

# Beyond our Ken

**Imagine a Budget like we've never had before – no increase in income tax or VAT, no fevered discussions over cigarettes and beer. This would be a Budget for a better world. Kay Parris has a vision**

**E**very year, the way that the Budget is presented to us, the taxpayers, makes it look as though the Treasury is helpless to continue its work until we've supplied additional funding. But, with a different approach – in a different world – the Budget could be a time of accountability, an opportunity for the Government to convey a clear picture of how existing public money is being spent, and how it could be better spent in the UK and worldwide.

No one's talking wholesale capitulation to the peace movement or the ecology lobby here. Chancellor of the Exchequer Kenneth Clarke would take sound advice from eminent economists, defence analysts, trade unions and proven research organisations. And he would keep Britain's prosperity and security as a priority – alongside tackling world poverty and conflict.

Checking over his copy of the 1993 *Economist* yearbook, Clarke would note with concern that, despite the end of the Cold War, conflicts continue to savage the globe at an unrelenting pace, most commonly in the Third World: in the last decade alone more than one and a half million children have been killed in wars, four million disabled and five million forced into refugee camps. His initial reflex is to slap another billion on the defence budget – such instability in countries with growing military arsenals makes the Cabinet nervous. But for some reason, he does a double take.

British taxpayers spend millions of pounds every year providing "military assistance" (ie military training and weapons sales) to a secretive list of Third World countries which respected agencies like Amnesty International take to include human rights abusers and

dictatorships. Iraq, Somalia and Afghanistan are just three nations whose conflicts have been fuelled by stocks of weaponry bought from the West.

Still, no use crying over spilt budgets. Once conflicts are raging, surely military intervention from the West is the only way to stabilise the situation. The Chancellor starts to feel better about that £3.56 billion investment we've made in the Eurofighter 2000. But even after phonecalls to the Defence and Foreign Offices, he falters in his attempt to list success stories, where Western military intervention can be said to have stabilised a Third World crisis.

Looking around his cluttered

**The Chancellor loosens his boldly-patterned tie and abandons himself to a total re-evaluation of the principles that got him where he is today. His mind races ahead to Budget Day and the expression he'll wear as the press snaps him throwing £4 billion at the worthiest causes in Britain**

office Clarke glimpses the subtitle of the World Development Movement (WDM)'s report into military investment: *Biting the Bullet*, subtitled *Real Security in a New World*. WDM is the biggest UK pressure group on Third World issues. He knows the Prime Minister often listens to what it has to say and sometimes even acts on its findings. Uganda, Liberia, Somalia, Peru – one after the other, WDM cites countries whose desperate poverty has spawned armed movements prepared to take desperate action.

It isn't just a right-on pressure group that says so, either. Even former US Navy captain, Professor Roger Barnett, now vice president of a defence think-tank, includes on a list of the key security threats to the West the widening economic differential between north and south, the inequitable distribution of world food supplies, and the acquisition of high-tech weapons by traditionally weaker countries who now feel more able to take up arms against the strong.

All at once it comes to Kenneth Clarke. He's tired of pondering on piecemeal defence cuts – he has a reputation for decisiveness. He checks some statistics and finds (according to an ICM poll for *The Guardian* in September) that 64 per cent of the electorate from right across the political spectrum say

public spending cuts should centre on defence. His decision is made: he is going to cut the military wholesale and do something useful with the money.

Reading on in *Bite the Bullet*, he comes upon WDM's suggested Budget for real security:

**1** Halve military spending by the year 2000, thereby saving an estimated yearly £12 billion. This leaves the UK not as a defenceless isle, but as an average EC member spending two per cent of its national wealth on defence.

**2** Spend half the new resources

on helping to create a more stable world by meeting the UN aid target of 0.7 per cent Gross National Product (GNP) and writing off 80 per cent of the crippling debts owed to Britain by the poorest countries.

**3** Spend the other half creating new civilian jobs in Britain and addressing the UK's social crises.

His discussions on the possibility of defence cuts have hitherto ended in stormy exchanges over the prospect of redundancies for military personnel. So he's interested – if sceptical – to read WDM's forecast that by investing in other sectors of the economy Britain could create half a million jobs by the year 2000, many more than would initially be lost. WDM's forecast is based on research by economists, but Clarke mutters wryly that he can imagine what kind of economists they are.

He's amazed to learn, however, that the Transport and General Workers Union and the International Monetary Fund (IMF) also support the idea of halving Britain's military budget. Feeling slightly phased, he reaches for the comfort of the *Financial Times*. There he finds extensive coverage and considerable credence given to the IMF's view that after substantial reductions in world military spending, "big gains accrue in the medium and longer-term to the entire global economy".

A brief communication with the Department of Trade and Industry unearths several examples of companies in Britain who are already succeeding in converting their business from military to civilian markets: Racal-MESL (RM), Redifon Limited and Dowty, to name but a few.

The Chancellor loosens his boldly-patterned tie and abandons himself to a total re-evaluation of the principles that got him where he is today. By now his mind is racing ahead to Budget Day and the expression he'll be wearing as the press snaps him throwing £4

billion at the worthiest causes in Britain. But which would be the worthiest? he frets.

He makes a grab for Shelter's

*Budget Briefing*, which has been gathering dust on his desk.

Suddenly he wants to understand homeless-ness.

Opening the document, he finds a detailed and carefully-costed proposal for house-building and repairs, mortgage benefits and low income concessions. Shelter claims these would boost growth in Britain's economy,

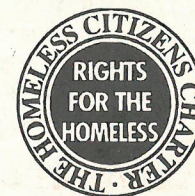
stabilise the housing market, put unemployed builders back to work, bring empty property back into use, regenerate the inner cities, and house the people who most need low-cost homes.

Taking into account the savings made by councils on temporary accommodation and unemployment benefit (more work for builders and people who can't get jobs without an address), plus forecasted growth in national output, Shelter's Budget package would cost £1.9 billion a year, leaving the Treasury a sizeable sum with which to boost the Health Service.

Finally it dawns on Kenneth Clarke that visions can make the best economic sense. Full of serenity, he approaches his window just in time to see a small pink creature glide across the sky...

• For a copy of *Bite the Bullet*, get in touch with the World Development Movement at 25 Beehive Place, SW9 7QR.

Tel: 071 737 6215. For details of Shelter's Budget Briefing contact Shelter at 88 Old Street, EC1V 9HU. Tel: 071 253 0202.



## BACK TO THE STREETS?

CHAR is working with a group of hostel residents whose hostels are due to close down with no alternative accommodation being offered to many people.

Those who do get housed may experience problems in handling a home of their own.

CHAR is also planning a national project to look at ways to guarantee homeless people the support they need to get resettled, but we need your help to do this.

Please find enclosed a donation of £ (cheques/postal orders made payable to CHAR)

Send, together with name and address for acknowledgement, to CHAR, 5-15 Cromer Street, London, WC1H 8LS. CHAR is a registered charity.

For further information, contact Steve Loane on 071 833 2071.

**CHAR**  
HOUSING CAMPAIGN  
FOR SINGLE PEOPLE

