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MANIFESTO

Since 1987 when Margaret Thatcher claimed “there is no such thing as society”, Britain has become an increasingly unequal country, shaped by greed and consumerism.

The benefits of this type of ‘society’ go mainly to the richest individuals and biggest corporations. For example, according to the Social Market Foundation, between 2005 and 2013 the richest fifth of the population grew 64% richer while the poorest fifth grew 57% poorer. As Danny Dorling has pointed out in ‘Inequality and the 1%’, the gap between the richest 1% and the rest of us is eye-watering.

Even during the aftermath of the banking crisis of 2008/9, the wealthiest people have continued to increase their wealth at an astonishing rate (25% or more per annum in many cases) while most of us have seen wages and salaries reduce in value. Dorling has calculated that for the National Minimum Wage to have kept pace with the increased income of the top 100 business leaders, it would have reached nearly £19 per hour in 2014, instead of £6.19 per hour!

Through my election campaign I seek to raise awareness of what is going on in unequal, divisive Britain and encourage other concerned people to challenge the inequality and call for radical change.

The following manifesto focuses on my main areas of concern, although I would be happy to share thoughts on other policy issues not covered here.

THE ECONOMY

Tax Avoidance

Tax avoidance by individuals and companies is estimated to cost the taxpayer £50 billion per year. The biggest avoiders are the wealthiest, the people who can afford to pay clever (or should that be 'bent'?) lawyers and accountants to find ways of dodging payment of what they owe.

George Osborne is the latest, but by no means the only, Chancellor of the Exchequer to claim that he's going to do something about tax dodgers. When the Swiss government reached agreement with the UK, to curb the use of Switzerland as a hiding place for taxable income, Osborne declared that this would bring in £5 billion by 2015. The actual figure raised was under £2 billion. Don't hold your breath over the Tories' plans to go after tax avoiders in future! Doing little about tax avoidance is nothing new and not the preserve of one party. The Blair and Brown governments talked the talk but didn't get very far when it came to walking the walk. It was on their watch in 2005 that Sir Philip Green, the retail magnate, awarded himself a £1.1 **billion** dividend, which eventually found its way into his wife's bank account in Monaco, enabling Green to avoid around £285 million in tax! If you want to find out more about how the super-rich get away with this sort of thing, I can recommend Owen Jones's excellent book, 'The Establishment'.

Why haven't successive governments since the 1980s done anything about this type of abuse?

It may have something to do with the fact that most political parties have rich donors who are either tax avoiders themselves or, as in the case of the big accountancy firms, design schemes that enable the rich to avoid tax. There's not space here to give you a complete Roll of Dishonour but here's a flavour:

- Between 2011-2014 Lycamobile donated about £500,000 to the Conservatives and despite its multi-million pound turnover, it paid no corporation tax between 2007-2014.
- In 2014 Labour received nearly £400,000 from PwC one of the accountancy firms that helps rich clients avoid tax.
- The Lib Dems received over £2 million from convicted fraudster, Michael Brown.
- Rock Services, the company headed by one of UKIP's biggest donors, last year paid £12,000 corporation tax on turnover of nearly £20 million.
- The Green Party's biggest donor, Vivienne Westwood, has avoided tax by moving an alleged £2 million into an offshore company.

Of course, the tax avoidance of the richest donors to political parties is only the tip of the iceberg. Multinationals pull the same sorts of stunt on an industrial scale, including:

- Amazon.co.uk who in 2012 paid only £2.4 million corporation tax on £4.2 billion in sales, most of which was moved to Luxemburg
- Google who between 2007-2013 paid £10 million on UK activity worth £12 billion
- Between them ATOS and G4S received £2 billion in government contracts in 2012 but neither paid a penny in corporation tax that year
- From 1999-2012 Starbucks paid £8.6 million on UK sales of £3.1 billion.

To say nothing of the Vodafone who paid a fraction of the tax it owed in 2011, thanks to the lax approach of the head of HMRC, David Hartnett, who has since moved on to Deloitte, one of the big accountancy firms that stand accused of assisting with tax avoidance.

Solutions

- Legislation to ensure that the income of individuals and companies is taxed in the country of activity.
- Outlaw the movement of money within a group of companies where such movement takes money offshore.

Taxation – Income Tax

Although income tax is progressive - the higher your income the more tax you are charged – it isn't progressive enough.

The Coalition reversed Labour's introduction of a top rate of 50% for any earnings over £150,000 and replaced it with a 45% rate. Tory cabinet ministers have refused to rule out further tax cuts for the biggest earners.

Under the existing system, if you were lucky enough to be paid:

£150,000 per year you'd pay a little over £50,000 in tax

£250,000 per year you'd pay about £100,000 in tax

£500,000 per year you'd pay a little over £210,000 in tax

£1 million per year you'd pay about £435,000 in tax

Labour is committed to bringing back the 50% top rate. **BIG DEAL!** (This would have hardly any impact on inequality in the UK)

Solutions

- Make income tax more progressive, introducing much higher rates for the marginal additional income of the richest in society. I propose the 50% rate kicking in on taxable income of £100,000, a 60% rate on income over £200,000 and a 70% rate above £500,000. This would mean that people 'earning' £1 million per year paying an additional £150,000 in tax. If you think that's harsh, remember it would still leave them with £400,000 of disposable income or about 18 times the national average wage (pre-tax)!

Taxation – Corporation Tax

I've already given you a flavour of how big business has avoided paying billions in corporation tax.

In addition to the proposals to prevent the movement of income offshore, the principle of the richest paying more must apply to companies as much as it does to individuals.

Solution

- Increase corporation tax rates on big business to 30%. (As being required to pay *any* corporation tax will come as a shock to some of the worst tax avoiders, a modicum of mercy might be shown, by increasing the tax rate in steps over three years.

Privatisation

Since the Thatcher years, governments of all shades have been wedded to the idea that vital assets are best run by the private sector. The argument goes that if you open up public transport and utilities to the 'free market', competition will keep prices down and the provision of these services will improve. Moreover, by selling off these assets, the Government of the day acquires much needed revenue.

You don't have to be an economics expert to see the main flaw with the privatisation argument. **Once you've sold something you can't sell it again!**

That's only the start of the problems. Over the last thirty years, bitter experience has taught us that:

- Privatisation often doesn't secure what the asset is worth (e.g. the recent sell off of the Royal Mail raised an estimated £1 billion less than it should have done)
- Services don't automatically improve and often get worse

- Prices tend to rise more steeply
- The Government loses influence over vital sectors of the economy
- Profits and shareholder dividends are put ahead of service
- The taxpayer continues to subsidise the privatised companies (e.g. we pay £5 billion per annum in subsidies to the rail companies)

[Please refer to the following section on Health for details of how privatisation is infecting the NHS and what can be done about it]

Solutions

- Renationalise the railways without compensation. (My preference is to do this within a very limited time frame, although an alternative would be to take parts of the network back 'in house' when the franchises expire)
- Re-establish state-owned water, gas, electricity and telephone companies, which could compete aggressively with the current providers.

HEALTH

I don't think there's much doubt that the NHS is in crisis.

With the exception of a relatively few examples of local mismanagement, it is not a crisis produced by the people who work within the NHS.

The roots of the crisis are in the policies of successive Governments, which we can sum up as **more doctrine than doctors** and which have included:

- a distorting target-setting culture that has more to do with ministers trying to look good than securing genuine improvements in healthcare
- wasteful restructuring (e.g. through the Health & Social Care Act 2012)
- failure to fund sufficient capacity
- creeping privatisation
- a debt burden on hospital trusts arising from the Private Finance Initiative (the number of NHS trusts in debt rose from 16 in 2010 to 58 last year)
- failure to promote positive public health

The pressures on hospitals are well documented with many A&E departments unable to cope with demand, a situation that is made worse by the lack of available beds in wards. Since 1979 the number of beds in NHS hospitals has decreased by 30% and up to 50% of the decreasing number of beds can be allocated to private patients.

The integration of health and social care *sounds* good and in a few areas some progress is being made to improve the workings of these related spheres; however, for the most part this 'development' means the bringing together of two cash-strapped services.

In this context it is worth noting that the number of elderly people receiving quality care in their own homes has fallen by half to 700,000 since 2004. This isn't because they're getting better at meeting their own needs and the net effect is an increase in previously avoidable hospital admissions.

As well as launching extensive dismantling of the NHS's structure, the 2012 Health & Social Care Act is a vehicle for increased privatisation. This is consistent with the Coalition's ambitious programme of wealth redistribution IN FAVOUR OF BIG BUSINESS & THE RICH and continues the steps that Labour took under Blair and Brown to hive off slices of the NHS to the private sector.

The proportion of health services contracts that have been awarded to the private sector is rising and on course to top £10 billion in the near future. Although they have the established infrastructure and experience, NHS trusts are missing out on most of the contracts that are put up for 'competitive tendering'.

In addition to privatisation in the normal sense of the word, health trusts and hospitals are among the biggest sufferers from Private Finance Initiative contracts.

PFI, which has been used by the last three Chancellors of the Exchequer (Brown, Darling and Osborne) is a con that works like this:

- The Government wants to be seen to be doing something about cutting the deficit, so traditional government borrowing to build new hospitals (in this case, although PFI extends across all areas of the public sector) is problematic.
- Under PFI, the risk of investing in new hospitals is supposedly taken by private companies.
- In return for this risk, the health trust/hospital has to repay the developer over several years (often up to thirty).
- Because private companies' borrowing is more expensive than the government's this results in greater debt than traditional government funding.
- Despite this, to ensure that borrowing is done through PFI, the Treasury fiddles the figures to give an impression that PFI is cheaper.
- Many of the charges within PFI contracts are indefensible - some hospitals have to pay over three hundred pounds to have a light bulb changed! – but the hospitals are stuck with them.
- There is a trade in PFI contracts, which often end up in the hands of speculators.

Estimates of the full-term financial impact of PFI on the NHS range from £20 billion-£30 billion! It is hardly surprising that so many NHS trusts are in debt and that the service as a whole is facing a funding crisis!

The situation has led the head of the British Medical Association to predict that future governments will have to consider bringing in charges for a range of health services.

Solutions

- The principle of the NHS being free at the point of use must be preserved, or, rather, restored.
- The proportion of beds ring-fenced for private use should be drastically cut.
- Privatisation of the NHS should be halted and reversed.
- The use of PFI contracts should be terminated and existing contracts reviewed with a view to defaulting with minimal compensation.
- The Health & Social Care Act should be repealed and local democratic control restored through a modernised version of Primary Care Trusts
- Major investment in social care in the recipients' own homes

- An emphasis on health rather than sickness with tough government intervention over alcohol, tobacco, junk food and the sugar
- A windfall tax on premiership football teams and other sports that benefit from huge TV rights payments, the funds raise being invested in healthy living, recreation and sports projects at grass roots level.

EDUCATION

Education is nearly as big a political football as Health. Like the NHS, our education system has been scarred by political interference by ministers and special advisers who appear to know (next to) nothing about how children and young people develop and learn.

Reflecting what happens on a corporate scale with PFI, all recent Government parties have shifted the costs of university education onto individual students by introducing and then increasing tuition fees. Graduates leave university with over £40,000 'worth' of debt (2014 figures).

At the other end of the age range, the UK (especially England) subjects its children to formal education and high stakes testing at a much earlier age than any other developed country. This approach seems based on some deeply questionable assumptions:

- The sooner we expose children to formal instruction, the more they will learn
- The sooner we expose children to tests the better they will become at taking them
- They're going to have to get used to it later on so let's start them young

The reality is that real learning is more complex than simply remembering in a test what you have been told.

It's not just that the formal, test-driven approach is not beneficial, it is harmful. Well before they leave primary school many children are switched off learning by years of a diet of stuffing and regurgitation. In international comparisons, our children come out as among the least happy in developed countries and there are serious questions about their levels of social awareness and competence in relationships.

In all phases of education we have an inspection regime (Ofsted), which despite claims of neutrality, plays an important role in helping the Government achieve its goal of dismantling locally accountable schools (forcing schools to become academies operating outside local authority oversight and allowing the creation of so-called 'free schools' that take resources away from other local schools and, like academies, lack lines of democratic accountability).

The undermining of national terms and conditions for teachers has compounded the drift to a greater proportion of classes being 'taught' by unqualified staff

Successive governments' treatment of education has parallels with the process of privatisation referred to elsewhere in this document.

Private education, in the traditional sense (the oddly named 'public schools') derives tax benefits from charitable status. In other words, we the taxpayers subsidise the education of the already privileged, who continue to dominate key positions in all areas of society.

Solutions

- Abolish tuition fees and restore grant support for the poorest students.
- Introduce a system of kindergarten-style education up to the age of at least six years.
- Halt the academy programme and restore these schools to local, democratic oversight by new bodies, comprising local councillors, parents and professionals.
- Abolish free schools.
- Abolish Ofsted and replace it with peer review and development between schools.
- Reduce the number of standardised test to which children are subjected.
- Re-establish national terms and conditions for the teaching profession.
- Ensure that every class is taught by a qualified teacher or one who is in the process of securing qualified status.
- Commission a root and branch review of education, culminating in all-party agreement on a moratorium (minimum five years) on government interference in the curriculum and assessment.
- Remove the charitable status of private schools as a first step towards their integration within the State system.

POVERTY

The more unequal a society is, the greater the number of people who experience relative or absolute poverty. 'Absolute poverty' describes conditions in which the most basic of human needs are not met because they cannot be afforded. This form of poverty is usually associated with poorer countries, although there are some people in 21st century Britain for whom it is a reality or threat.

'Relative poverty' refers to conditions in which people do not experience the normal degree of economic well-being for the country in which they live. For instance, in the UK, the official government definition is that children are in poverty if the total household income is less than 60% of the national average.

According to the Child Poverty Action Group:

- There are 3.5 million children living in poverty in the UK (27% of the population)
- Employment is not an insurance against poverty, as two thirds of the 3.5 million live in households where at least one person works
- Growing up in poverty has a long-term impact on a child's health, educational and employment prospects
- Child poverty is increasing and will reach 4.7 million by 2020 without radical intervention by the next government.

Foodbanks

The rise in the use of foodbanks is another indication of increasing poverty in the UK. The Trussell Trust, the biggest organiser of foodbanks reports a huge expansion in the number of emergency food parcels it has distributed:

41,000 in 2009/2010

61,000 in 2010/2011

129,000 in 2011/2012

347,000 in 2012/2013

913,000 in 2013/2014

David Cameron, whose Coalition Government's austerity and welfare policies have been a major factor in this expansion, has had the nerve to claim that the increase is down to better sign-posting by government staff, e.g. in jobcentres!

Payday loans

In desperate circumstances, people turn to desperate solutions. This is reflected in the rise in the number of payday loan companies in recent years.

The existence of these predators owes much to successive governments' lax approach to the regulation of the financial sector. (The financial crash of 2008/9 was the best/worst example of what happens when governments don't keep a tight rein on the money markets.)

Payday loan companies are permitted to charge astronomic interest rates (thousands of per cent) and although their activities have been curbed a little they continue to thrive at the expense of the poorest people in our society.

Soft targets

The Coalition Government has covered itself in shame with its sustained attack on welfare claimants and the Conservatives plan to continue the assault by cutting welfare spending by a further £12 billion. David Cameron has the front to claim that his government's welfare policies are compassionate!

The unemployed and the disabled are soft targets, easily blamed by politicians for their own misfortunes, but let's not forget that they weren't the architects of this country's economic mess.

If you want to find out more about how the poor are demonised in Britain, I can recommend Owen Jones's book, 'Chavs'.

Solutions

- At a general level, the redistribution of wealth through progressive taxation will reduce poverty by creating greater equality.
- The minimum national wage needs to be substantially increased so that being employed is a protection against poverty.
- Cuts in welfare spending need to be reversed to ensure that the most vulnerable in society are properly protected.
- Tougher restrictions should be placed on payday loan companies.
- The Government should invest £2 billion to capitalise Credit Unions, not-for-profit organisations that make affordable loans available to those in greatest need.

HOUSING

Like many of the issues of concern today, Britain's current housing problems started in the 1980s. Margaret Thatcher's dream of everyone owning their own home has become a nightmare for many.

One of the main reasons Britain has an inadequate stock of affordable housing is that when Thatcher and her successors gave council tenants the right to buy they barred councils from using the income from house sales to build new houses. One of the consequences of the decline in council housing was a sharp increase in the number of homeless households (55,000 in 1980, 165,000 by 1990!).

The problems arising out of 'Right to Buy' policies have been made worse by the continuing decline in the number of houses being built, down from 250,000 in 1979/80 to 140,000 in 2013/14 (Office of National Statistics).

The fall-out from the financial melt-down of 2008/9 has made it harder for people to get on the property ladder; the number of first time buyers has collapsed from 500,000 in 2000 to 270,000 in 2013. Of all the groups affected by these trends, those in the 25-34 age bracket have been hardest hit. In 1991, 67% of this age group were home owners, by 2011/12 the percentage had fallen to 43%.

Many people whose ambitions to own their own place are being dashed have to make do with privately rented property, one area of the housing sector that has expanded, both to meet demand and also, in some cases, to fuel the greed of landlords. It is galling that, for the sake of having a large enough deposit, many tenants end up spending more on housing than if they had a mortgage. Would it be cynical to suggest that the failure of governments to address this problem may have something to do with the large number of MPs who are private landlords themselves?

And if all that were not bad enough ... a major slice of the housing stock, especially in London but increasingly outside the capital as well, is being bought up by wealthy overseas investors (mainly from China, Russia, the Middle East and the United States). Many of these investors operate under the dark cover of companies whose ownership is not declared and their domination of the market is a major factor in pushing property prices further and further out of reach of most people.

Various government schemes have been invented to help overcome these difficulties, particularly those faced by first time buyers, but a growing number of economists have expressed concern that these seemingly helpful measures are also having an inflationary impact on prices.

Small and medium sized building firms do not seem to be getting their fair share of contracts.

Solutions

- Tough controls over private rent
- Restrictions on foreign ownership of property
- Ring-fence a proportion of housebuilding plans for small and medium sized businesses.
- Increase the affordable/social housing proportion of all new housing developments
- Free up local councils to borrow more in order to invest in new social housing