, would continue to operate actively during the period of office of future Labour governments.

our main approach

We are convinced that a completely new approach from that of the present government is needed. Every judgment of the NIRC confirms the views of the Labour movement about the destructive effect of the Tory Industrial Relations Act on healthy industrial relations, and we are united in our determination to see it repealed. A simple repeal is not, however, enough. Something must be put in its place. This is not only because a simple repeal puts us back to the bad old days before the 1871 Trade Unions Act, when any industrial dispute could bring the trade union concerned before a Court of Law. It is because the inequalities of power, status, experience, opportunity and rewards in industry are so deep seated and intractable that they will need a combined onslaught by both a strong trade union movement and a strong Labour government to remove them. What we need is a new perspective. We stand for developing effective conciliation and arbitration machinery, extending the coverage of collective bargaining both to those industries which are covered by wages councils (some of which are only a pale shadow of collective bargaining) and to those still more unfortunate industries which have no collective bargaining at all. We also

want the reform of procedure agreements which have become obsolete or irrelevant with the passage of time.

But we do not consider that these should be the only planks of a Labour industrial relations programme. They will be ineffective unless we succeed in the major aim of devising practical policies which will assist the worker to increase not only his rewards, but also his status, satisfaction, security, safety and opportunity at work.

the working environment

Decisions in both private and public industry are taken by a few, but they can ruin the lives of tens of thousands. The effect of this is intensified by the growth in multi-national companies, a point to which we return later. Although the effects of decisions to close down entire enterprises are the most dramatic, decisions about marketing, investment and deployment of resources, may, in the long term, have even more serious effects.

Along with the disparity between the power of the enterprise and the powerlessness of the individual worker, exists disparity between different classes of employees: managerial, supervisory and operative, white collar and blue collar. Some differentials in pay are inevitable especially where they are related to skill and responsibility, but there are other differentials in security of employment, hours of work, holidays, sick pay and pensions which cry aloud for treatment. So do the damp, dirty and dangerous conditions in which all too many manual workers have to operate. In many cases the basic pay of manual workers represents only a modest proportion of total earnings; the elements of shift work and overtime and bonus can be withdrawn at short notice and, in any case, are generally ignored in calculation of annual holidays and redundancy payments.

In the problems listed above what needs doing is clear and much can be achieved by making the best known current practices available to all. Our concern, how-

ever, is not just about decent conditions and minimum rights; there is the glaring contrast between society's treatment of people before and after they enter working life. On the one hand we rightly spend a growing proportion of our resources on educating our people. On the other, when these people leave school and go into industry, they are all too often expected to be mechanics without minds of their own, in jobs which give no scope for the development and use of skill, for the continuing growth and development of the individual and for the exercise of control over his or her environment. In the way that work is now organised, control is often remote, not only in major matters of policy, but in the setting of targets, decisions about quality and working methods, sometimes down to the minutest regulation of physical movements. In thousands of jobs there is nothing further to be learned after the first few days. Many managers nowadays have the benefit of training and development well into their 50s. For other kinds of workers it is assumed that people reach a peak in their 20s, stay level for a time and the only possible change in direction is downwards. This largely derives from the kind of work they are required to do and becomes a self-fulfilling prophecy.

It is these disparities which poison industrial relations. We should not be surprised at dissatisfaction with the industrial system taking the form of absenteeism and high turnover and, in many cases, unofficial action of various kinds. Why should workers who are expected to be cogs in a machine show any great commitment to managerial objectives and why should their children be prepared to enter such a system?

We take great care and spend large resources on design, products and processes. The design of tasks and work roles goes by the board because people are supposed to be flexible and adapt to a wide range of situations and indeed they are flexible, and they do adapt, but at a cost. Every adjustment that a worker makes to a restrictive work situation has a price tag, either for him as an individual or for the society around him, or for his children

who look at their parents and decide to opt out.

strategy for change

As individuals, workers are powerless against their employers but collectively as members of a trade union their position is strengthened. Radical change requires strong trade unions on the shop—and office—floor in the districts and regions and nationally. Equally, it requires a strong Labour Government willing and able to co-operate with unions in some cases, and move ahead of them in others.

About 10 million workers in this country are trade unionists and the degree of organisation is much higher within the public sector than in private industry. But the TUC unions to which they belong set the pay and basic working conditions for five-sixths of the total number of employees, either directly through voluntary collective agreements or indirectly through their membership of Wages Councils. There remain 4 million employees, mainly in clerical and commercial jobs in private industry who are covered by pay structures imposed by their employers who, up to the present, have refused to recognise or to negotiate with trade unions. The most extreme example (but not a rare one) is for the employer who gives full rights to unions catering for his manual workers (even to the extent of a closed shop) but who resists in every possible way according recognition to unions speaking on behalf of his non-manual workers. Increasingly these people look to trade unions but often, fearing to appear too militant, join an employer influenced "house union," taking advantage of the Industrial Relations Act to oust bona fide unions.

Another important factor determining the overall degree of trade union recognition in an industry is the size of the undertakings. Where only a handful of workers are employed effective organisation becomes very much more difficult and this not only applies to the distributive trades, hotels, and catering, and clothing and other wages councils industries but is

also true, for example, of parts of the engineering industry. While, understandably, unions oppose the existing punitive legislation it must be recognised that the problems referred to above may only be resolved by way of legal support for trade unions and legal protection for their members.

This can only mean the unqualified legal right to belong to a union, and the legal right to negotiate where the union is representative or where this is refused, the right to arbitration. We also need legal provisions against unfair dismissal, with special penalties for dismissal for union activity. But this does not in itself solve the problem of organising the unorganised low pay industries. This will take far more time and money than is now available to the trade union movement, and the task force will be considering how to resolve this problem.

extending collective bargaining

Collective bargaining not only directs inevitable conflict into constructive channels but it also provides a means through which workers can influence managerial decision making. Unions increasingly realise that holidays and pensions are as important as pay and conditions affecting earnings; it is equally important for them to become involved in discussions on the arrangement of work, manpower planning and other aspects of decision making which were formerly the prerogative of management.

Although a legal basis for reform is required, collective bargaining also needs the support of an agency. The question is whether it should be essentially governmental, in other words the Commission for Industrial Relations before the Industrial Relations Act destroyed its standing with the unions, or completely independent. Clearly a government connected agency can have access to information and expertise which can be of enormous value, but the price for that information is government direction. Many of the most original and constructive ideas for reform of industrial relations in the past

have originated from non-governmental sources. Some value highly the right of an agency to initiate reform and not simply to await government instructions. On the whole we think the agency should be independently administered.

incomes policy and industrial relations

Although our remit was to report on industrial relations rather than incomes policy; it would be unrealistic to ignore the effect of incomes policy on industrial relations. We reject any concept of incomes policy which takes the form of persuading union leaders to persuade their members to accept a lower standard of living in order to assist the Government in correcting the balance of payments. Many of the present difficulties in industrial relations arise from an understandable backlash against such a policy, which, however well intentioned, sacrificed long term interests to short term expediency. We are on balance in favour of an incomes policy provided it is as effective in the sphere of rent, interest and profit, as it is in wages and salaries, but recognise two major difficulties for which solutions must be found. The first is an inherent conflict between an incomes policy and conciliation and independent arbitration. The second is the danger that unions which ignore any collective decision on incomes policy may benefit their members more than those which honour them. We have endorsed the concept of an independent service for conciliation and arbitration. We do not dispute that individual conciliation officers in the Department of Employment have done their best, but their brief is bound to be to comply with the incomes and industrial relations policy of the Government of the day and many years of this have destroyed their independent role. The only successful experiment in recent times was the year following June 1969 in which the TUC played a major part in resolving and avoiding disputes. A service paid for by the State, but directed by a body including the TUC, the CBI, the nationalised industries and independents, could make a major contribution to the reduction in both the number and the length of disputes.

Much the same applies to arbitration. Although it is true that in certain circumstances employers, or unions, or both, may oppose arbitration, in our experience what unions normally oppose is arbitration which they believe has been brainwashed in the direction of government policy. We believe that only arbitration which is seen to be independent under the auspices of the conciliation service we have described can restore the credibility and acceptability of arbitration.

Multi-national companies pose a special problem. Recently multi-national companies have been faced with more real international trade union action than previously, but governments either within a common group as EEC may become, through the ILO or through ad hoc arrangements, have to take the responsibility of ensuring that multi-national companies do not frustrate constructive industrial relations policy by being able to play off one government against another. Perhaps the government, through the TUC, might make an approach to the ICFTU or to the individual trade union secretariats to help solve these problems.

participation and control

Like incomes policy, this issue cannot be ignored in any discussion of industrial relations policy but it is a subject in its own right. The control that people can exercise over their work situation comes through representative institutions, through consultation and power sharing at local level and through the way they actually spend their time. Some of us believe the experiment of worker directors should be extended, others are less sure. (The Common Ownership task force, in a later section, support the idea but want to see more participation at the level of the individual shop). We all want such experiments to continue, although we differ in the optimism with which we regard them. We agree however, that what is required is experiment in different methods of workers participation as *Labour's Programme for Britain* recommends, including the re-design of actual work situations. As far as the re-design of work is concerned, the biggest gap in this

field now is not in research but in experimentation and we propose a protected experiment scheme under which approved experiments will receive government support, for training, start-up allowances, equipment grants, tax allowances, and so on, and some fallback insurance in case of failure. We also want training in these areas made available for negotiators.

the legal framework we need

We reject absolutely the argument that the trade union movement should be "out-laws" and we believe it to be contrary to the main stream of trade union thinking for over 100 years. Equally we reject the view accepted by the present Tory government that the courts should be the main agency for the reform of industrial relations. The next Labour government will have to repeal the Industrial Relations Act and replace it by one setting up an agency for the reform of industrial relations, and independent conciliation and arbitration service, and powers to deal with companies directed from outside the country which seem to evade the new policy on industrial relations. It will guarantee the right to belong to a union, provide for action against unfair dismissal, and provide a legal basis for recognition and compulsory arbitration where the company fails to negotiate. The wages councils require to be replaced by voluntary bodies underpinned by a return of section 8 of the 1959 Terms and Conditions of Employment Act and the Fair Wages Resolution requires drastic re-drafting. The provision of information for trade union negotiators should be mandatory as should joining safety committees in establishments over a certain size, while the Factory Inspectorate should be substantially increased in size. The Offices, Shops and Railway Premises Act and the Fire Prevention Act require review. Redundancy payments should be based on earnings rather than basic rates. Company law must be changed to make some form of worker participation in management possible, and the Government must have the legal power to provide financial support for experiments in the field of job satisfaction.

4. redistribution of wealth

redistribution of wealth task force report

Industrial relations will be immeasurably easier, and any incomes policy will be more securely based on mutual acceptance, if a Labour government can be seen to be making a radical and effective attack on the present inequitable distribution of wealth. *Labour's Programme for Britain* contains proposals on taxation which, though only briefly outlined, seem at last to represent a genuine attempt at real redistribution. The two main elements in the development of inequitable property distribution are recognised—inheritance and the tendency of already large fortunes to grow disproportionately because their owners cannot spend them on consumption and because of the exceptional financial opportunities which they provide. As *Labour's Programme for Britain* says, estate duty is not effective in preventing the transfer of inherited wealth and a gifts transfer tax is required as an alternative. It is not stated whether estate duty would be abolished but there does not seem to be any point in retaining it as well as a gifts transfer tax unless it would provide a useful administrative check. The wealth tax involves considerable valuation problems, but it should be administratively practicable if it is only applied to large estates, of which there are relatively few. It is not stated how it would be related to the existing capital gains tax, but it would seem fair to avoid double taxation by levying it on net wealth—that is, after capital gains tax has been paid. An alternative would be to have a lower exemption limit for a wealth tax and to abolish the capital gains tax. This might well be preferable on administrative grounds as the capital gains tax imposes a heavy administrative burden. A wealth tax would have the important incidental advantage that it would provide much information at present lacking about the distribution of ownership of various kinds of property.

The section in *Labour's Programme for Britain* on capital accumulation seems to require a lot more thinking out. Ploughed-back profits are indeed a major source of industrial investment and they result in capital gains arising from the prospects of greater profits in the future as result of the increased investment. Given the present distribution of wealth—including

industrial and financial shares—this tends to maintain the concentration of wealth in relatively few hands (though there is sacrifice of immediate income by shareholders since profits are only partially distributed).

The proposal is made that the state should acquire equity holdings in companies in exchange for government bonds. There seems some doubt as to whether this would contribute much to lessening inequality in the distribution of wealth because the bonds would have to carry a much higher rate of interest to allow for the lack of growth prospects (at present rates about 8-9 per cent instead of about 4-5 per cent or less on equity shares). The difference in return would either have to be made up from taxation or, when there was a sufficiently large share portfolio which had begun to reap the benefits of capital gains, its whole proceeds would go on paying bond interest (though in the very long run capital growth might outweigh interest charges). Meanwhile the ownership of bonds would be just as concentrated in a few hands as that of the shares it replaced.

What seems to be missing in this section is the realisation that the fundamental point is the transfer of the ownership of capital from private to public hands, rather than the replacement of one type of privately-owned security for another. This means that the acquisition of shares has got to be financed by taxation which bears more heavily on the rich. The obvious solution is to use the proceeds of the new taxes on capital, designed to bring about redistribution of wealth, on public capital expenditure—including the purchase of equity shares in private companies (which will then become either nationalised or mixed companies) either directly or through the state holding company—rather than on current budgetary expenditure, the effect of which could be to reduce the funds available for investment, already low in this country by comparison with other advanced countries. Of the other two proposals made, the investment of national superannuation fund reserves in equities (while it could be advantageous on other grounds) will

not in itself necessarily contribute to the reduction of inequality of ownership. The proposal for a national workers' capital fund, to be created by companies being required to transfer to the fund in the form of equity shares a percentage of their wage-bill each year, would probably mean that the cost of this contribution would be divided between profits (both distributed and retained) and wages, in proportions which would vary according to the circumstances of each company. There would be a wider distribution of equity share ownership in the companies concerned, but the long-term effects of paying for it could be such as to leave the distribution of wealth practically unchanged, as other forms of investment—such as financial or property enterprises to which the scheme could not be applied—would be preferred by investors. It does not appear that the scheme could be universally applied, as it could not be used in small companies, public utilities, or many non-industrial occupations, and its usefulness as a means of securing greater equality in wealth distribution seems very doubtful.

5. common ownership

common ownership task force report

Public ownership has in recent years been discussed mainly in terms of economic efficiency and industrial policy, and relatively little attention has been paid to the wider issues of its effect on the general structure and values of society. Yet the belief in public ownership as an instrument of fundamental social change is a basic factor colouring political attitudes to some extent or other throughout the Labour movement. It is time, therefore, for a realistic and up to date appraisal of the past performance and future possibilities of public, and also co-operative, ownership in this wider context.

the distribution of income and wealth

One of the objectives of common ownership has always been to achieve a more equal distribution of income and wealth. But although the case for nationalisation originally arose as much as anything out of revulsion at the gross inequalities endemic in the private ownership of industry, nationalisation appears to have had little or no effect on the distribution of income or wealth over the last 25 years. As far as the distribution of wealth is concerned, the immediate effect of nationalisation was mainly to compel owners of shares in financially precarious basic industries to exchange them for fixed interest government stock. In so far as inflation has substantially eroded the real value of the stock issued in compensation, nationalisation might be said to have had some levelling effect on the ownership of capital. On the other hand, in many cases the difficulties experienced by the industries concerned in making a profit after nationalisation suggests that the shareholders were lucky to have been relieved of their shares when they were. On balance the effects on the ownership of capital of the Fabian policy of nationalisation with compensation can probably be regarded as negligible.

The effects on the distribution of income are more difficult to determine. At first sight, here too nationalisation seems to have made little impact. All shades of opinion seem to consider that wages and salaries in nationalised industries should

be determined by reference to the norm of the private sector on grounds both of equity and expediency. As far as wages are concerned, there is little evidence of greater equality in income distribution within nationalised as compared with private industries; although there is a somewhat lower proportion of people at the lowest wage levels in the nationalised industries. Again salary levels are believed to be broadly comparable. But generally speaking nationalisation, and the associated high degree of unionisation, has produced more rational and equitable wage and salary structures. To the man in the street, the Chairman of a nationalised industry with his £20,000 or £25,000 a year may seem to fall into the same category as his counterpart in private industry getting twice his salary. But while top managers in the nationalised industries may wield more power than their private industrial counterparts, the fact is that they are in a radically different economic class from the owner of even a relatively small firm.

Public ownership may not of itself lead to greater equality, but it can be argued that a substantial public sector is an essential pre-condition for a movement towards equality. It is true that we have not for a long time heard any complaint that the Labour Party's tax policy is so harsh as to dry up the springs of private enterprise, but the traditional social democratic dilemma—that the need to make the existing system work limits the scope for egalitarian measures—was not a live issue from 1964 to 1970, only because the government operated mainly within the limits of consensus politics. This was in marked contrast to the 1945-51 Labour government and the Cripps' Special Levy.

economic policy and planning

In the field of economic policy and planning, on the other hand, nationalisation has clearly achieved its major objectives in that it has given the Government effective power over these industries' investment, pricing and wage policies. Not only has nationalisation brought effective planning to formerly fragmented indus-

tries, but it has enabled the Government to dominate the development strategies of the industries concerned. Although the Government's powers over the nationalised industries' investment programmes are in a formal sense largely negative, the tendency for the industries themselves to put forward ambitious plans gives the Government effective scope to control their development. The Government also has the whip hand as far as price increases are concerned, and is a dominant influence behind the scenes in the Boards' conduct of wage negotiations. In all these respects the basic objective of public ownership of making the industries responsible to the public through government control has been achieved: the policies which particular governments follow is another story. In recent years, and particularly since the 1961 White Paper which set financial objectives for public corporations, it has often been pointed out that there are many similarities between public corporations and large private companies. Indeed the affinities between large public and private corporations, save in their relationship to the Government, are in many ways much greater than between large and small firms in the private sector. Supporters of public enterprise have gone out of their way to refute claims that nationalisation brings inefficiency as judged by normal commercial standards, whilst others have pointed to the similarities to support the thesis that ownership of industry is essentially an irrelevance. Indeed since all businesses are expected to derive their income primarily from the sale of their output, their decisions are bound to be influenced by the willingness of customers to pay.

Nevertheless, there are at least three important directions in which common ownership should in future play a more decisive and radical role.

relations at work

The first is in the relations between people at work. We would expect that the position of employees would receive particular recognition in the management of pub-

lic enterprises. Yet the only real change in the basic owner-enterprise-employee relationship is that the state may act as a more vigilant or conscientious owner than most bodies of shareholders. The nationalised industries have been good employers in the conventional sense. But workers still seem to feel much the same about working for a publicly-owned concern as for private enterprise.

The achievement of the basic aims of common ownership clearly requires a more fundamental change in the relationships of capital and labour than that embodied in the nationalised statutes. What nationalised industries ought to aim for is the kind of united enterprise socialists have always hoped to see from them. They have the enormous advantage for this of starting from a position of a high level of trade union organisation; for workers will view with suspicion any attempt at democratising the industries which is not firmly rooted in representative trade union structure.

Trade union representatives on the boards can have a valuable effect on the general approach and attitudes in making strategic decisions on investment, closure, redundancies and so on which impinge directly on the workers in the industry. But even if such directors are elected from, and representative of, the Trade Unions we should not hope for too much from the gains to be expected from such participation if it is confined to national level. Many of the most immediate concerns of the worker on the shop floor are matters for decision at divisional works, or shop level. Thus in addition to trade union representation at board level, there is a need for genuine joint determination at lower levels. At the works itself, the basic mechanism would operate through works councils of equal numbers of workers' representatives and management, with specified powers. And if the two sides could not agree there should be provision for the resolution of their differences by independent arbitration. Their agendas should be wide, embracing such matters as safety and health, manning standards, productivity targets and job flexibility. These are the kind of things which interest

the workers, and "management prerogative" here should be as dead as it is in the determination of wages and conditions.

A vigorous attack is needed in the publicly owned industries on the other features of the great class divide in industry, between manual and staff employees. The glaring contrast in hours worked, sick leave, pension conditions and so on for these two categories of workers is a major scandal. Some nationalised industries, particularly electricity supply, have made progress towards bridging the gulf, but a government commitment to equal conditions for all may be needed to break down the barriers once and for all. A growing diversity in the nationalised industries would help greatly in achieving all this. The huge corporations, for all their advantages, tend to be remote and bureaucratic in the eyes of the individual worker. New regionally based publicly owned companies, perhaps under the auspices of a state holding company, could capitalise more easily on traditional local loyalties, and set an example in destroying the damaging image of the great monoliths.

It is possible to envisage a number of regionally based, trade union-orientated public enterprises of an unorthodox kind growing out of critical situations like that of Upper Clyde Shipbuilders and canalising the strong radical pressures in these situations into creative channels.

other aspects

The second direction in which public and co-operative enterprise could make a major impact is in attacking commercialism. The fundamental weakness of the commercial approach is that it is striving to create new wants in a society, and even more in a world, where more basic needs remain unsatisfied. Advertising, whether it be on commercial TV or in the colour supplement, is aimed at creating dissatisfaction rather than satisfaction; but the "needs" to which it directs the greatest attention are trivial in relation to the great unadvertised social

needs of health, education and housing. The values of society are bound to be influenced, and may to a large extent be determined, by the commercial pressures generated by the search for profits of hundreds of large and thousands of medium size firms. People have to be persuaded that happiness lies in the latest gadget, beauty in the latest face cream, virility in the latest bottled beer and domestic bliss in the latest packaged soup. The possession of more and trendier consumer goods is continually held up as being the hall mark of success.

Mindful of the reaction to Labour's early post-war identification with utility, rationing and controls, the Party has been chary of any public ownership in the consumer goods sector. Yet it is just in this field that public ownership could operate on distinctive and more socially responsible (and hence, of course, more controversial) principles, rather than as a carbon copy of the large private corporation. Certainly the Labour movement should consider carefully the possible role of public or co-operative enterprises whose aim is to give the consumer a square deal. From children's shoes to motor car exhausts there is vast scope for a better value product. The concept should be of new and possibly quite small enterprises along-side existing ones—not vast public monopolies. But they would not share the same commercial ethos; they would be part of a consumer policy which linked public and independent appraisal of goods, with the public production of "best buys."

Although the severity of the threat to the environment is subject to fierce and legitimate controversy, it is clear that growing attention needs to be paid to the wider environmental effects of industrial activity. Where such considerations are a major factor, such as for example in the use of atomic power, it is essential that the responsibility for them should be part of the basic objectives of the enterprise and not a constraint imposed by some external regulating body to be heeded to the minimum in the pursuit of the maximisation of profits.

There are, of course, other forms of com-

mon ownership apart from ownership by the state. Co-operative societies have been pioneers in consumer protection and industrial democracy; and municipal enterprise or municipal involvement in industrial enterprise as in Yugoslavia, might encourage a responsible attitude towards the environment. The Labour Party is committed to the creation of a co-operative development agency to promote all kinds of co-operatives and there is a need to think more widely and imaginatively of the scope for co-operative enterprise. The long standing experience of agricultural co-operatives and co-operative productive societies in other countries merits more attention.

We cannot look solely to common ownership to tackle these problems, while large areas of industry remain in private ownership. If public corporations today are rather like public companies *both* need to be transformed. Changes are needed also in the relation between the worker and the large public company; there is no reason why here too he should not participate in various ways in earnings and in control. Again the company should show greater responsibility to both the customer and the community as a whole, particularly in conserving resources and protecting the environment.

Public and private enterprise work in one society, and there are limits to the extent that the managerial ethos in each is likely to differ. The movement to greater responsibility to their worker and the public must, so far as possible, run in parallel in both the public and private sector, despite the inherent limits in the latter case. The large firm, in itself a public institution, should be the immediate target for reform.

an instrument of change

The creation of further public industries similar in most respects to their private counterparts is unlikely to bring out any great change in the nature of society. It is more important at this juncture for socialists to consider the ways in which existing and new public and co-operative enterprises can be an instrument of funda-

mental social and industrial change, than to argue about whether or not another five, ten or two hundred major companies should be brought into public ownership. The need now is for common ownership to challenge the commercial ethos rather than accept class barriers within industry; take the lead in a more responsible approach to the environment; and become an instrument for experiment and change in building a more civilised society. But the public and co-operative sectors cannot be an island of radicalism in an otherwise conservative industrial society. Parallel reforms are also needed to ensure that the large public company is not just a public institution; but a publicly responsible one.

Some of us would urge that the Labour Party should adopt a radical programme of enterprise reform. It should support by legislative action the efforts of the Trade Union movement to extend the scope of collective bargaining, and to demonstrate that management must govern with consent. The key points in such a programme might be:

1. Supervisory boards to be appointed for all enterprises of above a certain size, to contain employee representatives and whose duties should include the appointment of executive directors. This would apply to public corporations as well as to limited companies.
2. Establishment of a form of company in which the supervisory board would consist solely of employee representatives.
3. Establishment of a guarantee corporation to facilitate investment in employee-controlled enterprises. This corporation would assume management authority only if an enterprise were in deficit.
4. Means whereby employees could legally assume control of their companies, shareholders being issued with guaranteed stock in compensation.
5. Establishment of an agency to provide a broad social audit for all types of enterprise, incorporating bodies such as the Monopolies Commission.

6. employment and the regions

regional and employment task force report

A regional problem has been present in the United Kingdom for at least half a century. While there has been some improvement since the war, regional differentials in unemployment and in earnings persist despite the efforts of successive governments. A basic problem is that long term policies of area development become almost inextricably confused with pressing short term objectives of reducing unemployment nationally. For work is a basic human need: not only as a means of livelihood but because it gives social status and social function. The society that denies work to its sons and daughters is a sick society. Unemployment is a waste, but career destruction in middle age, without an alternative, is a tragedy. We therefore endorse the declared objective of the Labour Party in its draft programme—"the complete abolition of long-term unemployment"—as a necessary part of social justice.

objectives

Our first responsibility as socialists is to *people*. We believe that the objectives of regional policy should therefore be these:

1. To give everyone wherever they live in Britain the expectation of a decent and rewarding living over their lifetime. One cannot abolish unemployment. Technical change will mean that many will have to change jobs and learn new skills during their lifetime. Some can do this unaided, but many require help and guidance. Under present arrangements, only a very small proportion of the unemployed are being retrained. This is wrong. But we do not believe that retraining is the complete answer. Society is under an obligation to see that workers are not thrown on the dustheap through no fault of their own. We must do whatever is necessary to prevent this. While this is a problem throughout the country, it is a regional one also because of the concentration of so much unemployment in the depressed regions.
2. To use, whether feasible, the human and other resources of the depressed regions to construct there a healthy and

efficient regional economy, which will thereafter continue to prosper under its own momentum. Wherever possible, one should bring jobs to people, rather than the other way round. This is partly because one wishes to discourage movement to the congested areas, partly also because there would seem to be large social and psychological costs in the withering and breakup of existing communities, even many of those which seem to have dreary and rundown environments. Neither do we believe that Britain is large enough for transport costs necessarily to have much rational effect in encouraging location in the Midlands and South East. In a very few areas which are particularly remote and whose economies are based on natural resources which have been exhausted or locational advantages which are no longer relevant, it may be necessary to help people to move elsewhere if they are to continue to be employed, but it should be as far as possible to other parts of the same region, rather than to congested areas. Such a decision was taken by Durham County for many of its remoter mining villages. It should be a last resort and one would hope that it could normally be avoided.

3. To reduce the concentration of industrial activities in the South East and Midlands. We do not believe that employment should be pushed out of these regions if there is a clear economic advantage in their staying, but we do believe that their costs should reflect fully the social costs of their remaining. Important amongst these are costs of congestion, traffic and environmental. While there are parts of the Midlands, and the South East and regions which are uncongested traffic-wise, we believe that every account should be taken of recreational needs over the next half century which would suggest that one would, as far as possible, wish to discourage population and employment growth even in the present uncongested areas of those regions. We believe that the Trade Unions should be encouraged to negotiate wage rates net of differences in housing and transport costs in the congested areas and elsewhere. If simply because they live and work in congested areas, their transport and housing costs

are higher without any difference in quality, they will be worse off than those earning as much elsewhere unless there is a congested area cost of living differential that fully covers these additional costs. It is our impression that even though there is a "London" or similar differential this has not recently been increasing fast enough to reflect the fact that both housing and transport costs have been rising more rapidly than elsewhere. We also believe that it is the best way in which we can ensure that any increase in taxes also applied differentially in the congested areas should not be passed on to labour. Entry into the Common Market and the building of the Channel Tunnel are likely to reinforce this concentration in the South East and to reinforce the need for a more fundamental and rational approach to see that there are the right incentives to prevent over-concentration in the South East and the Midlands.

4. We believe it important for rational policy making to keep distinct the regional problem of unbalance and various hardship problems which often appear to be regional because there is a tendency for them to be concentrated in the development areas. There are low paid workers, prematurely retired people and others in hardship in all regions. We believe that the nation has a duty to do what it can to give all people a high chance of a satisfactory career, wherever they live.

These are our objectives. We discuss policies below.

DEVELOPMENT AREA POLICIES

The greatest single benefit that the Government can confer on the less developed regions is to achieve and maintain national economic prosperity. However, macro-economic measures cannot solve the regional problems, as experience shows. There will remain structural differences between the regions which ought to be corrected. Moreover, in recent history, in Britain and abroad, attempts to maintain a very high general level of employment have been associated with high rates of inflation. While it ought to be possible to

achieve economic policies which would lead to a high rate of economic growth with less inflation, or at least make inflation tolerable, one would have to plan for the contingency that this may prove very difficult. As a fall back position at least we have to contemplate the possibility that a greater burden may have to be thrown on regional policy in combating hardship than would be ideal.

inter-regional balance of payments

One of the fundamental causes of regional unemployment is that less developed regions, unlike countries, cannot devalue when their exchange rates are "wrong". If Scotland, Wales or the North of England had been separate countries, one can be sure they would have devalued relative to the rest of the United Kingdom in order to reduce their imports and increase their exports and their employment. Because the South East and the Midlands dominate the national economy, foreign exchange rates for the rest of the world are dominated by the consideration of what is best for them, not for people in the less developed regions. While it would be absurd to go as far as setting up our regions as separate nations with their own currencies, we do believe that there should be an economic unit in the Department of Trade and Industry which should have a full time occupation to monitor the balance of trade between the regions and other evidence of regional imbalance. We believe that they should calculate what measures would be equivalent to a devaluation or revaluation of exchange rate between regions so as to help achieve full employment in the less developed regions.

regional employment premium

We believe that the prime instrument to be used to help correct "wrong" exchange rates between regions should be the REP (Regional Employment Premium). While other measures may be more appropriate to helping less developed regions in other EEC countries, because they are agricultural, we believe that no measure would be more logical or effective than REP in

Britain. We do not believe that REP was established long enough by the Labour Government for its worth to be fully tested. Moreover, its beneficial effects were reduced by the economy moving into the recession in which it now lies. We also believe it was a mistake to confine REP to manufacturing industry and moreover to neutralise its effects by SET in the less developed regions. There is a secular decline in manufacturing employment. In recent years the most important cause of structural imbalance in employment between the developed and the less developed regions has been the growth of service employment in the more developed regions, much of which is basic, much of which is export-directed. We believe that all jobs in the less developed regions should be eligible for REP. We would also argue that it should not continue to be an *ad hominem* subsidy but calculated as a percentage of a firm's payroll. This would provide an incentive to employers of higher valued labour, such as head offices, and research and development establishments, to move to less developed regions. One of the most difficult issues is to decide the sensitivity of REP to economic change. One line of thinking suggests that one should frequently alter the level of REP in a region to reflect changes in its economic relations with other regions and with foreign countries—perhaps on an analogy with flexible exchange rates between nations. On the other hand, it appears clear that if employers are to be attracted to the less developed regions, they require certainty that any subsidies will persist for a long time. Rightly, in our opinion, this prompted the Labour Government to fix REP rates for seven years guaranteeing that they would not be reduced during this period. We believe that the arguments for certainty are stronger than those for flexibility. We would recommend that there should be a rolling commitment to a stated level of REP for a region: that every year it should be said whether or not it was intended to maintain the REP level for seven years in the future. Thus any downward change would be given at least seven years' notice. Given the length of time before it is likely that we can be sure that a given region has moved from the less developed to the

prosperous category, we do not believe this a great disadvantage. However, we would argue that central government should be able to increase REP levels in a region without notice if this should seem desirable. This would provide no disincentive to employers.

regional capital incentives

The great advantage of REP is that it bears directly on the key factor. If labour is generally unemployed then it is labour that receives the subsidy. We discussed at some length how far this should be supplemented by continuing differential regional capital incentives. Some of us felt that it would be wiser to switch resources from differential investment allowances to generally higher levels of REP. The balance of opinion was that it would be wise to continue with differential capital allowances at least for the time being. This is because it was felt industry would require this incentive, particularly as so much new industry is capital intensive and because such a high proportion of employment increases in development areas have been in so-called "footloose" industries diverted from the congested areas. While we did not discuss the possibility of replacing REP and Regional Capital Allowances by regional differences in VAT, several members thought that this had merit and should be considered. We accept the classification of areas into four groups given in the *Labour's Programme for Britain* for the purposes of calculating the rate at which REP is to be levied: Development Areas, Intermediate Areas, Neutral Areas and Congested Areas. (We discuss in the next section how far a negative REP or payroll tax makes sense in the congested areas. The level of REP in the neutral areas would be zero as would be differential capital allowances.) Later in this section we suggest a different principle for deciding what category an area should fall into.

We feel strongly that REP and regional capital allowances should be the main resource flows used to correct economic imbalance between the regions. Generally we believe that to have too many policies

and too many sources of flows of money between the regions to be both wasteful and confusing. A multiplicity of devices confuses decision makers in firms and elsewhere who have to make locational decisions. There is considerable evidence that the majority of firms in this country will not take into account very subtle fiscal incentives. This is a theme to which we return. Even so we believe there will probably be a need for some sort of discretionary finance for use in exceptional circumstances. We believe that the Tory Government's Industry Act lays too much emphasis in handing out very large sums of money beyond the control of Parliament and with criteria that are totally unclear and apparently unpredictable. It is difficult to see how such an approach can help industry make rational decisions and we believe also that it will tend to encourage lobbying in Whitehall. Those that have the best access are most likely to get the largest share of what is going. Despite this objection, we do believe a very much smaller fund should be available for the emergency case, such as UCS, or any other instance of intense short run hardship which must be relieved.

a regional development bank

We do not believe that shortage of funds or imperfections in the capital market are important reasons why industry does not flourish in the development areas. In some cases it may be easier to get money in the South East than in Scotland, for example, but we do not think that this itself will justify setting up a regional development bank. Neither do we believe any special arrangement is needed to promote mergers or other "rationalisation" in development areas. For these reasons we have rejected any idea of setting up a regional development bank or "merchant bank" on IRC principles. However, we do believe that there is a role for a different kind of bank, much more modelled on the activities of the World Bank. We see three major differences between this kind of bank and a merchant bank.

1. It will be much more active in searching

out and developing investment opportunities through a network of local offices

2. It will be much more concerned, in every individual case, that an investment to which it is being asked to contribute capital will yield the return expected by the proposer. It would not only look at its own investment but at the profitability of the investment from the point of view of the proposer. To this end, it would engage in and finance pre-investment studies which will go into as much detail as is relevant in order to try and design a good investment project.

3. Where necessary, it will do its best to find entrepreneurship and other technical resources not immediately available to the proposer, but which will help make the best of the outlay.

In short, it will take a far more active interest in ensuring that the investment is a success. It will lend to private firms, state enterprise, or to local government in the less developed and developed regions. In some cases it will make a loan to a number of producers whose co-operation is essential for the fruition of a project. It seems to us quite wrong, however, that such a development bank should be also a mechanism for subsidising investment in the regions. If it is not expected to be profitable on average in its investment policy and cover its capital charges, its objective of stimulating enterprise will be damped. Moreover, if it did subsidise certain kinds of investment, this would discourage private capital for investment in the developed regions, so that this might actually begin the risk of capital starvation there unless the development bank were prepared to finance everyone to a virtually unlimited extent.

state holding company

We believe that there may be scope for enterprise on the Italian IRI model, principally in order to increase the amount of entrepreneurship available in the region. Again we feel it is important that the objectives of any enterprise of this kind should be the same as any other state

enterprise, but that state enterprise should be subject to the same REP and differential regional capital incentives as private enterprise, and should take advantage of this to increase their employment in the less developed regions relative to the rest of the country.

regional machinery in Whitehall

We feel that the division of responsibility between DTI and DOE has major drawbacks and we would wish to consider several alternative arrangements. The first would be placing all regional responsibilities under DOE. This might seem more sensible than the reverse, if only because DOE has many more functions of very different kinds to perform by comparison with DTI. Moreover, it might bring together economic and environmental planning in a more useful way than at present. The second possibility might be that there should be a Minister who co-ordinated the activities of DTI, DOE and the Treasury in relation to regional economic policy. We were not able to come to a conclusion and feel there should be further study. Whatever the form of organisation, we feel that it is important that Whitehall should provide technical advice and expertise to the regions. It should also compile every year, a regional budget which would quantify all forms of aid, their objectives, and also appraise their success so far as it is possible. We believe this is essential because there is profound disagreement between those who believe that the fiscal system works to the advantage of certain areas in many ways and those who conversely believe that the South East stands to gain. We also believe that there are many forms of hidden regional help which we believe are probably far from cost effective and which should be struck out, quite apart from the waste and confusion involved in a multiplicity of regional policies. In general, we feel that regional policies should mainly operate through measures already listed, and that there should be as little reliance on merely administrative arrangements as possible. We recognise that IDCs and ODPS do appear to have been important in influencing locational decisions away from

London, though by their very nature they are the instruments most likely to divert away from the congested areas, industries which might have been more profitably carried on there, even if they met their full social costs. It is because no analysis of costs and benefits is done when an ODP or an IDC is, or is not, granted. We believe there should be much more research into this in particular cases and we hope if the measures outlined above do become effective, it may become possible to rely less and less on administrative arrangements like ODPS or IDCs. We are also anxious to consider trying to integrate regional and local government fiscal systems. We believe that the local government system should be drastically simplified and that grants from central government be primarily related to two factors only: the size of local population and some index of hardship which would reflect differences of unemployment, poverty, and age structure, principally. At present the concept of needs which is largely used to determine the size of grant to local authorities is too strongly related to arbitrary factors. There is some tendency for local authorities which have been spending at a high rate of their own volition to be able to continue to do so. It is far from clear that the present financial system redirects government finance towards those parts of the country in most need of public support because their populations are poorer on average.

One of the worst sources of confusion and inefficiency is the tangle of Whitehall departments, regional and other bodies all involved in regional policy. Not enough freedom or power is given to local government for it to take the initiative to win itself a better future. Regional policy in future ought to work much more through the new top-tier local authorities. To this end these measures should be undertaken:

1. The present structure of development areas, special areas, should be swept away as suggested earlier. Instead all top-tier local authorities should be divided into 4 groups: those with especially severe labour shortage; those with somewhat below average unemployment and hardship; those with above average unemployment

and hardship; and those with especially severe unemployment and hardship. REP and other regional incentives should be graduated so that the second group receives zero incentives; the third receives incentives at one rate and the fourth at a higher. The first group should, in principle, pay a payroll tax but there are two sets of arguments that may militate against this. The first comes from a desire to minimise the administrative complexities of regional policy; the second is spelled out below. Areas of persistent labour shortage are anyway likely to be congested areas and it is to the latter that explicit attention should be paid. A particular local authority may have a mixture of areas of more than one type within it. In deciding which group it shall belong to, this mixture should be considered. This might mean that if a local authority area were mostly prosperous and flourishing, but had one or two pockets of severe unemployment, it might not be judged to qualify for REP and other regional incentives, on the grounds that it ought to be able to plan its own destiny. On the other hand, a local authority with a preponderance of areas with considerable unemployment might rank for REP even though it had one or two pockets where industrial growth was flourishing.

2. Every local authority in the new local government structure should be given a duty and powers to raise the standard of living and reduce unemployment within its area by whatever means are within its power. This should be perhaps its most important objective, though it will not forget that part of the real income of its citizens is the environment within which they live. Local authorities should therefore strike a balance between raising local real incomes, helping special groups such as the persistently unemployed, and environmental concern in their planning. They should be required to produce an economic policy statement and a plan for their area (of which the present structure plan would be a part). In this they would chart past changes in jobs and opportunities in their area. Looking forward, they would relate the growth in demand for manpower of various types with that being produced locally through the school-

ing system. They would consider how far the structure of local industry is likely to provide job opportunities which will enable citizens to raise their income levels during their lifetimes. They would formulate a strategy for their economic future.

3. Local authorities would be grant aided to help them acquire the staff to give them the best possible advice on industrial and economic policy.

4. The present Local Government Finance system should be drastically simplified. Rates could be used to a much greater extent as a tax on rising land values and in such a way as to have a restraining effect on inflation in land prices, since one consequence of rising land prices would be that those who bought at high prices would find themselves paying rates at a level that reflected those high prices. The remaining regressive features of rates would be removed and at the same time more frequent revaluation would make rates a more buoyant source of revenue. The effect of this would be that local government revenue would generally be most buoyant in those parts of the country where land prices have been rising fastest. These are mostly in the richer and more congested regions. To balance this and make it possible to reduce rate poundage while aligning rateable values more closely with changes in land prices, another major source of local revenue will be introduced, probably the freedom to fix a local supplement to the income tax. There will also be a need to introduce sources of taxation to finance services that one local authority supplies to some citizens of other local authorities or foreigners: such as a tax on employment of non-residents or a tourist tax. Finding new sources of revenue will not solve the problems. These tend to help the rich authorities find more money. The local government finance system should be used in future to a much greater extent to redistribute resources from the richer to the poorer areas of the country. The needs component in rate support grant should be much diminished in importance and replaced by a simpler system by which a local authority will receive in grant sums related, first, to the size of its population and second, to various indicators of

hardship—levels of income per head, and unemployment principally. Local authorities should have more discretion to use their resources to their own best advantage.

Where local authorities believe that their income potential could be improved by better infrastructure, they can go to the Development Bank for funds if they are eligible. Examples of this might be building more public housing than their own population warrants to house key personnel who would accompany firms that might move into the area and increase employment opportunities or it might be building an industrial estate to attract footloose firms or indeed any other development which would improve the environment and in such a way as to improve the economic potential of the region. All roads built for development might in the same way be financed by special loans from the Development Bank. Just as with industry, it would be the duty of the staff of the Bank to help local authorities to make the best use of funds, if necessary by financing pre-investment studies to help decide the best strategy for any given area.

We believe that the measures listed above provide a more sensible framework and give the right incentives to the right bodies to promote regional development but they would not be complete unless the right policies operated in the congested areas also.

THE CONGESTED AREAS

What is the nature of the regional problem outside the less developed areas? There are arguments that even London is suffering from structural problems that need attention. We believe, however, that an upturn in the economy should solve most of those difficulties and that much of the migration of jobs from London represents a success for regional policy and should not be discouraged. In general terms we would encourage local authorities in congested areas to do what they can to boost their economies but they should not require aid from central Government.

Logically, it might be supposed that the right and logical measure would be a payroll tax to complement REP elsewhere. However, we believe that most of the social costs of expansion of employment in the South East are not related to employment as such and are best dealt with by a direct attack on congestion and environmental pollution.

Labour's Programme for Britain states that "our aim is to provide active encouragement to firms to move from congested areas and to help offset for firms that do move the loss of infrastructure and valuable ancillary activities which often make congested areas so attractive." We agree wholeheartedly that the objectives of regional policy can only be achieved if one acts, in the congested, as well as in the development, areas. We believe, however, that the well-being of the country does depend upon an efficient and flourishing economy and that unless careful thought is given to the type of policies to be adopted, there is danger that crude policies might damage the economy of the Midlands and the South East without being compensated by a least as great an advantage to the development regions. The case for deflecting employment growth from the South East and the Midlands is often that social costs of growth there are not allowed for in the decision making of private firms. There are often strong environmental and traffic reasons for encouraging the out-migration of jobs from those regions. To a large extent, jobs are already migrating from the congested areas. This tendency has increased dramatically, especially in London, during the 1960s. Left to themselves, market forces tend to mean these migrating jobs move no further than less congested areas of the South East and Midlands. One of the commonest reasons for this is that employers are reluctant to move far because the uncertainties and costs of moving to a development area are much greater for them, because of defective information. It seems, therefore, quite as important to find means of helping employers to move to the development areas when they decide to migrate, as it is to encourage out-migration itself. We have all these objectives in mind when

considering the policies which we wish to recommend.

On the face of it, the simplest policy measure one could adopt would be a negative regional employment premium, or payroll tax, to be levied in the congested areas. One would take this into account when deciding on the rates of REP in the development and intermediate areas. The basic aim would remain the same, to get the right exchange rates, so to speak, between regions. However, despite its simplicity, we see several major disadvantages to this policy. All employees in the South East and Midlands do not impose the same social costs of congestion. It depends upon where they work, where they live, and to some extent on what they do. One might wish the payroll tax to be very much higher, say, in the City of London than in the outer London Boroughs or in towns beyond the Green Belt. But in fact, congestion caused by some long distance commuters to the City using railway lines, for example to the North of London, on which there is excess capacity, is very small compared with short distance commuting. There is a great difference in the congestion imposed by changes in employment, depending in part on how and where these people travel. If they travel by road in general they cause more congestion than if they use public transport. If one turns to environmental costs, the variation is probably even greater. There are many firms in urban areas which cause air or noise pollution which would be better located further away from people. No payroll tax as such could identify these firms in a way which was at all accurate. While we believe the merits of a payroll tax should perhaps be studied further, we think it is probably too crude an instrument to be effective in furthering regional policy.

A method of achieving some of these ends would be through a proper road-pricing policy, for example a commuter tax in congested areas. In general, the further someone commutes, the more likely it is that his employment will be in a congested area and that he will be increasing the congestion there by his presence. This is

only a rough rule and there is a difficulty of distinguishing between journeys made in more or less congested conditions. There is also the problem that it is easier to levy such charges on public transport which then tends to mean that more people will use their own cars, so making the congestion worse. This could be rectified if road pricing were introduced so that those who use the roads in congested areas could pay the cost which their presence causes. In this case one would probably only wish to impose such a tax on the private road user. We believe that it is time that Government which has been considering road pricing for many years should put it into effect, especially in the Midlands and the South East. It is technically and administratively feasible. Only the will is missing. While it would be opposed by the motorcar lobby and many others who are anxious not to restrict the use of the private motorcar, we believe that reducing the volume of private cars on our congested streets would be in the national interest. It would encourage people to use public transport, it would enable buses to run a better service, and the height of the charges would encourage many activities which feel they depend upon the greater use of road transport, to migrate from those congested areas. So we believe that this will contribute both to a more sensible transport and regional policy simultaneously. We would agree that some of the same effects could be achieved by really high parking charges in congested areas, but the levels would have to be much higher than now if it were to have an effect upon the performance of public transport and also to act as an incentive for firms to out-migrate.

The third possibility would be to have a tax proportional to land values. Land values tend to be higher in the more congested areas. Indeed the rise in land prices in the South East and Midlands has contributed to the recent rapid out-migration. It is the market's way of showing that there is too much congestion and too many people in the South East. We do not believe it right to try and pretend that land is not scarce. As will be discussed below, we do believe it right to try to mitigate the hardship caused by this. We believe it

might be advantageous if there were more frequent revaluations of rateable values and these should be brought more in line with the rise in land prices. This would correct some of the bias in the present rating system with its infrequent revaluations which do not fully reflect increases in market values, and would mean an increase in land taxes in the more congested and prosperous areas relative to the rest of the country. We also believe that if the principle of site valuation were adopted for industrial and other employment generating uses, there would be an additional incentive to firms to decide to move out from the more congested areas. If out-migration can be encouraged and grant aided so that there is much less hardship, in the end we believe that this will be the best way of reducing pressure of rising land prices in the South East as well as generating the jobs that people need in other regions of the country.

Government should provide information for people and employers contemplating moving from the congested areas especially the small firms, to a much greater extent than at the moment. It should be possible for everyone to go to an office within easy reach of their home in a congested area and discover what homes, what rents and what conditions are available in new towns in the development areas, and also what their employment prospects would be there. If they then decide to move they could be helped with the problems of the move and to find suitable accommodation at the other end before they arrive. Movement costs should be grant aided (but at least a part of this might be refundable to the Government if they thereafter decided to move away from a development area). The offices should be staffed independently by local authorities in the congested areas and preferably by people from the staff of development area local authorities on secondment. At the same time, development area local authorities should open offices in the congested areas to which employers may turn to know about prospects and possibilities there. In this way, the local authorities should be able to discover firms anxious for new premises and requiring special facilities or the

services of the Development Bank. These facilities might be operated in the congested areas under the auspices of the Development Bank. Again we would recommend that the moves of such firms should be grant aided and that perhaps Government should meet 25 per cent of their audited movement expenses when they move to a development area, as well as the Development Bank be encouraged to make a loan to cover the remainder.

This would have the additional advantage that the Development Bank would have to assure itself and the client that the move was to that extent profitable for the firm.

MANPOWER POLICY

The analysis we have made so far of the regional problems has been:

1. that the less developed regions are unable to compete with the Midlands and South East because their exchange rates are "wrong" and this has resulted in unemployment;
2. that many years of unemployment slackened the spirit of entrepreneurship and put some obstacles in the way of free flow capital.

But because the symptom we commonly look for as the evidence of a regional problem is unemployment, it is not difficult to confuse regional problems with more generalised hardship. We had two areas of enquiry: manpower problems as well as regional ones. At first sight these two might seem widely divorced from one another but they are linked because in practice we can discern and monitor the regional problem by citing problems of unemployment. Putting it crudely, the direct impact of moving 10,000 jobs from London to Scotland is that Scottish unemployment will fall by 10,000 and London unemployment will rise by 10,000. It is realised that there are subsequent effects which usually favour such a movement, but the mere evening-out of unemployment rates, activity rates, or average earnings between the regions will help the disadvantaged as a whole

much less than may appear at first sight. When the regional policies suggested in earlier sections of this memorandum have been adopted, thereafter the most fundamentally satisfying approach will be to key on to those in employment hardship as such, regardless of where they live. Employment hardship covers job opportunities, monetary returns and job satisfaction. Such an approach is only incidentally regional because of the greater concentration of these problems in the less developed regions.

It is clear that proper demand management provides the most significant aid to the disadvantaged. We are more concerned here with identifying structural defects in our economy and suggesting remedies. Overcoming structural problems is more important when demand is managed poorly but it remains worthwhile at all times.

We do not believe it practical to give everyone a right to a job all the time. In a society of inevitably rapid technological change, there are bound to be changes in the demand for labour which will mean that people may have to change their jobs, perhaps several times in their lifetime. We do believe that everyone who wishes it has the right to a satisfying pattern of work over their lifetime. This means that they should find the jobs they do, whether one or many, reasonably satisfying and fulfilling, stretching their abilities and sufficiently remunerative. This means that when someone becomes unemployed, society has a duty to retrain such a person. But it means much more than this. It means that local authorities in cooperation with Whitehall have a duty to plan their educational programmes so as to produce a reasonable expectation of a suitable job for everyone leaving school. No one should be prevented from training for any job his or her talents suit him for. But schools should clearly indicate what the future demand for labour is likely to be, so that no one should leave school to find, quite unexpectedly, that work of the kind for which he is trained is comparatively scarce. It also means that local authorities should pay some attention to the composition of their labour force,

trying to encourage new businesses to settle within their boundaries, not that everyone can be provided with a suitable job near his or her home town. In some jobs, the locational advantages may be such, that they will be concentrated in only a few parts of the economy, but though there will be exceptions, there should be some attempt to provide a balance of job opportunities in every part of the country. One is not going so far as to say that there must be detailed manpower planning, that is, attempts by government at various levels to predict the volume and structure of labour "required" at some future date so that steps can be taken in the intervening period to ensure that labour is available. The information required for such an exercise is not available and at present the expertise of government in these areas, especially local government, is sadly lacking. Moreover, the theoretical principles to be used are still being discovered. However, one may hope to move in this direction. Meanwhile, there are policies to increase worker information and to reduce the cost of finding a satisfactory new job, for example improvement in employment exchange facilities, redundancy payment schemes, earnings related unemployment compensation, as well as grants to cover moving expenses in certain cases. For example why are not public employment exchanges open in the evening, thus allowing employed workers to get better information on alternative jobs? Why is there not very much better information available in any one employment exchange on jobs available in other parts of the country? If anyone moves house, it should be possible to find out what kind of job at what level of pay are likely to be available both for his wife and himself.

7. urban policies

urban policy task force report

The problems of our urban areas are multifarious and complex. No short statement could do justice to any of them, let alone all. We believe that it is important to focus on a few of the most acute of them, to which a future Labour government must give priority—not least because they have been mishandled or avoided by the present administration.

In logical order we think that these priority problems are the growing crisis in the inner city; the problem of managing the growth of large urban areas; the problem of urban transport, particularly the reconciliation of mass car ownership with maintenance of adequate public transport; the problem of coping with public pressures on the countryside; the problem of the adequacy of local government to the demands put upon it; the problem of land for building; and the problem of the quality of the environment.

the inner city

The inner city—the innermost ring around the commercial core of our major cities and conurbations—remains a stubborn problem area. Much has been done to alleviate misery by demolishing slums and by building new homes with public money—however deficient some of this new housing has proved to be on human grounds. But this inner ring is still the zone where the least fortunate in our society—immigrants and newcomers to the city, those suffering racial or social prejudice, the unskilled service workers, the unmarried mothers and fatherless families, and a very wide range of people who are under-privileged through no fault of their own—tend disproportionately to cluster. Here the problems of low income, uncertain employment, poor skills, low information levels, inadequate education, exploitation by the unscrupulous few, crime and social malaise, all coalesce and reinforce one another.

Something has been done in recent years, by experimental programmes, to grapple with these deficiencies. But more needs to be done. The characteristic problem of

many people in these areas is that they find it very difficult to grapple with the multifold problems of modern living—job, transport, home, health, education—that tend to impinge upon them with particular severity. They need co-ordinated, professional, disinterested help. Progressive local authorities, with some central government backing, are doing something to provide this. But there are many deficiencies. Not all authorities are progressive; and the laggards include areas of serious deprivation. Even the eager authorities may be less than enthusiastic about helping newcomers. And because of the fragmented responsibilities of local government—to be perpetrated in the present local government reform—a single local authority cannot offer effective, across the board help with the whole complex of problems. This last criticism is most telling in the big conurbations, where some of the biggest problems occur.

First, therefore, we think that there is a need to define social priority areas, on the lines of educational priority areas, where help will be concentrated. We think that in these areas, many of which will be in the conurbations, the two tiers of metropolitan government (assuming a continuance of the proposed local government structure, which is questioned below) should co-operate to draw up a social development plan with central government aid. Furthermore, if in such an area a lower tier authority fails to exercise its powers to execute the plan, we believe that the upper tier authority should have default powers to step in—on, for instance, the designation of Action Areas for early redevelopment under the 1968 Planning Act. The same would go for the provision of an integrated service for information and help for residents in these areas, which should include representatives of both tiers because both will be providing necessary services. These should combine law centres, housing advice and information about jobs including re-training.

Secondly, as we say below, we think that there will be an urgent need to consider the division of powers between the two levels of local government in the conur-

bations. The upper tier authority should at least have concurrent powers on housing inside the conurbations, as in London—not just for overspill. It will be imperative to provide a pool of housing for the entire conurbation, not one limited by quite arbitrary district boundaries. We think that in some cases—for instance the advice centres—provision may need to be made mandatory on lower tier authorities.

Thirdly, we believe that the crisis in the inner rings will never be met so long as local authorities find their burdens rising while their tax base (in terms of rateable value) falls. Yet, with the exodus of population and employment from the cities on the lines that are long familiar in North America, this is now the case. We believe that a three-pronged attack is necessary on this problem. First, as we argue below, the present local government reform must be replaced, or modified, so as to give the inner cities a share of the buoyant revenues of the growing areas all around them. Secondly, new sources of local revenue must be found—however much the Treasury may fear loss of some of its own favourite sources in income. Here we are at one with the recommendations made in the preceding chapter. A local sales tax and a tourist tax are one possibility; lotteries and municipal enterprises are another. But third, we think that an altogether new source of help will be needed from the centre—one that does not threaten the independence of urban authorities. This is especially critical for the renewal of outworn infrastructure.

Such a source, we think, could be provided by an Urban Development Corporation: a new public body which could tap funds from the private market, directing them out of the private and into the public sector. It would borrow by issuing its own, government guaranteed stock, and should be able to borrow on favourable terms. It would then re-lend money at even more favourable rates, representing a Treasury subsidy. The Corporation would also be able to act as a catalyst to private enterprise activities through the joint finance of certain agreed urban development projects with a small financial

contribution from the Corporation. Private firms could similarly be encouraged to undertake community development projects in return for concessions or purchase contracts from the Corporation. Thus private enterprise would be encouraged to shift its financial and human resources to improving the quality of environment precisely in those areas where improvement is most needed.

organising urban growth

The problem of organising growth at the periphery of the urban area, and in a wide ring around it, is in many ways just as acute. The experience of the last two decades, but above all that of the last few years, has shown us that at present, in many ways, it is deficiently handled. There seem to be four critical areas where action is needed.

First, overall planning to accommodate the growth has been neglected. Despite a sophisticated and effective planning system, plans seem to have been made too late. Regional strategies were not forthcoming soon enough, and it took too long to convert them into effective plans at the local level. Local government had neither the right areas nor the right division of functions to manage growth, and this deficiency will still be apparent under the Tories' local government reform. Secondly, as everyone is well aware, the scarcity and cost of land has driven house prices up. Whatever the cause—and local authorities may recriminate with developers on it—the situation cries out for remedy. Thirdly, too much of the resultant housing is still poor in both quantity and quality. Both in floor area and in servicing, it often compares unfavourably with public rented housing built according to Parker Morris standards. This in turn, to some degree, reflects the high cost of land in the total package. Fourthly, the developments are too often badly planned and lacking in sound facilities.

We believe, therefore, that the job of handling urban growth cannot be done without fundamental changes both in local government structure and the man-

agement of development land, on which we offer specific suggestions below. But further, we think that there would be merit in providing additional and competitive housebuilding capacity in the public sector through the means of a national House Building Agency, as tentatively suggested in *Labour's Programme for Britain*. This Agency would be quite distinct from the Urban Development Corporation that we have proposed earlier; indeed, it might draw some of its finance from it. Essentially it would be a public sector building corporation competing with the existing private agencies, and perhaps performing a special service for the co-operative housing associations which—as we later propose—should rapidly acquire a major role in the provision of owner occupied housing. It should have a remit to maintain planning standards outside the major growth areas, for which we later propose a special mechanism.

urban transport

In general terms the nature of the urban transport problem is well known. Car ownership, already above 50 per cent of households, is expected to rise to 80 per cent by the 1980s. As more people own cars, they tend to use them for the work journey—unless choked off by congestion or disincentives, which only apply in the city centres to any considerable degree—and for making many more off peak journeys for shopping, recreation and social purposes. Public transport cannot compete and is caught in a vicious circle of rising costs, rising fares and declining levels of service. Yet, to cope with congestion, a bigger and bigger urban road-building programme is called for. At the same time, as homes and jobs decentralise within the major urban areas, it becomes more and more difficult to organise an adequate public transport system for a dispersed pattern of origins and destinations.

We think that a Labour government transport policy will have to deal simultaneously with a number of rather intractable results of these trends. One is

that there will remain a substantial number of people without ready access to a car, either at all or at most times—the old, the young, housewives whose husbands use the sole family car to commute, those who are unfit or who dislike to drive. The other is that in many typical situations, it will be more and more difficult to provide for their needs while providing for the equally substantial number who will want to use their cars, quite legitimately, for all sorts of purposes; suburb to suburb commuting, weekly shopping, entertainment and social visits. These contradictions will not be resolved by any *simpliste* policy either of massive road building or of trying to restrict the use of the private car by blanket controls. A complex and subtle mixture of policies will be needed. The central point will be to ensure that they improve the standard of living of the lower paid—who are, at present, the least mobile.

Instead, we think that urban local authorities will need to develop their own policies appropriate to their own local needs and conditions. The central government should however take a lead in offering advice and in judging these plans. We think that in the inner and more congested areas, the need will be to restrict car use by high charges either for parking or driving, coupled with effectual enforcement of regulations, so as to give help to the bus—which, in most British cities and conurbations, will remain the natural and the most economical form of public transport for the foreseeable future. This means devices like priority for buses on city streets; new investment to provide reserved busways in congested areas, on the lines of the system already operating in Runcorn new town; provision of busways as an integral part of urban motorway plans; development of new forms of bus service including jitney (mini-) buses and dial-a-bus, which has considerable possibilities as telephone ownership rises to the 70 per cent level. Further, we think that it would be justifiable to provide subsidies for bus operation (as well as investment in facilities) from the proceeds of a road pricing system, which we think a Labour government should progressively introduce, in conjunction with local gov-

ernment, throughout the larger urban areas as an alternative to the present system of vehicle and fuel taxes. The need to move the buses, as well as to provide segregated routes for heavy goods vehicles, may justify urban motorway construction in many cities—provided also that the use of the private car on them can be restrained and regulated. These measures will not cope completely with the problems caused by the outward movement of jobs and people. To a considerable degree, these will have to be met by intelligent land use planning which reconciles the interests of car users and non car users. It is equally foolish to encourage proliferation of out-of-town shopping centres and continued development of overgrown, congested High Streets; the right answer is intelligently sited edge-of-town centres, accessible both to private car shoppers and to bus routes. New concentrations of employment and of entertainment need to be designed on the same principles—as indeed they have, for many years, in Scandinavia. But at the same time, it is important to accept that in the dispersed world of the future, quite radical and perhaps outrageous solutions to the problem of personal mobility may have to be sought. Some observers of the American scene have argued that the right policy may be to subsidise private transport for low income groups; “Cheap Volks for poor folks.” Certainly, such solutions should not be rejected out of hand, though they may prove costly. We need to start thinking about policies with the needs of people in mind, then considering the most effective and the most economic way of meeting those needs in the world of the future. And we need also to think of new transport opportunities—whether motorways, rapid transit routes or interchanges—as positive elements in structure plans, triggering off new development and helping to shape the future city region.

the countryside and outdoor recreation

One other area of explosive pressure is certainly that of the use of leisure and its effect on the land. Despite initiatives by successive Labour governments—the

1949 National Parks Act, the 1968 Countryside Act—the overwhelming impression is of lost opportunities: in making the best use of recreational resources and investment; in co-operation between agencies to provide facilities; and in terms of using grant aid positively to create more equitable distribution of opportunities. In particular, we need to provide more consciously for the great mass of ordinary people who want to enjoy fairly passive outdoor recreation, and who are at present very poorly served.

To this end, we think that there is an overwhelming need to strengthen procedures and machinery. We think that local authorities should be required to provide recreational strategies in conjunction with the Countryside Commission and other relevant bodies, to form part of their structure plans. These should take in substantial areas—for instance, the whole area around a conurbation—and will, therefore, often need to be produced by a number of authorities in co-ordination. We also think that such strategies should consciously aim to compensate for the fact that lower income groups are deprived of opportunities, by—for instance—developing country parks that are readily accessible to public transport, either existing or planned; and, in some cases, by deliberately developing urban parks where these are accessible to deprived groups. (It must be faced though that in most cases, housing needs may need to take top priority in such areas.) Additionally, these regional strategies should develop a conscious policy towards the use of private recreational land, some at least of which should probably be brought into the public domain through the use of management agreements—if necessary with compulsory powers. They should contain proposals for the use of forests and water catchment areas. At least, we think that a future Labour government should investigate the possibility—relevant in this respect as in many other aspects of environmental planning—of making private users of open space pay the full social cost of the benefit they enjoy, the sums so gathered being passed on for the benefit of the deprived groups. In order to co-ordinate such policies we

doubt whether present agencies are adequate. The Countryside Commission has done an astonishing amount in four years of existence with little money and fewer powers; we think that the time is ripe for it to have both. We therefore suggest a National Recreation and Conservation Commission, to be charged with the task of reconciling the two tasks of developing recreational opportunities and conserving the national heritage. Such a Commission would unite most of the present functions of the Countryside Commission, the Sports Council, the British Waterways Board and perhaps the Tourist Boards. It would take over the historic monuments division of the Department of the Environment, the new Nature Conservancy Council with its responsibility for National Nature Reserves and—possibly—some of the functions of the Forestry Commission. It would be permitted and encouraged to buy, own and operate land and buildings for recreational or conservation purposes, charging for admission where appropriate. It could reach management agreements with owners (with reserve compulsory purchase powers) and might appropriately take over many of the functions of the National Trust in this regard. It could itself operate Country Parks as well as facilities in National Parks, in addition to financing approved projects by local authorities and private organisations in these fields. It should work with private enterprise in the development of new facilities at the edges of the conurbations, in the countryside and on the coast. A Labour government should regard the formation of such a powerful national agency as first priority for new public enterprise in a fast growing field of demand.

local government reform

Earlier we have isolated two major sets of problems for urban planning: those of the inner city, and those of the growing suburban and exurban periphery. We have argued that both need bigger, stronger, carefully bounded local government units capable of analysing and dealing with problems as a whole, and with a secure financial base anchored on a wide spec-

trum of residential, commercial and industrial rateable units. We believe that the recommendations of the Redcliffe Maud Commission for the reform of local government in England would have supplied such a system, though we think that it was not the best that could have been devised. Equally, we think that the 1972 Local Government Act is a denial of the basic principles on which reform should be based. By slavish adherence to ancient county lines, it fails to create unified areas for structure planning where these are most urgently needed. And, by cutting back the boundaries of the metropolitan areas to conform narrowly to the built up areas of the conurbations, it denies those authorities the power to meet their housing and their financial problems by drawing on the capacities of the rapidly growing suburban areas which are inexorably united, in a functional sense, with the conurbations.

We think, therefore, that a first priority for a Labour government must be to substantially amend, or to replace, the disastrous 1972 Act. Minimally, it should modify the Act in three ways. First, the new metropolitan counties should be substantially enlarged to make them genuine city regions, as Redcliffe Maud proposed: this is particularly important for the West Midlands, Selne and Merseyside and highly desirable for London. Secondly, an adequate structure must be created for rapidly growing city regions, such as Portsmouth-Southampton and Reading-Wokingham - Aldershot - Basingstoke. In some of these cases, a single county authority may be appropriate, on the lines of the new county of Avon (one of the few useful reforms in the 1972 Act). In others, a new metropolitan structure may be more appropriate. Thirdly, there should be a reallocation of powers, to ensure that county authorities have reserve powers to implement their structure plan proposals through effective local and action area plans where district councils fail to exercise their own powers with due diligence. Details of these changes would require careful further study before Labour's arrival back in office.

But these modifications would provide a

second-best solution. We think that subject to the recommendations of the Commission on the Constitution—which are shortly expected—there would be greater merit in a total new reform incorporating both regional and local government in England. (Scotland and Wales represent special cases because they must be treated as national units and because the local government reform proposals take different—and, in the case of Scotland, a superior—form there.) Under such a root and branch reform, top-tier planning functions—including some functions now performed by regional branches of central government—together with some educational and social service functions—would go to new regional bodies, ten to fifteen in number, corresponding roughly to Economic Planning Regions but in some cases rather smaller. (The new Regional Water Authorities, with amendments in some cases, could provide a basis.) Lower tier most purpose authorities, responsible for all the more personal services, would be set up on the city region principle for areas with populations of between 150,000 and 400,000 (approximately) depending on the density of the local population. There might be between 100 and 140 of such districts for England as a whole.

Such a reform would achieve many worthy objectives. It would meet the long-felt demand for some kind of regionalism and regional devolution from Whitehall. It would guarantee the continuous monitoring and updating of regional strategies, with an assurance that changes could be effectuated. It would deal more adequately with problems of large city regions. And it would establish basic most-purpose local government units which were both reasonably local and reasonably efficient. We commend it to a future Labour government, and we are disturbed that in the Green Paper the Party are apparently thinking only of minor modification to boundaries and powers within the framework of the 1972 Act. If Labour do go for the bold solution, it will again be imperative for a detailed blueprint to be drawn up well in advance of entry into office. As a starting point, we commend the Fabian Society's evidence to the Crowther Commission, which suggested

an elective bicameral council at regional level, one chamber to be drawn from regional MPs, the other to be elected indirectly from local government representatives in the region (*People, participation and government*, Fabian research series 293).

land

The disgrace of rampant speculation and escalating house prices is one of the major failures of the present Tory administration. The high price and general scarcity of building land is not merely putting new houses for sale beyond the reach of the majority of our people; it is contributing to a progressive deterioration of standards in the private housing sector, which will surely produce the slums of the next generation.

It is a national scandal, and it could well bring down the present government's downfall at the next election—as it did in 1964. Now as then, we need a solution to the problem. *Labour's Programme for Britain* does not provide one, but promises that one is on the way. It must grapple with the central problem of the ownership, control and release of building land—not merely with the peripheral issue of the gains from speculation in land (which can easily be dealt with through capital gains tax, perhaps at a special rate, or through more effective rating revaluations). Above all, it must be ready in detail for early implementation. And—in contradistinction to the Land Commission Act of 1967—it must be cast in such a form that a subsequent Tory government will not be able, or will not want, to unscramble it.

Essentially, as the Uthwatt Committee saw as long ago as 1942, there are two sides to the problem. One is already developed land—the cost of which is absurdly and quite unnaturally high when public authorities want it for social purposes such as housing or schools. All our major conurbations and freestanding cities have a surprisingly large amount of derelict land, left vacant by economic change: industrial areas deserted in the outward

move of industry, surplus railway and dock and canal land. Just how large a proportion of the total is represented by such areas is only just becoming clear, due to more effective land use censuses. Yet when local authorities try to buy up this land, they find the price quite beyond their needs. The reason is an anomaly in the compensation laws, which values land for compulsory purchase as if it were sold by a willing seller to a willing buyer in its former use—a use which demonstrably is no longer relevant. This law is bad and it needs changing. Henceforth, valuation should be based on the free market value of the land in its future intended use—but taking full account of what the authority is doing over the entire urban area. For if the local authority were able to develop all this land for housing, it would result in a quite sudden addition to housing stocks—perhaps half a million new dwellings in London alone. And the total value of the land for housing would be reduced by the fact of this windfall gain in supply. It is right that the compensation code should take account of this fact, and a Labour government should see that it does. For the longer run, we think that there would be great merit in a return to the notion of the Uthwatt committee: that of putting a life on all buildings, perhaps starting with those over a certain age. This life would determine the value for public acquisition purposes, and at the end of the life the site would be purchaseable at bare site value; at earlier points the compensation would be fixed by the life expectancy of the building. This measure would achieve nothing in the short run, but after ten years or so it would begin to become very beneficial to public authorities. There are obvious complications regarding historic buildings and all buildings in conservation areas, where there would be a danger of planning blight; these would need to be taken care of by special provisions. But overall, we think that the scheme has merit.

The bigger problem though is new land—previously undeveloped areas at the fringes of conurbations and cities, or beyond. It is here that speculative fortunes have been made due to changes in the de-

velopment plan, while land shown for development in the plan still remains withdrawn from the developer. Here, we agree with *Labour's Programme for Britain* that public control over the land will be necessary. The question is what form it should take.

We see two possible approaches. One is the proposal for state purchase of all development rights in the country at an equal, average price. This would create a vested interest in maintaining the solution on the part of all the owners—the great majority in the country as a whole—who would have enjoyed a payment in excess of what they could otherwise have expected; so it would be difficult to unscramble. The people who would lose, on the other hand, would form a minority of landowners; and most of these would represent big owners and speculators. Insofar as they were genuine landowners and farmers, they would have lost nothing anyway. Overwhelmingly, it would be the speculators who would lose while the community as a whole gained.

Nevertheless, it should not be denied that there are snags in this scheme. Undoubtedly, there would be some cases of real injustice where small owners had paid over the odds for land and then found it was taken away at a fraction of what they had paid; and the Tory press will not be slow to exploit such cases to the hilt. And it would always be open to a subsequent Tory government to regard the payments to owners as a bonus which could be forgotten; they could allow owners to buy their development rights back at what they had been paid, and the speculators would not be slow to seize the opportunity. Such a resale of development rights would be an act of gross political cynicism, but on the past record of Tory governments—in 1953 as again in 1970—it is unfortunately more than likely.

Therefore, we see great merit in an attack through an extension of the well-tried new towns mechanism. Zones of major urban growth would be designated around the conurbations and cities—as, for instance, in the major and medium growth areas designated in the Strategic Plan for the

South East. The designations would preferably take place when the government approved such strategic regional plans, and in any event before preparation of a structure plan. Within such designated areas, Development Corporations would be set up on the new towns model. But it would be imperative to bring the local authorities into an active role within these corporations. Indeed, in some cases—where the whole of a development is within a single planning authority—it may be appropriate for that authority to set up a development corporation. (Such a mechanism may also be appropriate for major redevelopment within urban areas like London's dockland.) Elsewhere, there should be a mixed corporation with central and local nominees. Local planning officers should be jointly involved in structure planning for the area—as will be the case, already, in the central Lancashire new town. And local ratepayers should share in the benefits from commercial and other development, together with the general taxpayer who will have contributed some of the initial funding. Our urban development corporation, proposed earlier, will in addition have an active role to play in financing.

The existing law appears to allow already for the sort of new style development corporation we have in mind. But we think that it will be imperative for a future Labour government to take a fresh look at the compensation procedures for new towns. At present, the effect of legislation passed by Tory governments in the late 1950s and early 1960s is that a new town development corporation gets relatively little of the financial gain that results from its own operations in building up the town. Where the whole decision to develop is a public one, as in the new towns, there is really no justification for the landowner enjoying windfall gains at the community's expense; and a change in the law is needed.

This achieved, the proposed development corporations would buy land in their designated areas at little more than existing use value. They would then lease it—sometimes on very long leases, giving the effect of freehold rights—to appropriate

residential or commercial developers. Here, we think it important that a large proportion of the housing land be leased to co-operative housing associations of the form common in most other European countries, but still unfamiliar in Britain. The houses built by these societies would be owned by members just as if they were ordinary owner occupiers, save that if they left they would be under an obligation to return their home to the society at a reasonable price, the profit passing to the association. It should be the aim of a future Labour government to ensure that as soon as possible, a substantial part of the total housing programme is provided by such Associations, which would be under an obligation to plough profits back for the benefit of their members. Such a step, coupled with the release of land by the development corporations, would itself go far to ending the present speculative orgy in housing and in housing land. But it is imperative that the details be worked out very carefully for implementation immediately Labour arrive in office.

This solution, we believe, would not readily be scrapped by a future Tory administration. If effectively carried through while Labour were in office, it would gain too many powerful vested interests in support: the local authorities (who would stand powerfully to gain from the arrangements), the co-operatives and their members. Once it became effective, the Development Corporations could work to buy up land well in advance of actual needs—as has long been done in Sweden by the major municipalities, with salutary results. Nevertheless, we think that it should be supplemented by several other reforms, all desirable in themselves and long overdue. A life should be put on all planning permissions, so as to stop them being traded as commodities; normally this could be as short as one year. All buildings and all land should be fully rated at current values—including agricultural land, whose exemption has long been a grotesque and indefensible anomaly. And, as Labour propose in its programme, there should be a ceiling on tax relief for mortgage purposes. Certainly it should exclude the surtax payer and the

second home owner. In fact, we see merit in limiting the relief to the value of the average public sector dwelling in the local area concerned. The present tax relief rules, coupled with general inflation and land shortage, are one of the immediate causes of the price escalation ; they need to be changed.

the quality of the environment

Labour's Programme for Britain says surprisingly little about the quality of the environment—surprisingly, that is, in view of the current public debate. But in this it may merely show an acute sense of political priorities. There is no denying that the environmentalist movement is overwhelmingly middle class and, in international terms, a concern of the affluent. There is a counter argument that many measures to improve the quality of environment are not things that must be achieved to save the world from ecological disaster, but rather are options to which a price tag is attached. The control of water and air pollution, the control of car exhaust emissions, better standards of noise and visual intrusion for traffic in cities—all these will be achieved at a price, and it is important to see that this price is paid by those sections of the community able to do so. In other words, there is a danger that the cost of improving environment may be greater inequality of income.

There is no need for this to be the case ; but it should be an aim of Labour policy for the environment to ensure that it is not. This principle has two implications. First, that in general the costs of improving environment should be borne publicly through taxation rather than privately by the producer (who, in many cases, will simply pass the costs on to the consumer). Secondly, that within the public sector the costs should be borne by taxes which are progressive in their incidence ; that is, either direct taxes or by indirect taxes on luxury items. Local rates, or general indirect taxes (such as VAT) may be quite pernicious in this respect because they may fall quite heavily on the poor. Car exhaust standards are a good example of

the principle in practice (and the same applies, for instance, to improved safety measures on cars such as passive restraint devices, shock absorbing devices and laminated glass). All these have a cost and if they are merely introduced by regulation, they will be embodied in a higher price for the car. This will make it more difficult for middle and low income groups to own and operate cars, and restrict their range of economic and social opportunity. (If it is argued that public transport should be provided instead, the answer—already put in this section—is that in many dispersed areas this is not a feasible solution.) The right answer in this case would be public subsidy for the devices, to be met out of progressive taxation. If however the general quality of cars could be improved by the same means, so that their rate of obsolescence was slower, that might result in an actual cheapening of their cost.

In general, always subject to this rule, there are two approaches to the control of pollution : taxation and control. We think that in general control, plus selective subsidy, is the better policy. Thus we are in favour of higher standards to be introduced at the earliest possible date, first for car emissions and noise, then extending to other areas (for instance packaged materials). The precise financial burden in each case would need to be based on a careful analysis of the effect if the consumer were compelled to bear the whole impact. Public authorities should receive subsidies for installing complete waste processing plants and constructing sewage treatment plants. There should be a determined effort to obtain international agreement on standards, especially among the developed nations, both on a world-wide scale (through the UN) and within Europe.

Taxation of pollution is the alternative. It should be based on the general principle that people should pay the full social costs of their decisions. This principle of course extends outside the environmental field, and we have already suggested that it should apply to the control of traffic congestion, for instance. It may well be argued that in practice it is exceedingly

difficult or impossible to calculate social costs in any particular case ; nevertheless, even an approximate allowance is better than none. The difficulty will be to ensure that taxes are not passed on to low income consumers. This, of course, would be easier if general price controls were in force, as proposed in *Labour's Programme for Britain*. In any event, the aim of the taxation system would be frankly to provide a disincentive: the assumption should be that those paying the tax will speedily work to cut the pollution.

We think that responsibility for control, together with monitoring and research, plus the duty to report on recommended changes in the tax structure, should be given to a new agency—the pollution control service—as Jeremy Bray recommended in *Politics and the environment*, (Fabian tract 412). The existing Alkali Inspectorate should be reconstituted to form its nucleus. In many cases its duties could be appropriately devolved to local bodies—to the local authorities for air pollution or to the Regional Water Authorities for water pollution, for instance. But it should have a statutory duty to monitor the performance of these authorities and reserve powers of implementation in the event of failure to act effectively.

8. science policy

science policy task force report

There is a need for more research and more effective research with clearly defined social and economic purposes. Following the reaction against military and prestige science and technology, and against the naive view that more research means more economic growth, the use of science for public welfare has not been fully realised.

Christopher Freeman and others (*The goals of R & D in the 1970s*, Science Studies 1, 1971) describe the position: "The decade which followed the Korean War was a period of mushroom growth of science. The political climate was exceptionally favourable following the spectacular achievement of science and technology during the Second World War. The military and political tensions of the 'cold war' created a continuing demand for intensive weapons development programmes and spectacular technological competition. The rate of increase of expenditure on military, space and nuclear R & D in the 1950s was around 20 per cent per annum. But in addition to 'big science' and 'big technology,' most other branches of scientific research also benefited from the general wave of expansion. The massive increase in public expenditure brought with it many new government organisations of advice and control, and new international scientific organisations both for research and for exchange of views and information. Although the growth of 'big science' and 'big technology' was initially concentrated in the United States and the Soviet Union, on a smaller scale it spread to West European countries and set the general tone and fashion for world science and technology.

"Yet the last few years have seen a widespread loss of confidence and hesitancy in the approach to science and technology in many countries. In most of them the rate of growth of public expenditure on science and technology has slowed down, and in some cases there has actually been a cutback in real terms since salaries and the prices of other inputs have risen more rapidly than outlays. While this partly reflects general problems of the growth of public expenditure, it is also true that a more sceptical attitude to the claims of

science and technology is increasingly prevalent. Old doubts and suspicions about the supposed benefits of technical progress have become much more widespread. While often based on irrational fears and ignorance, and on confusion between science and its applications, those doubts also reflect very genuine concern about the unforeseen effects of new discoveries and new technologies on human beings and their environment. Sociologically, an extremely significant and interesting change has occurred. Whereas traditionally the older and more conservative elements in society have been the least sympathetic to the claims of science, a new development has been the growing suspicion and hostility to technology from younger and more radical sections of the community.

"The 'Frankenstein' view, according to which science is a monster which will devour its own creators, has always been latent in human society, going back to the myth of Pandora's Box and beyond. It has been opposed by the Promethean view of knowledge as a liberating force which can lighten man's labour and eliminate the scourges of disease and poverty. Not surprisingly, some recent developments in technology have given renewed currency to the "Frankenstein" approach. Few can contemplate the potential effects of modern military technology with equanimity. The horrifying possibilities of some techniques of mind manipulation, eugenics and organised repression make the nightmares of Orwell, Huxley and Zamyatin uncomfortably realistic. Even the 'normal' use of civil technology in some urban environments has given rise to serious doubts and misgivings about man's capacity to control and organise his intentions satisfactorily.

"Scientists and technologists often take refuge in the attitude of the 'neutrality' of science. According to this view, they cannot be held responsible for the abuse and misuse of scientific knowledge. Science as such is ethically neutral and may be used for good or evil, depending upon political circumstances. While there is some justice in this defensive reaction, it is vulnerable to the counter criticism of

such pessimists as Ellul and McDermott, that in many cases new scientific and technological developments may already tend to pre-empt the political decision making process. The disenfranchisement of the technologically illiterate may be far more effective than any previous systems of limitation of the franchise. The sense of alienation from control of the trend of evolution of technology and the urban environment, which is widespread in industrialized societies, may well be related to this "gap" in understanding. While the forms of political democracy are certainly present along with many opportunities for involvement, there is nevertheless a widespread fear that technology has become an uncontrolled Juggernaut, which is sweeping human society along in its wake. Instead of technology serving human beings, it sometimes appears to be the other way about. This fear is reinforced rather than reduced by the frequent affirmation that 'you can't stop technical progress anyway.'

"A fairly natural and widespread reaction of scientists and technologists to the more ignorant kinds of criticism is to retreat into 'isolationism' and to disclaim responsibility for the way in which society uses or abuses science. While this reaction is quite understandable, it is likely to exacerbate rather than to resolve the problem. The scientific community has, of course, the right and the duty to uphold the interests and values of science against the claims of the state when these conflict. The values include free publication and criticism and the traditional internationalism of scientists. But scientists' participation is also essential in devising satisfactory social techniques for the responsible use of science and technology.

"Science cannot be divorced from its social implications and applications, and nor can scientists escape their individual and social responsibilities. Science and technology are inextricably involved with social goals and public policy. The problem is not one which can be resolved by divorce, still less by any form of technocracy, but only by a constant process of adaptation and response by the science and technology

system to changing social values and priorities. As citizens, scientists and technologists take part along with everyone else in the formulation of these values, but they have a unique role in the realization of the new social priorities which are emerging. It is certain that the problems of environmental pollution, of underdevelopment and of controlled disarmament cannot be resolved *without* the active participation of the scientific community, or without a policy for science and technology.

"Some governments are prepared to think the unthinkable about nuclear war or the population explosion, but not yet about peace-keeping technologies, or environmental and population control policies. Whilst it is recognised in theory that mankind is coming to the end of the period of 'free fall', in relation to our global environment and the world's natural resources, we are far from prepared to face up to the technological and social implications. These problems are not so long-term that they can be constantly shelved until it is too late. The business of research is with the long-term future par excellence, and the direction of our research today will determine in large measure the kind of future which is possible for the next generation. One of the major challenges of the 1970s stems from our failure to use the promise of science to anticipate and meet the completely new situation confronting mankind at the end of 'free fall.' This is an extremely difficult challenge, and nothing is gained by oversimplifying the social problems involved."

government research

The Tory Government has recently declared its policy on the organisation of government research in a White Paper, following the Rothschild and Dainton reports. The position cannot be allowed to rest there.

We are not opposed to a strong user influence in research, nor to the principle of a "customer-contractor" relationship with government the customer where this is appropriate. The effectiveness of the

Government's civil research must depend heavily upon the discussion and consultation with all concerned, both on current research and future programmes. The choice of the most fruitful research programmes, taking into account both scientific and technical possibilities and the need for contributions to medical, environmental, social and economic problems require a range of talents, not to be found exclusively within government departments. The Requirements Board proposed in the Department of Trade and Industry must be made effective, and similar boards set up for the Department of the Environment including representatives from local authorities, trade unions and environmental groups, and for the Department of Health and Social Security including representatives from the health service, social workers, local authorities, and trade unions.

Furthermore the Research Councils should have not only the right but the duty to review research needs in their field and inform the public of the research they are required to do by the Government and the research they are not required to do but believe should command a high priority. To help the interested and informed public, Research Councils should explain their own research in the context of all the research in progress in their own fields and in particular review and comment upon research undertaken by government departments and in government establishments. The Research Councils should take the initiative in promoting discussions about and recommending priorities for research, rather than act primarily as passive bodies giving and refusing grants which have been proposed from elsewhere.

To transfer the £20 million research expenditure proposed from the control of Research Councils to departments in three years, while limiting any reduction of payments to 10 per cent per annum, will mean that either departments will have to come up very quickly with contracts, or Research Council work will continue much as before, though nominally under departmental sponsorship. Neither possibility is desirable. Chief Scientists and the depart-

ments to which they belong should be able to exercise effective, competent and acceptable control of the work for which they are nominally responsible. It would be better if the expenditure figures proposed were treated as guidelines to be achieved or not, or possibly exceeded, depending on how fruitful the customer-contractor relationship proves to be.

The demand for applied research from government departments should be substantially higher than that part of the Research Council budgets the government proposes to transfer. The range of questions about social, economic and technological matters of importance to society and requiring research is widening rapidly, and the number of capable and experienced research workers available is increasing. If the volume of socially and economically merited research does not increase then we would question the competence of the potential sponsors, or the framework in which they work.

research with social objectives

The Labour Party should be particularly concerned with promoting the welfare, in the broadest sense, of the less privileged majority of the population. This majority is concerned with homes and their surroundings, health, education of children, wages, standard of living, working environment and public amenities. It is those components of a science policy that can contribute to these things that ordinary people value that should, therefore, be promoted by the Labour Party.

To this end a Labour government should:

1. Support and expand health services research aimed at improving the humanity efficacy and efficiency of the treatment and care of patients by the NHS.
2. Place a much greater emphasis on the prevention of mental and physical handicap in medical research programmes.
3. Promote more health services research aimed at the humanity, efficacy and efficiency of both the treatment and care

of mentally handicapped or mentally sick persons.

4. Give greater support for research aimed at improving the specialised educational facilities needed for handicapped children.

5. Promote an expansion of child development research aimed at a better understanding of the development of the normal child.

6. Promote more research into normal aspects of marriage, kinship, and the nuclear family so that social legislation can take into account normal as well as deviant behaviour.

7. Promote more research on employment, employability and retraining with particular reference to regional employment problems.

8. Stage an inquiry into adolescents' problems in transferring from school to employment.

9. Seek to ensure that there is much more stress on health education at all levels of the educational system including colleges of education.

10. Promote research into the prevention of accidents in the home, on the roads and in working places and into post-accident treatment.

11. Promote more research aimed at protecting the public against the ingestion or inhalation of harmful substances including environmental pollutants.

research with economic objectives

While there is certainly no automatic relationship between money spent on research and economic growth, it is equally certain that economic growth does not take place without changing the technology of production and services, and that technological change itself produces new economic, social and environmental problems. It is therefore the more necessary to keep research and development for economic purposes and production

technology under close review. Each sector of industry should be examined to see how its technology and prospective development compares with competitors overseas and with the best technology available. Government in consultation with industry and the trade unions may then make strategic judgments about directions of development to be encouraged. These will not be in prestige nor even necessarily in technologically advanced directions.

The weight of government support in research and development and in economic influences would then be channelled in these directions. This will require a continuing review of different industries and of different firms in each industry by government agencies in co-operation with the industries and firms themselves.

The purpose of this review would not be merely to maximise economic growth, but to anticipate and avert or provide for the human, social and environmental effects. This may mean planning for increased leisure, for a more appropriate occupational mix, for economy in the use of specific resources, for reduced environmental effects and so on. It will certainly mean looking at the research and development needed in support of world development and the developing countries, with research and development forming an important part of overseas aid. So the review should cover industry as a whole, and be set in proper relationship with other government activities including particularly the management of the economy.

Most of the actual research and development for economic purposes should, of course, be conducted within the nationalised or private enterprises concerned. The conduct and efficiency of such research could only be enhanced by the type of review and support suggested.

research on system and environmental problems

Increasing awareness of the impact of social, technical and economic developments upon each other has generated search in studying their interactions

systematically with a view to shaping them in the interests of society, or at least preventing them wreaking disaster. One group of interacting problems — population, economic growth, food, non-renewable resources, pollution and ecology—has attracted particular attention. It can be asked whether developments in society can be studied more systematically, and if so, how. The possibilities of human achievement and disaster are increasing, these are tools of analysis which have not been used, and they do produce significant results.

Many contemporary problems are concerned with the quality or composition of economic activity rather than its total. But since the basic problems of employment, the balance of payments, and inflation still remain, the management of the economy as a whole can only be ignored at the cost of introducing possibly more grievous problems than local environmental or resource policies are intended to cure. The management of the economy, together with international trade and the international monetary system are thus an integral part of any socio-economic policy or model system. They do not, however, on their own, provide the links needed with and between the quality of economic activity as manifest in social policies, the impact on the environment, the use of resources and the technology of society.

To provide these links, a central part of any policy or model system must deal with the regional, industry and occupational micro-structure of the economy. This central part of the model system cannot be a single model, nor indeed system of models, because of its sheer size. It has to be an adaptive process. This systems complex, or adaptive process, at the centre of any model system would have links to the management of the economy as a whole, international trade, commodity and resource supply, research and development, ecological developments, food supply, the built environment, and population trends. Its development is initially a matter of developing methods of analysis and adaptive control, which, to be effective, would have to be taken up by many agents, in a more or less coherent

system if designed by a government but unless or until that happens, in a rather haphazard development. In any case, preliminary work is required on methods.

Each of the problem areas will warrant its own model or system of models at the level of national economies as large as that of the UK. A number of models have been made of the UK economy, and models could be made of the UK element in the international monetary system and international trade. Official forecasts using a model are made of population. Models of the supply and demand for major and strategic commodities, and for food, present no particular conceptual difficulties. The built environment is a field of elaborate model building which has, however, concentrated far more on the purpose served and the land used rather than on the other resources used. Also the dynamic character of the planning and design of the built environment has not been highly developed even by comparison with the treatment of dynamics in economics.

The modelling of research and development and technological change is a peculiarly difficult area particularly important for the longer term. There are many conceptual difficulties, and developments in methodology in dealing with research and development are needed in many directions. Any research and development model is necessarily linked closely with the other problem areas, and part of the difficulty in work on research and development models or technological forecasting is the lack of models and even of definition in their neighbouring problem areas.

Ecology is a long way from producing any kind of overall model, and the difficulties are no less severe than for research and development. Again the formulation of models in neighbouring problem areas will help to clarify the problems.

Many aspects of behaviour cut across all these problem areas, shaping objectives and conditioning behaviour in ways often not susceptible to description in the quantitative terms that characterise the problem areas. In social behaviour, edu-

cation, health, marriage and household formation, income distribution, communal relations and crime; the behaviour of institutions like companies, trade unions, local authorities, and the mass media; in politics, the behaviour of parties, electorates, pressure groups, and international relations and defence; and in the purposes and views of the world which shape the lives of men and communities, political ideologies, popular traditions, ethics, philosophy and religion: all these fundamentally condition behaviour and cannot be ignored by taking a mechanistic view of the world. The basic way in which socio-economic systems handle non-quantifiable considerations is through the reactions of the people involved. Systems should therefore be open and highly adaptive, and such systems are likely to be more secure and stable than rigid deterministic systems.

It will be quite apparent that a single monolithic study is out of the question. Apart from the certain disaster from putting all our eggs in one basket, the work needed in each problem area calls for engagement with the practical problems and operating realities in the field, with the greatest insight and expertise available.

The experts in each field will only work in a highly organised framework if it enables them to make their own contribution more effectively than they can on their own and with full scientific integrity. There is no formal framework in sight which offers them this possibility: they therefore feel we shall learn more of importance to man through research in demography, economics, urban development and so on if as experts in each field they are able to pursue it with full regard to other disciplines, contributing to the development of a common framework rather than having one imposed on them.

Isolated specialists and specialist teams will not, however, tackle systemic problems efficiently on their own, and they will themselves look for a wider context for their work. Specifically there is need for the following central functions in the conduct of all research work: survey of work done, identification and commission-

ing of new specialist areas of work, design of interfaces (a problem of taxonomy), commissioning of integrative studies, communication of results and design of systems for implementation.

Joint meetings of members of Research Councils as well as the reconstituted Council for Scientific Policy could develop into a standing arrangement for this work. Implementation itself is a matter for government in the totality of government policies.

All these functions are needed at the international level too and they could well form the core of the work of the proposed International Institute of Applied Systems Analysis, as well as involving the work of UN agencies and other international bodies.

fundamental research

The dominant reason for wanting more fundamental research should be that rational and humane policies depend upon knowledge, of which we cannot have too much. Knowledge should be seen as a source of wisdom rather than of power, and as such it is literally invaluable. Since we spend so much on education, it is worth spending a small fraction of that sum to make sure that we do not teach too many falsehoods.

Fundamental research is a cultural and political force of the first order, changing attitudes more profoundly and more durably—though more slowly—than any political propaganda can do. As well as these long term influences, fundamental science has a continuous contribution to make to the formulation and especially the evaluation of current policies and problems, from alleged racial differences and the relations between heredity and environment, to available energy and resource supplies.

Britain's tradition in fundamental research in the past three hundred years has been as consistently productive of really big discoveries as that of any other nation. Strong fundamental research, which need

not mean massive projects in "big science", is one of the special ingredients of British life and a continuing contribution we can make to mankind as a whole. In a democratic society the science must be brought out of the laboratories and made accessible to all. Undergraduate courses and adult education typically lag ten years or more behind scientific discovery; schools syllabuses can be as much as 50 years out of date and reforms like the Nuffield School Science Project are sporadic and take a long time to have general effect. The greatest bar to renewal of the content of courses is the false historical rating of topics which assumes that what is new, being more "advanced" scientifically, is more difficult and therefore more "advanced" scholastically. Thus, Einstein is thought to be more difficult than Newton and nuclear physics more difficult than hydrodynamics. In fact, many of the discoveries of science provide wonderful simplifications of subjects previously complex and bewildering to the learner. Geology, for example, is going through that process just now and beginning to "make sense." On past showing we shall be lucky if the children of pupils now learning geology at school are let into the secret.

If people leave school or university without even hearing about topics currently engaging the interests of fundamental researchers, it is little wonder that science is regarded as difficult and remote. The taxpayer who supports fundamental research is lucky if he finds out what his money has produced. More generally, the human species (even among its well-educated members) does not know how much it knows.

Curriculae are rightly beyond the reach of direct government control, but during the technology obsession of the 1960s considerable encouragement was given by government to curricular and extra-curricular involvement in technology; gentle pressure was also applied to the BBC and other media to do more about technology. We suggest similar encouragement of more up to date science.

Great attention has been paid in recent

years to the transfer of practical knowledge from laboratory to development process to production. The feeding of results of fundamental research into policymaking has been left to chance, although it must be presumed that science advisers and scientific civil servants read the relevant literature. It might be tempting to suggest some machinery of government for ensuring, for example, that discoveries in psychology are fed promptly into educational planning or discoveries about the origin of minerals into industrial and foreign policy.

There are reasons for thinking that government is not the best point of input. Fundamental research and official policy would make uneasy companions: on the one hand, the unrestrained and uncommitted character of fundamental research could be compromised and on the other hand new scientific claims might be injected too suddenly and over enthusiastically, so that the Minister would have to read *Nature* to see if what he said last week is still true.

In any case, fundamental science tends to impinge on policy at the highest and most general political levels. Discoveries need to be digested and their implications thought out, in relation to party programmes, and eventually reformulated as political objectives. This is a process for which the party is much better suited than is the government machine.

It should become a matter of routine for party policymakers to ask what new knowledge is coming out of fundamental research and to consider how it may influence goals and priorities.

9. education policy

education task force report

We still fall short of our aim of a comprehensive educational system which provides a broad curriculum and allocates resources in proportion to the needs of all. A general survey, with suggested changes in the law to implement proposals, has already been published in *Labour's Programme for Britain* and we have not attempted to repeat such a survey but to examine in more detail the priorities and suggest how they might be achieved. The principle that should lie behind policies, and especially the allocation of resources, both outside and within schools, is that of positive discrimination, to give most help to those most socially disadvantaged. Though praiseworthy in aim, the Educational Priority Areas are a somewhat blunt instrument for this purpose, as it does not seem in accordance with comprehensive principles to select a minority of the more spectacularly underprivileged and shower them with benefits while ignoring those who just fail to qualify. A moderate degree of social disadvantage is more widespread than is commonly supposed. Discrimination in its negative form still exists in certain areas and once recognised can be tackled nationally by a programme for the education of teachers and locally by the redistribution of resources. A plan for multi-racial education on these lines has been put forward by Felicity Bolton and Jennie Laishley (*Education for a multi-racial Britain*, Fabian research series 303) and, now that more schools are becoming co-educational the lack of encouragement for girls to do science subjects or to stay on at school is causing concern.

A number of shortcomings in the existing provision can be noted. First, the lack of pre-school provision, which all parties now agree should be remedied. The case for this has been developed in Tessa Blackstone's *First schools of the future* (Fabian research series 304). Second, pupil-teacher ratios and the provision of ancillary staff in all schools should be made more generous to meet the extra demands now made on schools in their social welfare function. A calculation of the minimum needs for the imparting of knowledge during statutory school hours is no longer enough. Third, LEAs could be helped to

improve existing building provision by increases in minor works buildings funds, which finance much needed extensions to many schools. Fourth, there needs to be an increase in the number and effectiveness of advisory staffs to improve the quality of the services provided. This point needs more attention than it has received, as recently the emphasis has been on the input of resources and it has been taken for granted that they will be efficiently used: the monitoring of the education service has therefore had less attention than the large expenditures have warranted. This is a deficiency in management and every LEA should therefore have a fully effective advisory service which can monitor progress, help and advise, and see that desired educational objectives are being attained.

PRE-SCHOOL AND PRIMARY

Regrettably and avoidably, on account of environmental factors, many children have fallen behind in their learning before they arrive at school. There is increasing evidence that such children never catch up. Increasing the entry to universities and colleges makes little difference to this large proportion of children who are handicapped in the race to get there. A national commitment to the education of the under-fives is required with an emphasis on those areas where fewest children benefit from the educational facilities up to and after 18 years.

The most important need of a young child is love, but this alone does not bring learning as the child needs encouragement, example and stimulus for its mental and social development. Many young children in all classes of society need pre-school provisions outside the home, but first priority should be given to areas where poor homes predominate. Positive discrimination through the identification of Educational Priority Areas is welcomed, and it is strongly recommended that the number of such areas should be increased. The need for pre-school facilities is also great where the father or mother are in poor health, for handicapped children, among immigrant families and among

gypsies and many other low income families. It is also desirable that all children should have a full three year course of infant education. At present, only autumn born children have three years, whereas in many areas the summer born children have only two years.

LEA and DES action

There must be more parent participation as already practiced in a number of areas. In practice this means active day to day participation in the operation and policy control of pre-school facilities with the use of mothers and fathers as additional voluntary or paid helpers.

The present fragmented approach by social services departments running day nurseries and education departments running nursery classes and schools must be co-ordinated and the various public and voluntary services interwoven. Some positive direction from central government is overdue.

More and better paid welfare assistants should be employed in infant schools and the part time voluntary services of mothers should be encouraged. LEAs should make available the benefit of central purchasing facilities to appropriate voluntary organisations such as playgroups. They should also provide good nursery facilities as an integrated part of community buildings. The DES should withdraw the specific restrictions imposed in 1957 on the number of under-fives permitted in infant schools reinforced and formalised by the DES circular 8/60 where sufficient space already exists. Each LEA must decide according to the circumstances of the area whether provision can best be made in nursery schools or nursery classes attached to primary schools. Action should be taken to reduce the present uneven provision throughout the country. Although the long term aim should be the offer of full time or part time nursery education for all, voluntary playgroups which are a useful form of community involvement should be encouraged for the time being.

In the absence of an allocation of all the

necessary resources, there should be positive discrimination in favour of children in areas where the greatest proportion of them are failing to benefit from the full range of educational facilities. This should be a first priority. As a second priority, existing infant schools should be extended by any necessary additional classrooms to enable all children to have a three year course. Thus all children would be admitted to school at the beginning of the educational year in which they attained their fifth birthday. Part of the first year of the three year course should be organised on nursery education lines. As a third priority, and as an interim measure, voluntary pre-school playgroups should be encouraged.

finance

All approved pre-school education should eventually be free to all comers. The self-financing of running costs of voluntary pre-school playgroups should be encouraged but an agreed proportion of free places should be made available for needy cases nominated by the appropriate officers of the local authority. This requirement could be in return for a small initial capital grant and access to facilities such as central purchasing and advisory services. Some provision for this already exists in the *Children and young persons act, 1963*. The Government should adjust the rate support grant formula to give greater weighting to pre-school education, or alternatively, a 75 per cent specific grant could be given to encourage overdue developments in this field. Each LEA should be required to submit for approval a development plan with priorities. LEA minor works building programmes should be increased by approximately £80 million to enable the necessary extension of infants schools for the three year course. Where necessary, the criteria—mainly age of buildings—should be relaxed to permit the replacement of infants schools in unsatisfactory premises. In view of the recent concentration of resources on secondary and higher education, an allocation of resources to pre-school education should be no longer delayed as this aspect of the Education Act is still not implemented

after 27 years. The social benefits that would result would be considerable.

SECONDARY EDUCATION

During this century avenues of advancement have been provided in secondary education for very able working class children. Many socialists have believed that in furthering these changes they were helping to build a socialist society. In this they were in a large measure mistaken, since secondary schools were required to establish machinery whereby chances are allotted or withheld for life in an unequal society. Schools established devices for sorting and grading the pupils and rewarding the successful in the spirit of the parable of the talents "unto him that hath shall be given, and from him that hath not shall be taken away." Higher "ability" groups are given the best (and most expensive) in the allocation of books and materials, and a better planned timetable, with more coherent objectives for their course. Even in comprehensive schools, the competitive element may be sharply emphasised because selection, in the form of streaming, takes place within the school, although the allocation of resources to different attainment groups is not as distorted as in selective secondary education.

A policy of positive discrimination in planning and resource allocation is needed, both between and within schools, to direct extra resources to the disadvantaged children. Priority should be given to the integrating and communal elements in school life, like community projects, mixed-ability grouping and so on, as against the divisive and competitive (Prize Day, Oxford entrance results, and so on). Also, there should be democracy in the organisation and government of the school, such as structured arrangements for involving all groups in discussion and decision-making. This does not mean that authority will be weak or that standards of work and behaviour will be lax; on the contrary, authority, being more broadly based, will be strengthened, and a considerable degree of responsibility and co-operation will be required by such a system from all members of the school.

The objectives of the curriculum are difficult to define because of the variety of functions of the secondary schools to prepare children for their life in society to enable them to think and acquire knowledge and skills and the ability to take part in discussion, and give them a body of useful knowledge. Every child should be taught to read, write and speak to the best of its capability. Each person should be taught the basic skills needed to run a home and be a sympathetic and informed parent. This would include budgeting, home management, and more widely social security, finance and problems of social justice. They should also be given a wide range of cultural and recreational experiences in art, music, literature and sport to develop their interests. Knowledge of such disciplines as the sciences, mathematics, languages and history, should be included on as broad a basis as possible, and courses should be adapted to pupils who may at first show little interest but become more highly motivated later, while at the same time showing a considerable increase in their competence with the subject. There need be no dichotomy between academic education and practical needs.

If educational objectives are the same for all children, there should be a balanced curriculum designed to secure an introduction to a wide variety of subjects leaving the options open for choice as long as possible. This should meet the criticism that secondary education is divisive in that some pupils have high status and others low status curricula, by giving the same high status curriculum to all. It should not be assumed that only the most able need to learn academic subjects or that the least able should only have social and vocational studies, nor need traditional roles be reinforced by teaching engineering and metalwork only to boys and needlework only to girls.

Examinations are a useful servant, but a bad master. Two conditions need to be met: first, they should not have a distorting effect on a school's curriculum and this therefore implies a measure of teacher participation, if not control. Second, other forms of testing such as orals, project work, course work assess-

ment, oral testing, multiple choice papers and open book examinations are required to supplement the traditional three hour essay type papers which are essentially memory tests. The CSE Boards have made great progress in the initiation of new examinations and made them a more realistic reflection of the work and achievements of pupils of varying abilities. When, and if, a common 16 plus examination using these progressive methods is introduced, schools will be relieved of the considerable difficulties they have at present in trying to operate both GCE and CSE.

from school to work

Vocational education in secondary schools should attempt to compensate for those disadvantages which do exist among school leavers: a sense of failure resulting from low academic achievement, a conflict of expectations and values between home and school, and a denial of adult freedoms created by the rigid system of the school. The aim should be to initiate young people into the community rather than a particular job. The schools, in particular, and society, in general should not simply be concerned to fit young people in the "right slots" or even with fostering their immediate wants and interests. These may well be merely the product of an unequal society, and in furthering them we only serve to perpetuate it. Young people should be helped towards a growth in freedom, aware of the pressures and imperfections in society and capable of making informed choices on all aspects of their future.

Two kinds of courses contribute to the transition from school to work, community and vocational or work experience courses. For the first, lectures by visiting speakers and community service should be given a central rather than a peripheral place on the timetable for the school leaver, and the school linked more closely with its community. These courses should use the resources of the community for experiences which can be interpreted in the school. Students in some schools are already involved in helping in local primary schools, going out on meals on

wheels services, visiting old people or in the launching of playgroups and nurseries themselves. This blurring of edges between school and community should be encouraged. For the second, pupils should be given experience of as many kinds of work as possible, which they can compare and assess. Such courses should not necessarily be for young leavers or the less able, but should be part of the general education of all pupils. More could be done in training teachers for these courses.

school organisation

The real task of comprehensive schools is not only to receive children of widely differing levels of attainment, experience, interest and motivations into one institution which, as we have seen, can still be divisive, but to create a living community in the school all children have the opportunity to develop their several talents and, at the same time, feel important and vital members of the collective organisation of the school. To do this, schools need to provide not only a suitable curriculum, but extra-curricular activities, and pastoral guidance, such as helping pupils with personal and social difficulties. The last two aspects have especially suffered because schools have considered themselves constricted by lack of material resources, lack of staff with special training, and lack of time that can be given to them; yet it is precisely this provision that, especially for average pupils, gives a large institution a "human face."

Any future Labour administration should first provide in-service training, and additional trained staff, to meet these needs, and second, make provision in the appointment and allocation of staff to schools, for extra-curricular and recreational activities.

A major stumbling block in obtaining the full educational benefits from comprehensive education has been the practice of streaming children in their early years in comprehensive schools. One of the major fears of those who oppose its removal—holding back the bright child—has not generally been substantiated by research.

There is growing evidence that the non-streamed situation promotes better social and emotional development, especially for the average child. Add to this the fact that it is very difficult to stream accurately, and the system has not proved flexible in re-routing the child who has been misplaced, and the case against streaming becomes substantial. This is not to say that slow readers should not be taught in separate classes by a qualified and expert teacher, or, on the other hand, that children should embark on courses which demand a level of attainment they have not yet reached. Furthermore, teachers cannot be expected to make the transition to mixed ability teaching easily without training and advice in the professional expertise of approach required. An extended and more effective advisory service, both at central and local level, is needed to help teachers realise these aims.

The provision, within schools, of school councils, is an important factor in developing a mature attitude among pupils. These councils serve two purposes: to give pupils a chance to participate in the running of the schools and discuss issues responsibly (and another form of experience in the meaning of democracy) and to provide the opportunity to participate in the making and carrying out of decisions. Such councils would include representatives from every section of the school: head, teaching staff and pupils, and have a well defined procedure and area of authority, and grievances would be discussed freely, and not dismissed without reasons being given, or some promise of remedy. It is to be hoped that in certain aspects of the organisation of the school pupils should be allowed to learn from their mistakes when they seem determined on a wrong headed course of action rather than, as the tendency is at present, never making their own decisions even about small things so that they are unprepared for decision making when they leave school.

Another aspect of school government is that of the school governor's role which is sometimes considered to be an anomaly, but in fact school governors and managers have a valuable function in that they are

theoretically responsible for the "conduct and curriculum" of the school. However, few teachers would accept lay direction in what they consider is the professional area of the curriculum, but nevertheless, there is an important distinction between professional responsibility and overall managerial responsibility. Whereas the head, teaching staff and school council carry out the administration, the governors serve as a watchdog to see that this is done within the framework of the schools articles and instruments and the policy of the LEA. In addition, the governing body is a link between the school and the community it serves.

EDUCATION FOR 16-19

Children in the 16-19 age group range between two extremes, from those fully convinced that they need to further their education, to those completely alienated from school. To cater for children in this group we need a large number of routes to further education, ranging from sixth forms in comprehensive schools, grammar school sixth form, sixth form colleges to technical colleges with generous provisions for suitable night school, and day release and sandwich courses at these institutions. It is essential that the whole range of courses, irrespective of the character of the institution, together with suitable refresher courses, should be available to any young adults who may wish to return to their education.

Although a few members of the task force were most concerned that all children who really wished to pursue their education up to degree standard should not be barred from doing so, the general consensus of the group was that in the face of resources which might well be limited, a higher priority must be given to the youngest children. That the task of publicly provided education should start with the two year old and that to neglect the younger child in favour of the older child is like embellishing the top of a building to make up for skimped foundations. This false, and ill conceived approach to priorities has prevailed for too long and must be put aside if true equality is to be achieved.

10. social policy

social services task force report

It would be unfair to criticise *Labour's Programme for Britain* simply on grounds of vagueness, since it does not claim to represent a detailed blueprint. As a general statement of Labour's major policy concerns there is much to welcome in the various sections on social policy: the Party's commitment to social and economic equality is re-established, and several of the problem areas which have emerged in recent years receive recognition. However, an attempt at making helpful and constructive criticism must necessarily direct attention to those parts of the document which are vague and inadequately argued, if only because these are evidently the issues on which most work needs to be done and where contributions to debate are presumably most useful. More seriously, it is those topics on which the report is unclear, and confused, which are most likely to be questions which will prove most problematic in developing more detailed policies. The following comments on those sections of the programme which deal with social policy will therefore concentrate on these weak points, not in order to make carping criticism, but in order to help further the debate which the document has initiated.

First, one major general point must be made. During the Labour Government certain major controversies and dilemmas swept through the Party on social policies; but most of these are strangely absent from *Labour's Programme for Britain*. For example, there were the appeals from Labour Ministers that the Party realise that choices have to be made between several equally worthy ends; their reminders that resources were limited and that sacrifices would have to be made; their warnings that we were nearing the limits of the extent to which growth in public spending could be financed from direct taxation. There were important discussions on whether it would be better to introduce selectivity in social services rather than accept overall cuts which, it was argued, would otherwise be inevitable. We were constantly reminded that our social policy aims were dependent on economic growth—which itself proved to be an elusive goal. But this has never been obvious in logic and has been

vigorously disputed. Yet certainly a good rate of economic growth can greatly ease the political problems of redistribution.

Few of these anxious arguments appear in *Labour's Programme for Britain*. Selectivity is only mentioned pejoratively with respect to Conservative policies. We are assured that the many spending plans can be achieved with no extra burden of taxation except on the very wealthy. Welcome though the wealth tax proposal certainly is, it is very doubtful that it could carry the weight of the document's many commitments. An important specific instance is the problem of the National Health Service. When Richard Crossman was Secretary of State for Social Services, he argued that demographic changes and technological developments created demands for spending on the health service which would involve a rate of increase larger than that of current economic growth; and there was evidence that the population was becoming less willing to accept constantly increasing taxation (for example, in *Paying for the Social Services*, Fabian Tract 399). But the section on the NHS in *Labour's Programme for Britain* makes no reference to this immense problem at all. Yet the rate of increase in social service expenditure can certainly be greater than it has been in the past 10 years. As in all industrial societies for which there is information, the rate of growth of expenditure has been higher than real growth of national income. Between 1959 and 1969 the rate was about 5 per cent compared with under 3 per cent. Labour must commit itself unapologetically to a high rate of social investment—in housing, education, health, welfare and social services. But it must also be clear which sectors can be allowed to grow fastest.

A second example may be taken from higher education. In 1969 the Labour Government reached the conclusion that the rising cost of higher education was becoming impossible to support, and that economies would have to be made if expenditure was to continue. The universities were offered a list of 18 alternative ways of reducing costs and invited to select those which they disliked the least.

Labour's Programme for Britain confidently re-affirms the commitment to one million students in full time higher education by 1980, but makes no reference to the question of meeting the cost, and which sacrifices should be made in order to do so.

The purpose of making these points is not to call for financial stringency in social spending; it is simply to ensure that the Party is forewarned of the problems which are likely to occur in practice when a Labour government comes into office again. Under any government there are certain to be times of restraint, economic difficulty and cuts. If the Party has not established in advance its priorities and preferences, the restraints and cuts will be made arbitrarily and in an atmosphere of emergency; and the hand wielding the knife will be that of the Treasury rather than any guiding set of priorities established by the Labour Party.

Obviously, this is not a question which should dominate the Party's policy-thinking in opposition. It is equally important that it develops its overall strategy and attacks the policies of a Conservative government. But it is dangerous if this task of establishing priorities among our own treasured goals is neglected entirely, and this is what *Labour's Programme for Britain* does. It is a perpetual fault of the Labour Movement to assume that taxation and economic growth will meet all our goals, with the result that every Labour government brings a spell of disillusion. And our scale of priorities is blurred and confused.

This point may be illustrated by again considering the NHS and higher education—this time in contrast with one another. It is significant that the section on education in Labour's Policy is one of the longest, best argued and constructed in the whole document, while that on health seems to lack any overall perspective and consists of a string of vague proposals. In this *Labour's Programme for Britain* reflects the emphasis of socialist thinking in recent years—not least the emphasis of Fabian pamphlets. Education is an area where at present there is an

abundance of ideas, objectives and political enthusiasm, whereas the NHS has failed for several years to inspire much new thought. By default, therefore, education policy is likely to receive a higher priority than health in any future conflict over resources. Perhaps this is what the Party really wants. But we cannot know that this really is the case unless the issue has been faced squarely and posed within the Party as explicit preferences. A unique quality of decisions on NHS expenditure is that they can be, literally, matters of life and death. For example, a decision not to spend additional money on equipment for intermittent dialysis for kidney disease means that a number of people whom medical science could have preserved will die. What priority should be given to expenditure decisions of this kind if it comes to a choice between cuts in the health service or a postponement of the commitment to one million full-time students by 1980? An unqualified commitment to health centres in every district, the replacement of long-stay hospitals by sheltered housing as the appropriate form of residence for the chronic sick, mentally handicapped and elderly and the enthusiastic promotion of the concept of the community physician would do much to place the NHS at the forefront of all the world's health services.

SOCIAL SECURITY

As with health, social security policy in the programme is marked by the lack of adequate overall thinking. The overriding objective must surely be the abolition of poverty in the context of Labour's traditional attack on inequality; but nowhere are the constituent policies drawn together within this unifying framework. Yet only then can the gaps and priorities be properly identified.

Certainly, the main weakness of the National Superannuation scheme—that existing retirement pensioners would not be removed from supplementary benefit poverty—could in principle be met by the proposal to credit them (and other older people who are shortly to retire) with

contributions. Unfortunately the effect is uncertain because of the vagueness of the proposal. Older people would be credited with "several" years of contributions based on half average earnings. But the Party must be more specific about its aims, even if conditions prevent their fulfilment immediately after gaining office. Thus, a commitment to raise the level of the single retirement pension from around 20 per cent to between 25 per cent and 30 per cent of average industrial earnings (which is what the Party decided to do first of all in 1957) would help to abolish poverty in old age and free many pensioners from the need to apply for supplementary benefits.

Low wage poverty has at least been fully recognised by the proposal to replace FIS by a child endowment paid irrespective of income (though taxed) to all children, including the first, and combining the benefits of the present family allowances and child tax allowances even for families below the tax threshold. It would also, crucially, be paid to the mother, unlike the Government's proposed tax credits. Again, teeth need to be put into this proposal, with amounts (expressed as a percentage of average industrial earnings) varying according to age of children. Yet it is not spelt out that none of this precludes the need for at least two other major reforms: a policy for redistributing incomes, possibly involving a national minimum wage, and the re-establishment of a genuinely progressive income tax combined with further sizeable and regular raising of the tax threshold.

the disabled

For the disabled the programme is right to recognise provision for higher daily living costs and compensation for loss of earnings as the key principles. But both raise unanswered questions. Since the first principle means a far more generous benefit than the present attendance allowance and will cover far more persons, how will it be paid for and what priority is allocated to it as against, say, a major pension uplift for the existing retired (or any other large innovation in Govern-

ment expenditure)? And secondly, if loss of earnings is recompensed, is this the equivalent of average earnings or minimum current earnings? If the former, how are problems of equity resolved regarding lower paid able bodied workers? And if the latter, how is continuing reliance on supplementary benefits to be avoided?

Yet the programme is moving in the right direction. In determining benefit, it says, "We must move toward making the degree of handicap the basic factor." If disability is assessed functionally, in terms, say, of the extent to which people are handicapped from undertaking the activities normally performed by people of roughly the same age, there is the possibility of replacing or complementing the attendance allowance with a percentage disability pension. This pension would largely solve the problem of paying additional sums to the severely disabled among the elderly who have to meet the extra expenses attributable to their condition. If payable to the disabled in work it would provide an addition to low earnings and provide a basis for a further system of compensation for people of working age.

the unemployed

Another major cause of poverty, unemployment, is only briefly touched on (with recommended extensions for both flat rate and earnings related benefit). There is a case for a comprehensive review of both flat rate and earnings related unemployment insurance benefit, with the object of improving coverage and raising the level of entitlement of the low paid. A positive employment policy is also needed, which will help to reduce redundancies among the middle aged and utilise frustrated skills. The Party has grossly neglected the unemployment problem in recent years and badly needs a joint employment and social security policy. Single parent families are hardly examined at all in the programme. But the Party must not dodge its support, in evidence to the Finer Committee for single parent family allowances, even though

this does leave open further difficult issues. If it is to be restricted to women without other support, how is this to be enforced without the ugly interference with privacy that the Supplementary Benefit Commission's Special Investigators have apparently been guilty of? If on the other hand it is *not* restricted in this way, how is the inequity to be avoided whereby a cohabiting mother may have a dual source of income compared with the ordinary married woman?

cost

So much of the whole social security debate surrounds the question of cost that it is a great pity that one obvious and fair source of fresh revenue was not mooted. This is the replacement of the present partially graduated national insurance contributions by a progressive system of social security contributions (especially now that income tax is increasingly recognised to be regressive in effect). According to the Treasury, employers' and employees' national insurance contributions in 1971-72 amounted to £2,537m, while a levy of $6\frac{3}{4}$ per cent (the National Superannuation scheme figure) on all earned income between £18 and £48 a week, with matching by the employer, would yield £2,200 million. But if 7 per cent were levied on all earned income up to £2,000 a year, plus 12 per cent on earned income between £2,000 and £5,000 a year and 20 per cent on earned income above £5,000, the yield would be £3,000 million a year, plus whatever matching was required from the employers. Considerations along these lines could clearly transform the whole social security arena for a future Labour government wholly compatibly with wider income distribution objectives, and the abolition of poverty from Britain would become an entirely feasible goal.

HOUSING POLICY

Two awkward issues of housing policy are at least tackled in this section of *Labour's Programme for Britain*; the need for increased municipalisation and the im-

portance of securing some form of equity in the subsidies given to different sectors of housing. But these are also areas where the arguments are marred by vagueness. The commitment to increased municipal control of private rented housing could well be made stronger. This is not simply a matter of reviving old slogans; very recent developments indicate the need for such a policy. Experience of the Labour Government's Rent Act has shown that while the Act has by no means been a failure, it is difficult to bring help through legislation to people living in the slums of the inner urban areas. Ignorance of the law, fear and the superior ability of landlords to use their legal rights have hampered the effectiveness of a policy of regulation. It is difficult to see any useful future for the private landlord in at least these areas. Second, the discovery in 1967 that many older houses need not be demolished but could be improved has important implications. It is essential that local authorities make a rational decision on the fate of old houses and do not demolish where it is unnecessary. However, it is undesirable that this choice becomes one of demolition and the construction of council houses versus improvement and the maintenance by private landlords. The need is therefore for powers which enable local authorities more readily to acquire the properties which they will modernise; this means in effect a policy of increased municipalisation.

subsidies

The second central issue, that of subsidies and the contrast between the council and owner occupied sectors, is tackled by *Labour's Programme for Britain*, but with inadequate results. Some useful proposals are made, such as the scope for excluding surtax from mortgage interest tax relief and the idea of limiting tax relief to mortgages of up to a certain level. But the crucial question is badly handled; that is on what basis are housing subsidies, of all kinds, to be assessed? Any attempt at making comparisons between sectors must involve consideration of this, while within the council sector the Party's commitment to repeal the Housing Finance Act

will make it necessary to find a new basis for awarding subsidy as an alternative. It is surely inconceivable that the Party should want to return to the chaos and historical anomaly which comprised the system which the Conservatives are now replacing. What is perhaps needed most of all is the separation of a subsidy granted to families by the State to help with housing costs from the assessment of the rents and prices which would be necessary to ensure efficient housing markets. At present these are inextricably mixed in a confusion of subsidies and tax reliefs which secures neither justice nor efficiency. The only way out of the labyrinth is likely to be some form of housing allowance, applying across the different sectors, and replacing at least in part the various existing subsidies.

Unfortunately, this is a problem on which the document is less than helpful. It asserts: "It is fundamental to our beliefs that local authorities should not make a profit from their housing." At one extreme this leads to the policy which for so long disfigured housing in Scotland where in several cities and towns council rents were kept very low at the expense of the councils' ability to construct new homes for those living in the slums. Surely, it is an excellent arrangement if councils are able to make a profit from their housing which they can use to increase further their stock, provided that the rents which the tenants pay from their own resources are kept reasonable by a state subsidy. Similarly, when the document draws attention, rightly, to the disparity between the subsidies received by owner-occupiers and council tenants, it smudges its argument disastrously. "We therefore believe that the level of help to the public sector should be broadly comparable in total, to that given for owner-occupation." This is a remarkably crude concept of equality; such global figures for the two sectors bear no relation at all to the circumstances of the individual families within the sectors to their housing costs, or indeed even to the total number of people involved in the respective sectors!

In producing more detailed proposals the Party will have to advance from this kind

of argument. Both the need to find a replacement for the Conservative "fair rents" policy, and the desire to secure equity between the sectors, will necessitate a more thoroughgoing re-examination of the basis of housing subsidies and tax-reliefs than is admitted by *Labour's Programme for Britain*. It must surely consider the case for some form of flat rate housing allowance. The Party has traditionally opposed means tests, and has reaffirmed on several occasions its aim to reduce the supplementary benefits scheme to the dimensions of a residual service. Consistency demands a principled approach to the question of housing allowances. All the evidence suggests that some people with low incomes will not claim, or not receive, the means-tested allowances for which they are eligible. The Government's scheme will also make a lot worse the poverty trap for the low paid. Allowances might instead be paid on the basis of need for accommodation—taking account both of number and age of dependants and state of health of the family or individual. These allowances could be taxed back directly or indirectly in arrears from the rich. If allowances are paid as of right, families will know they can count on them and will begin to plan accordingly with the allowances. Families with dependants will be more prepared to pay higher rents for the accommodation that they need.

HEALTH CARE AND THE NHS

In contrast to the "latest NHS crisis" reports in the mass media, health care in the UK is outstandingly successful. There are two main reasons, first, because an actual financial barrier and an "anxiety financial barrier" about access to acute care, and much chronic care, have now been removed. Second, because the UK is very successful in terms of hard indicators of the cost effectiveness of health care, (judging effectiveness by statistics about death rates and so on, which give some clue about the preventative and curative functions, and judging costs by the proportion of GNP or national income spent). However, the effectiveness criteria are less impressive than the cost criteria and we

lag behind countries such as Sweden in terms of effectiveness.

Now that these fundamental objectives of the NHS have been achieved it is possible and desirable to tackle new problems. In thinking about the next 10-20 years of health care in the UK, it is essential to look at the problems underlying our difficulties rather than to produce a number of disparate solutions. Equally, we need to do more than to tinker with the size and composition of committees, we need to think in terms of social processes as well as institutions. *Labour's Programme for Britain* does not approach the question of policy in this fundamental way. On the health service it is very vague (apart from a few specific proposals which are welcome—like a free family planning service, abolition of prescription charges and the production of a plan for public ownership within the pharmaceutical industry).

Moreover, more space is devoted to the possibilities of creating an occupational health service—which, independent of a plan for the NHS as a whole, could be a sad diversion of energies, and introduce more, rather than less, inequality of health care.

Our systematic information about the health problems faced by the public is woefully inadequate. Similarly, we lack solid information about the problems faced by the many different providers of care. Social surveys are not a panacea—but they have been undesirably neglected in the recent past. In the absence of adequate information about the health problems perceived by the consumers and providers of care and hence about the present and future objectives of health care, the desirable objectives can be discerned only in the most general terms. They might therefore include:

1. The achievement of the highest standards of health.
2. The equitable delivery to the public of the highest standards of health care in technical and personal terms to cover preventive, curative, rehabilitative and caring functions; (this would almost cer-

tainly require state service for the disadvantaged groups).

3. Excellent and socially just terms and conditions of work for the providers of care. The needs of the public and the provider are interdependent. Better health care needs better staff conditions; better job satisfaction for staff needs better conditions of work and better relationships with the consumers of care.

In the light of these provisional objectives, a number of points emerge:

1. Health care involves more than the NHS. Many of our major problems are preventable if we choose to take action outside the NHS (for instance in relation to lung cancer; poverty; accidents in the home, on the road and at work; unwanted pregnancies; social and psychological stress disorders including work-related problems, suicide and drug dependence).

2. Health services are now widely understood to involve much more than prevention and cure—they fail without care. Furthermore, the care element of the NHS is not reflected by cost-effectiveness appraisals. Deficiencies in care manifest themselves particularly in relation to neglected and substantial groups such as the chronic sick, and the mentally ill and handicapped. But there are other deficiencies. In general practice, a skimping of personal care and attention and insensitivity to the public is far too common—and it is bad for doctors as well as patients (difficulty in getting an appointment and shortage of time with the doctor are normal). In hospitals, there continue to be the delays, waiting lists and other failures of consideration for patients and relatives including the frequent problem of inadequate information. There are still far too many archaic and inhuman practices in relation to visiting and when a child is hospitalised.

3. Deficiencies in the care aspects of the NHS are closely related to a lack of care for NHS staff of all kinds.

It is commonly said that one of the major

problems of the NHS is that it is too dominated by doctors—that it represents an excess of syndicalism. This is a dangerous and misleading analysis that fails to distinguish between a handful of doctors who constitute the medical Establishment and the majority of medical providers of care whether they are junior hospital doctors, general practitioners or regional specialists. There are many signs that the ordinary doctor has much too low job satisfaction within the NHS; for instance, the rate of medical emigration is still running at a net outflow of about 300 doctors a year. To think mainly in terms of building more medical schools is to waste resources and to ignore a deeper problem. Similarly, the working nurse, whether she be ward sister or student nurse, is still treated like a hired hand and the current (Salmon) reorganisation of hospital nursing replaces a traditional hierarchy with an equally inappropriate framework—a managerial elite. The many and essential paramedical and supporting workers within the NHS continue to have poor pay (sometimes notoriously poor) and grossly inadequate, say, in the running of our health institutions. Again this is bad for the staff and bad for patients.

underlying causes

Our present problems mainly result from a failure to ask staff and public what they think and to foster their full participation in the decisions taken about the NHS.

Medical and nursing staff within hospitals are still dominated by rigid hierarchies. Appointments reek of patronage. The public is “represented” by a mass of appointed and unknown people on HMCs and RHBS whose activities are, in effect secret, until far too late. The present White Paper argues for the separation of *management* and *representation* because it says there has been a confusion about these two functions. Far from there being confusion, there has in effect, been virtually no representation.

Old and inadequate buildings and equipment inherited by the NHS are still a major hazard and furthermore, they have a

demoralising effect upon the public and staff. But the widely felt problem of lack of money cannot be separated from the lack of opportunity for the public and NHS staff to be effectively involved in decisions about the NHS and its resources. There has been little effective pressure for the re-allocation of resources or for increased resources.

specific proposals

1. The NHS is essentially a service for people by people. It has, however, been allowed to remain an insensitive bureaucracy. We therefore urgently need to develop extensive participation in decision-taking throughout the NHS by staff and public:

(a) within each working unit of the NHS, whether hospital, health centre or group practice, we need to develop decision-making bodies which represent fairly, the public served and the staff. The precise character of such forums should not be dictated from the centre;

(b) power should be devolved from the centre—this means from the DHSS and the medical and nursing Establishments to the actual providers and recipients of services;

(c) to develop socially just decision taking between institutions and between different areas we need to build up decision taking bodies at area, regional and national levels, which represent the working units, that is, there should be a “bottom up” process of representation. The proposals in *Labour's Programme for Britain* for offering most seats on area health boards for local authority members, some for employees directly elected by fellow workers, and some for trade union representatives, are insufficiently responsive and clear cut.

(d) effective participation is a social process and has to be learned. The opportunities for staff and public to develop their participatory skills are therefore essential and these include: better information about health problems and health services (this must include help

from the communications industries which currently give health a squalid deal—though the media are too often not helped by the NHS Establishments) and reasonable conditions for participation. In practice, this means for the public that meetings sometimes have to be arranged to fit in with working hours and that time off work has to be encouraged. Further, time spent in representing the public should be fully compensated financially. For staff, participation must not amount simply to a mass of extra paper work on top of normal work.

2. If, as a society we so choose, extra staff of all kinds and in large numbers could be available to improve out of all recognition the currently under-manned sectors of care. Widespread unemployment, in part at least, represents a basic change in the volume of labour required to produce consumer goods. Apart from its soundness in ecological terms, it is now a mark of a civilised technological society that it shifts the labour so released to social services, including health care. Our problem is, therefore, essentially one of better social accounting and the adaptation of education so that we replace the degradation and obscene waste of unemployment by the development of socially useful and enjoyable labour within the social services. Some changes, such as the introduction of a general practice transport service, could be achieved at once.

3. Health care needs effective action outside the NHS. We need to make sure that considerations of health care are much better taken into account when making social decisions about the whole range of issues. This calls for action in a number of fields; in relation to the communications industries and their treatment of health issues; in the planning of roads and other transport, industry and housing; and in the development of occupational health care which integrates with NHS and other health care. This should include attention to psycho-social aspects.

11. the law and human rights

home office issues task force report

It would be a great calamity if the next Labour Government failed to utilize to the full the opportunity that is presented by control of the Home Office. Those opportunities must be seized upon in order to complement every other social and economic policy that will be pursued. At the very roots of Labour Party policy there must lie those major promises of freedom and equality which may too easily be mistaken for empty, dated concepts, devoid of contemporary political significance. But nothing could be more unfortunate, for not only do they supply the rationale that makes sense of all the rest of any political programme but also, properly articulated and developed, they provide a range of policies that is crucial and indispensable to a socialist manifesto. A vigorous and radical approach to Home Office issues is demanded uncompromisingly, consistent with those other policies of social justice, equality and individual freedom that the mainstream of economic and social policies are designed to accomplish. A neutral or negative stewardship of the Home Office would be intolerable: it would renounce a major vehicle for achieving those aims that the Labour Party holds to be essential. What those aims are and the means for their attainment require some elaboration.

fundamental rights

Political and legal rights without economic rights are incomplete and something of a cruel joke. A right to free speech is no substitute for economic security. But equally economic security is small comfort if the state or indeed any other organisation abuses its power, oppresses individuals, fails to protect minorities and cannot be checked or challenged. If equality is to be meaningful, the state's power can no more be uncontrolled than can that of any individual or group in the community. Both must be subject to law; a code of equality must be supreme, embodying rights and freedoms fundamental in a state which seeks to do justice to all its citizens, to eradicate inequality and extend a measure of protection to all citizens. At present there is no reliable safeguard for our liberties in English law. Parlia-

ment wields a power that is uncontrolled. Fundamental rights and freedoms are nowhere set forth and still less guaranteed. For a Party that believes so insistently in individual dignity and freedom, this is a situation that should not be allowed to persist. A bold step should be taken, frankly acknowledging the problem and offering a solution. That solution lies in a Bill of Rights enunciating all the fundamental rights and endowing them with a durability they now lack. Political expediency would no longer determine the limits of freedom. And a Labour government would unequivocally be expressing its regard for political and legal rights in a tangible form. It would stand as the principal exponent of civil liberties in this country today. We welcome the points on civil liberties mentioned in the Party's recently published draft programme, but is it a subject that merits relegation to the end of every manifesto? It is the relative unimportance invariably attached to the subject that concerns us. Nor are we convinced that the essence of the problem is being tackled in the proposals listed. But even a Bill of Rights would not be enough. A far ranging review of administrative law, with a code of administrative practice, is a vital ingredient in any plan to defend the citizen in his dealings with the state. And still more is necessary. A variety of other measures are also called for, measures which also will extend individual rights and egalitarianism but which are either not part of a Bill of Rights or must be introduced independently. There is no lack of proposals, formulated by the Society of Labour Lawyers, *Justice*, the NCCL and similar organisations. This rich source of ideas would keep a Home Secretary occupied for many years. Some are of particular importance and require an immediate expression of support from a party pledged to implement them at the earliest opportunity. The chief of these are adumbrated below.

legal aid and bail

High on any list of priorities must be legal aid. Over twenty years ago a Labour Government introduced the legal aid system. It now falls to another Labour gov-

ernment to extend that system to meet the demands of today's society. It is clear from the present Government's Legal Aid and Assistance Act—which primarily implements the “£25 scheme,” making available advice up to that sum more generously than at present—that the sums of money required are not to be made available by the Tories. We note with pleasure that the draft programme proposes support for legal advice centres, in our view essential, if access to lawyers and the courts is to be a reality. Particularly is this a problem in the criminal courts, where the provision of a duty solicitor to assist those not otherwise represented would do so much to solve some of the chronic problems that currently cause concern, including denial of both bail and legal aid in magistrates' courts. The problem of remands in custody pending trial is recognised in the draft programme, but no clear solution is offered. Much more liberal provision of legal aid, a state supported system of neighbourhood law centres and duty solicitors attached to magistrates' courts will go far in dealing with the widespread injustice caused by the criminal process. And on the civil side, legal aid should be available before all administrative tribunals—its present exclusion is indefensible—and in all forms of litigation, defamation included; the present income and capital limits are in need of fundamental revision; and an urgent review of the complex and anomalous legal aid rules is essential.

the police

We recognise the difficulty of controlling police conduct from outside by any means—although the admissibility of evidence obtained unlawfully, scarcely encourages the police to act scrupulously in accordance with the law and the Judges' Rules—but we are profoundly unhappy with the present system of dealing with complaints against the police, and concluded that an official similar to the Ombudsman should be appointed to investigate these complaints. We are thus extremely pleased to see the draft programme making this very recommendation, one that, as it observes,

would be “in the interests of police and public alike.”

The recommendations of the Criminal Law Revision Committee, in their recent report on evidence, demand the most careful scrutiny. At first sight, we are far from convinced that all the changes they urge are required: in particular, we are unhappy with the proposed curtailment of the right to silence. As the draft programme notes: “. . . it would be quite wrong to weaken the protection of the ordinary citizens in the courts.” Our more considered view will appear later. No legislation should be introduced until the fullest public debate has taken place.

sentencing

Our prison population is too large. Despite attempts—notably in the Criminal Justice Act of 1967—to reduce the number of prison sentences, the prison population has continued to grow. More emphasis should be placed, as the present Criminal Justice Bill and the draft programme realise, on non-custodial and semi-custodial sanctions. Traditional sanctions such as fines and probation, more recent additions like suspended sentences and attendance centres, and proposed sanctions like community service orders and deferred sentences are all of critical importance. But of course, some offenders will still be sent to prison. Present prison conditions are intolerable and must be steadily improved if rehabilitation is ever to be feasible. A review of the system of punishment in prisons, suggested in the draft programme, is long overdue. Indeed prisoners' rights as a whole merit investigation. And parole, introduced by the last Labour administration, has proved a success, but the system is remote from those applying and facilities for personal appearance should be provided.

drugs, censorship, abortion, patients' rights

There is no mention in *Labour's Programme for Britain* of any of these matters. We view in the context of the individual's right to privacy, his right to

be free to live his life unmolested by the state, except on compelling grounds. We feel it is wrong to ignore them solely because they are contentious.

1. In our view—and it is one which reflects the findings of official commissions in several countries including Canada and the United States—the present laws regarding the private possession of cannabis are untenable. We know that this is a sensitive area and many Fabians will not agree with this recommendation. The indications are that cannabis is no more harmful than either tobacco or alcohol, and very likely less so. No legal sanctions should be allowed to remain unless reason supports them. No one should be subject to the criminal law without the clearest justification on the part of society. Although everything should be done to discourage drug taking, as with smoking and drinking, this is not a legitimate task for the criminal law. It would be better to make available a properly regulated and pure supply of cannabis to those over a certain age, rather than maintain laws that give scope for harassment and bring people into contact with the criminal law who are, by no stretch of the imagination, criminals. The present law, by embracing both non-dangerous drugs and dangerous drugs, makes it easier for pushers to introduce a cannabis user to more harmful drugs, and so can be itself responsible for the graduation from cannabis to heroin and similar drugs. On this ground, too, the present law is unacceptable. There is no conclusive evidence to show that the use of non-dangerous drugs leads onto the use of dangerous drugs. There should be no relaxation of the law in connection with any other drugs, but we are firmly opposed to the unnecessary and extensive power of search without warrant conferred by the Misuse of Drugs Act.

2. We take a similar view of censorship. We wish to preserve controls relating to children, especially in the portrayal of violence (which worries us much more than sex), and to public displays of pornographic matter, but adults should be wholly free to obtain such material if they wish. They equally have a right to avoid it, so that unsolicited mailings, like public

displays, should continue to be controlled. It follows from this recommendation that pre-censorship of films as it now operates under the Cinematograph Acts should be repealed, although the British Board of Film Censors (suitably renamed) should continue to classify films as unsuitable for children, and that classification would have the force of law. Other certificates could also be issued, destitute of legal force, simply as guidance to adults.

3. The Official Secrets Acts should be examined in their entirety, since it has long been felt that their ambit is dangerously wide. The terms of reference of the Franks Committee should be widened: it is absurd that they should be confined only to the worst section of one Act.

4. On abortion, we regret that the significant reform which the last Labour Government made possible, has not rid us of the backstreet abortionist, nor is there consistency throughout the country in the Act's operation. While the provision of contraceptive services should be greatly extended, made available on the National Health Service and widely advertised, we do not believe the problems we have mentioned can be solved without making available abortion as of right under the National Health Service. We have also viewed this problem in the context of women's rights, which we consider next.

5. The 1959 Mental Health Act did much to protect individuals against prolonged confinement in mental hospitals, but it did nothing to safeguard the inalienable right of everyone, mental patients included, to refuse any treatment which might alter his personality. Action to incorporate this right in the law is urgent.

discrimination against women

"It is becoming clearer every day," comments *Labour's Programme for Britain*, "that 'women's rights' have re-emerged as a distinct issue demanding an explicit response within the Party Programme." The final report of the Party's study group examining this question is expected later in the year. We shall examine its detailed

findings then; meanwhile, we are in complete agreement with the draft programme's recommendation involving the intervention of the law to eliminate discrimination in employment on grounds of sex, enforced by an Anti-Discrimination Board. Our only doubt is that this may not go far enough. We also welcome the acceleration of the progress in the Equal Pay Act, introduced by the last Labour Administration, which the draft programme promises, but this can work effectively and fairly, only in conjunction with anti-discrimination legislation to prevent evasion of the Act by intensified discrimination against women.

bill of rights

The very essence of the whole question of civil liberties is, in our view, met only by a bill of rights. The great value of a bill of rights is that it would identify our rights and freedoms. In addition, therefore, to its educative function it would serve to inhibit a Government from introducing legislation violative of its provisions. And if it could be invested with legal authority, the courts would be authorised to strike down statutes in conflict with the bill. At first, the judges would probably be reluctant to fashion new rights and freedoms out of the bill, as the American judges do, but they would vigilantly apply those provisions to statutes, denying effect to any that tampered with basic rights. It is curious that in a country which is a signatory to the European Convention on Human Rights and which accords the right of individual petition to the Commission (the latter granted by the last Labour Government), neither that convention nor any of its provisions are recognised as such by English Law and cannot, therefore, be invoked in any judicial tribunal in the country. It is this central issue that the draft programme ignores, relying instead on piecemeal and isolated improvements. Important as these are—and we have cited a number above—they are no substitute for a bill of rights now being urged by an increasing number of people, politicians, lawyers, judges and others.

fabian society the authors

The Fabian Society exists to further socialist education and research. It is affiliated to the Labour Party, both nationally and locally, and embraces all shades of Socialist opinion within its ranks—left, right and centre.

Since 1884 the Fabian Society has enrolled thoughtful socialists who are prepared to discuss the essential questions of democratic socialism and relate them to practical plans for building socialism in a changing world.

Beyond this the Society has no collective policy. It puts forward no resolutions of a political character, but it is *not* an organisation of armchair socialists. Its members are active in their Labour Parties, Trade Unions and Co-operatives. They are representative of the labour movement, practical people concerned to study and discuss problems that matter.

The Society is organised nationally and locally. The national Society, directed by an elected Executive Committee, publishes pamphlets, and holds schools and conferences of many kinds. Local Societies—there are one hundred of them—are self governing and are lively centres of discussion and also undertake research.

Enquiries about membership should be sent to the General Secretary, Fabian Society, 11 Dartmouth Street, London, SW1H 9BN; telephone 01-930 3077.

Over one hundred members of the Fabian Society have contributed to this pamphlet either by taking part in the discussions which led to the reports of the individual tasks forces or by writing sections of those reports.

Cover design by Dick Leadbetter. Printed by Civic Press Limited (TU), Civic Street, Glasgow G4 9RH.

ISBN 7163 0414 7

recent fabian pamphlets

research series

268	M. Rendel and others	Equality for women	40p
291	David Stephen	Immigration and race relations	25p
292	John Gyford, Stephen Haseler	Social democracy: beyond revisionism	30p
294	John Southgate	Agricultural trade and the EEC	30p
295	A. H. Marshall	New revenues for local government	25p
297	Della Adam Nevitt	Fair deal for householders	25p
298	Jim Skinner	Collective bargaining and inequality	20p
299	S. F. Kissin	Communists: all revisionists now?	40p
300	Christopher Foster	Public enterprise	30p
301	Kees Maxey	From Rhodesia to Zimbabwe	45p
302	Arthur Gillette	Cuba's educational revolution	45p
303	Felicity Bolton, Jennie Laishley	Education for a multi-racial Britain	20p
304	Tessa Blackstone	First schools of the future	25p
305	O. Kahn-Freund, Bob Hepple	Laws against strikes	85p
306	Nicholas Deakin (ed)	Immigrants in Europe	40p

tracts

399	R. H. S. Crossman	Paying for the social services	20p
400	Anne Lapping (ed)	Community action	40p
402	Anthony Wedgwood Benn	The new politics: a socialist reconnaissance	25p
403	Thomas Balogh	Labour and inflation	40p
404	Anthony Crosland	A social democratic Britain	15p
406	Giles Radice, J. O. N. Vickers	The industrial relations bill	15p
408	Eric Deakins	EEC problems for British agriculture	25p
409	Wayland Kennet and others	Sovereignty and multinational companies	30p
410	Anthony Crosland	Towards a Labour housing policy	20p
411	Dennis Marsden	Politicians, equality and comprehensives	30p
412	Jeremy Bray	The politics of the environment	25p
413	Michael Stewart	Labour and the economy: a socialist strategy	35p

young fabian pamphlets

17	Colin Crouch (ed)	Students today	30p
22	M. Blades, D. Scott	What price Northern Ireland?	20p
23	Colin Crouch	Politics in a technological society	30p
24	Elizabeth Durkin	Hostels for the mentally disordered	15p
27	Isla Calder	Our children's teachers	30p
28	Colin Crouch, Stephen Mennell	The universities: pressures and prospects	45p
29	Russell Lansbury	Swedish social democracy	25p
30	James Bellini	British entry: Labour's nemesis	25p

books

R. H. S. Crossman and others	New Fabian Essays	cased £1.75
Margaret Cole	The story of Fabian socialism	paper £0.75
Brian Abel-Smith and others	Socialism and affluence	paper £0.60
B. Lapping and G. Radice (eds)	More power to the people	paper £1.25
Peter Townsend and others	Social services for all?	paper £0.75
Peter Townsend and others	The fifth social service	paper £0.90
George Cunningham (ed)	Britain and the world in the 1970s	cased £3.00
P. Townsend and N. Bosanquet (eds)	Labour and inequality	paper £2.20