

Why Brown's premiership could be short-lived

Irwin Stelzer says the prime-minister-in-waiting's poor poll ratings have less to do with personal style and more to do with fading support for the welfare state

In guessing at the shape of Gordon Brown's premiership, we have to ignore two groups. First, there are the idolaters, the inner clique that believes, really believes, that application of the Brown intellect to the social and foreign policy problems facing Britain will cause those problems to crumble under the pounding of that clunking fist. More of what has been on offer from No. 11 is all that is needed at No. 10.

Then there are the critics so blinded by their hatred of Gordon Brown for his stealth taxes, his pension raid, his redistributionist proclivities, his secrecy, his clannishness, his Scottishness, his unpressed clothes — or their exclusion from his circle — that they are unable to recognise his virtues and accomplishments.

For the more balanced non-worshippers and the non-haters, this much is clear when it comes to the processes of government. *Gordon Brown will be torn between his desire to restore faith in government and the integrity of its decision-making processes, and two of his most notable faults. As perhaps the first person to use the terms 'Stalinist' (the Guardian, 15 February 2006) and 'Macavity' (The Spectator, 9 September 2006) to describe the Chancellor, I must confess to pangs of envy when I saw how much attention Lord Turnbull got for his inadvertently copycat description of the Chancellor.*

But those are apt descriptions. It is said that Stalin shot the first official who stopped

applauding when he spoke; Brown has a tendency to send critics to political Siberia, never to be warmed by access to the Brown presence thereafter. He also disappears, Macavity-like, when a problem arises, as he did last month when it became clear that he had ignored officials' warnings about some of the consequences of his treatment of pension funds. Ed Balls was assigned the role of spear-catcher.

Brown is as aware of these criticisms as he is of his habit of nail-biting, and about as capable of changing his behaviour as he is of abandoning that habit. But he is nevertheless likely to change at least some of the ways in which the government decides things: careful preparation and greater reliance on experts will replace Blair's intuition; a greater formal emphasis on propriety will replace Blair's confident reliance that people will understand that he is a regular kind of a guy and therefore incapable of *impropriety*.

So much for procedure. On to substance. Gordon Brown, given one wish, would opt for the end of world poverty, especially child poverty. But it is a safe bet that he will not recognise that the programmes he has crafted in the past ten years have failed — witness his persistence in relying on complicated tax credits in his final Budget. The notion that it is better to allow people to keep more of their own money than to snatch it from them as tax and then return it to them as a credit against that tax, is alien to a man who really believes that the national income is his, and it is for him to decide how much of his money to share with citizens.

But there is some hope. Brown and some of his advisers have begun to whisper that the only way out of poverty is through work. This is an extension of the Chancellor's deeply held belief in the virtue of work, learnt in his formative years. This belief is confirmed by his own success, which he is well aware is attributable neither to Blairite charm nor to a pleasing speaking style. But as always with this complicated man, there is a question. *Will he recognise that it is the gap between what one can earn at work and what one can get from the state by avoiding work that determines how many choose the sofa and television, and how many the less pleasant workplace? Or will he cling to the belief that everyone is like him — eager to work almost whatever the economic incen-*

tive, because there is so much good to be done in the world that staying home is not an option? We have one — in my view, nervous-making — clue from his repeated assertion that healthcare workers are dedicated public servants imbued with a desire to help the sick, no financial incentive necessary — which of course makes one wonder why he felt it necessary to lavish huge wage increases on them.

We can be more certain about one thing: Brown has been reflecting on his plunging poll numbers, and does not agree with his coterie that all he need do is wait for a Brown bounce when he moves into No. 10. When he reflects on domestic policy, my guess is that he will decide that his polling negatives have nothing to do with the fact that his government now takes 43 per cent of the nation's income. His advisers agree, which is why they see his appearance and style, rather than his policies, as requiring alteration.

Clinging to this position puts the Brown premiership in peril of being short-lived. Middle-class support for the welfare state is not what it once was. That support rested on two pillars. The first was a (mistaken) belief on the part of the middle class that the value of the direct benefits they received exceeded the taxes extracted from them. These benefits were always recognised explicitly by the Left as a necessity — an unfortunate one, but a necessity nevertheless — to buy voter support for the redistribution that is at the heart of the welfare state. Unfortunately for Brown, he has used up his bribe money: he can't afford any more goodies for the middle class, on which he has loaded a succession of tax increases. And he has presided over the pouring of huge sums down the rat hole of an unreformed health service. So Middle England and hard-pressed blue-collar workers are not as willing as they once were to sanction expansion of the welfare state.

The second pillar on which middle- and working-class support for the welfare state rested was a belief that aiding the less fortunate is the decent thing to do. Although the phrase 'deserving poor' went out with the Victorians, the idea behind it is as current today as it was some 150 years ago. Unfortunately for Brown, he will be moving into No. 10 when rumblings grow louder about welfare cheats, the increasing number of healthy malingerers drawing disability benefits, and recipients of benefits refusing to accept responsibility for the behaviour of their offspring.

Unless Prime Minister Brown can find some way of reducing the burden of the state on the middle class, of cleaning up the benefits system so that the undeserving are less well treated, and of getting value for money spent, he might be the Prime Minister who presides over the beginning of the unravelling of the welfare state. It is just that fear that drove Tony Blair to attempt to turn the welfare state from a producer- into a consumer-driven apparatus.

When Brown turns to foreign policy, my

guess is that he will decide to change the focus of Britain's efforts on the world stage. The Chancellor who for a decade has starved the military of funds doesn't believe in a primarily military solution to the war with radical Islam. Indeed, he is more Old than New Labour when it comes to allocating resources between the welfare state and the military establishment.

Brown believes that the solution to many of the world's problems is economic development. That is why he has had Ed Balls shuttling to the Middle East to find ways to revive the economies of Gaza and the West Bank, and why he will try to use his new prestige to bolster his appeals to the World Bank to fund African regimes that the Bank is now demanding first reform their kleptocratic ways. In short, Brown would like to harness the resources of international institutions, funded in largest part by the United States, to his fight on world poverty, relieving pressure on his own exchequer. Which suggests that he will of necessity be friendlier to an American president than the anti-Americans in the Cameron-Hague faction of the Tory party, especially if the next president is a Democrat — the party with which Brown has always been most comfortable.

In his musings Brown should be considering a major problem: hyperactivity. Advice from the Left and Right comes to mind. Clement Attlee once famously advised the academic activist Harold Laski that, 'A period of silence on your part would be welcome.' And Ronald Reagan is said to have told his associates, 'Don't do something, just stand there.' Or perhaps the Chancellor would prefer to heed a fellow finance minister. Albert Gallatin, who served Presidents Thomas Jefferson and James Madison, once said, 'We are never doing as well as when we are doing nothing.'

If Brown is to have his entrepreneurial society of self-confident individuals, he will have to remove government from the centre of people's lives. A period of silence, of just standing there, of doing nothing, might, just

might, dissuade people from looking first to government when they have a problem. It would make No. 10 seem less important if everyone couldn't read about its occupant every day, but it would also make for a healthier body politic, less demanding of its new prime minister.

Irvin Stelzer is director of economic policy studies at the Hudson Institute and a columnist for the Sunday Times.