

Privatisation Crisis

New Labour under Blair declared itself to be a party free of ideology. Its by-word was we will do what works. In reality it has adopted the ideology of the 'free market' and the dogma that privatisation works better than the public sector. Whilst in the real world this dogma is at variance with life experience, the government digs deeper into its trench, by insisting on what more and more people can see is patent nonsense.

Privatisation is proving to have been a disaster. The misery that passengers have suffered on the railway network has sent the increase in their numbers into reverse: an estimated decline of 20%. It has been a nightmare for service users. Six years of neglect has begun to take its toll on the infrastructure.

Meanwhile, Prescott's scheme for PPP on London Underground, is in difficulties. Not only was the Labour candidate for London Mayor thrashed by Livingstone, who made opposition to this plan a central plank of his campaign, but New Labour could not even convince its London Party to support this scheme. Its London conference voted overwhelmingly in support of emergency resolutions opposing it. Even government supporter Polly Toynbee has said that "carrying on as if nothing has happened is madness". Yet the government shows contempt for democracy. It has no mandate whatsoever to carry through this scheme. It exhibits the arrogance of power.

The proposal to privatise the National Air Traffic Service was finally pushed through the Lords on the basis of 'concessions' which are meaningless. It says much about the governing party that the New Labour dominated House of Commons is, in some respects, to the right of the House of Lords. How can they say the opposition of the House of Lords is a travesty of democracy when they themselves ignore the clear will of the overwhelming majority of the population in London?

As the crisis of privatisation worsens, the government is extending its scope. Its concordat with private health care firms not only gives support to an "industry" which was flagging, but opens the way to privatisation of health care. PFI is being extended beyond hospital building to non-acute services. In the Queen's speech the extension of PFI to primary healthcare was announced: renovation of GP's surgeries by partnerships with banks or pension funds. "Long term returns" (that's profits to you) would come from GP's rent, pharmacies, opticians and "non-medical commercial outlets". This is the health service equivalent of being able to shop at Dixons while you wait for your late train!

As we said in the last issue of this magazine, the Health Plan marked a Rubicon which New Labour has crossed. Medical services are now open to privatisation. The 'Plan' makes it clear that the concordat is not a one-off measure. "The concordat is intended to be the start not the end of a more constructive relationship" between the NHS and private medicine.

Yet instead of opposing this concordat the main Health union, UNISON, described it as only a "stop gap" measure until sufficient funds were made available to the NHS. On

the contrary the NHS Plan and the "concordat" open the way to privatising more of the NHS.

The strike taking place against the transfer of ancillary staff to a private company in the Dudley hospital PFI takes on a political significance in this context. The trade union leaders, for the most part, have refused to organise serious resistance to privatisation, because it would tend towards a political split with this government; something they are not willing to contemplate. Whilst UNISON has given official backing to the Dudley strike, the danger is that whilst it remains isolated, those involved will be worn down by action which may not be sufficient to make a breakthrough (see page 4).

Of course, opposition to privatisation, whilst undermined by being left to isolated local struggles, has been politically weakened by the failure of the unions to raise the issue of re-nationalisation of those industries privatised and to press for the abandonment of commercial methods in the NHS (e.g. Trusts still pay the government a 6% mythical "return on their assets" every year).

In local government New Labour councils are privatising services and the government is pressuring them to hive off Council housing. We report in this issue on the meltdown in Hackney, one of the poorest boroughs in the country, where a New Labour-Tory coalition is in charge. In local government generally, private companies have an appalling record, for instance, in benefits provision. Thousands of people around the country have been issued with threats of eviction because these companies have made a mess of the job they were employed to do.

In challenging the record of privatisation we are pushing at an open door. People are frustrated by the privatised utilities every day. However, what socialists in the unions have yet to seriously do is to assess the experience of the nationalised industries, and go beyond generalities of re-nationalisation and 'social ownership'. We need to develop concrete proposals for taking industries out of the hands of the profiteers and operating them on the basis of *social and environmental needs*. That requires the driving out of the profit motive and commercial methods from the NHS, and the running of the transport system on the basis of service provision which makes serious inroads into the domination of the 'car economy'.

The sort of 'social ownership' we are in favour of is one in which an industry or service is run according to the broadest social interests, and those who work in it and use the service, have control over it. What is called, under capitalism, 'the right to manage', is in fact an industrial dictatorship, which usually ignores the experience and expertise of the people who do the work, and creates enormous waste of time, effort, and resources.

In short, the struggle against privatisation needs to be linked to a vision of a practical political alternative, with concrete proposals.

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