

# **THE BRIT- IRRESPONSIBLES**

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## INTRODUCTION

“On Monday morning” the Daily Mail wrote in July 1948 “you will wake up in a New Britain, in a state which takes over its citizen six months before they are born, provides free services for their birth, for their early years, their schooling, sickness, workless days, widowhood and retirement. Finally, it helps defray the cost of their departure. All this, with free doctoring, dentistry and medicine, free bath-chairs, too if needed for 4/11 (out of your weekly pay packet) *YOU BEGIN PAYING NEXT FRIDAY*” (my italics).

Sadly, the last five words were not chiselled in the stone tablets of political mythology of “A FREE HEALTH” service which Brits have accepted as gospel for almost sixty years.

This false sense of security has led millions to believe that they have no responsibility for their actions or the cost of the damage they cause to the tax paying society at large. ASBO is not listed in the Oxford Concise Dictionary but Anti-Social Behaviour Orders are now Britain’s fastest growing disease.

From Birmingham to Brighton, Glasgow to Gloucester and Nottingham to Norfolk, police and health authorities are spending tax payers monies to extinguish the flames lit by Britain’s totally irresponsible population which are turning England’s green and pleasant land into “Clockwork Orange” weekend nightmares.

More police or a change in drinking laws will not restore responsibility to those currently causing havoc to law abiding citizens and are as effective as sticking Elastoplast on a bleeding haemophiliac.

No parent, schoolteacher or social worker is making them aware of the cost to the taxpayers of their irresponsible behaviour as generations have been taught that, “they” – the social, the state, – will look after them and provide “free” medical care when they are scraped off the pavements or detained by the police for their ASBO.

Professor Ian Gilmore, Chair of the Royal College of Physicians Alcohol Committee disclosed that alcohol related diseases are costing the NHS about £1.7 billion every year. Around 17 million working days are lost annually because of alcohol abuse costing our

economy £6.4 billion. 70% of all weekend night time admissions to hospital A&E departments are linked to alcohol and more than half of all violent crimes are related to drink. (January 2005 – Royal College of Physicians).

More than four generations of Brits have not followed Lord Beveridge's wise thoughts of responsibility and the increasingly irresponsible behaviour of millions of Brits is not even recognised by our PM who has described it as "alcohol misuse by a small minority" in his Alcohol Harm Reduction Strategy for England.

### **National Insurance Contributions (NIC)**

Although compulsory health insurance began in 1911, the Beveridge Plan was conceived during Britain's darkest hour in WWII.

On May 13<sup>th</sup> 1940, Britain's new Prime Minister, Winston Churchill, warned Britons with chilling accuracy of the dangers facing them ahead by offering them "nothing but blood, toil, tears and sweat".

Almost two years later, the allies won their first victories against Hitler's armed forces. The Russians and the deep snow brought the mighty Wehrmacht to a halt at the gates of Moscow, at Stalingrad they annihilated Gen Paulus' 6<sup>th</sup> Army, in the Battle of Egypt the British 8<sup>th</sup> Army defeated Gen. Rommel's Afrika Corps and the Americans landed in North Africa.

Sensing a future victory, Winston Churchill said at the Mansion House : "This is not the end. It is not even the beginning of the end. But perhaps, the end of the beginning" and the

government unveiled a visionary “Brave New World” peacetime blueprint on 20<sup>th</sup> November 1942:

“SOCIAL INSURANCE AND ALLIED SERVICES”, a report of over 240,000 words by Sir William (Lord) Beveridge (price 2 shillings or £11.50 by 2005 values) was an instant HM Stationery Office bestseller and Britons queued to embrace their new bible which aimed to produce a fairer society and remove the five giant evils which had ravaged Britain for centuries: war, disease, ignorance, squalor and idleness.

A National Insurance Fund would be built up from contributions paid for by all employees and employers and if necessary by the state, but not directly from taxation as this would be seen as a free allowance from the state. National Insurance contributions (NIC) are not invested as an insurance but used to pay today’s benefits.

The desire for an insurance had been shown both by the established popularity of a combination of compulsory insurance and a voluntary insurance against sickness: “....people have come to regard it as a duty and pleasure of thrift of putting pennies away for a rainy day because management of one’s income is an essential element of a citizen” (Beveridge Report 1942).

In fact, Beveridge was echoing the words of Adam Smith who in 1776 had said “It is the highest impertinence and presumption in Kings and ministers to pretend to watch over the economy of private people. They are themselves always, and without exception, the greatest spendthrifts in the society. Let them look well after their own expense, and they may safely trust people with theirs. If their own extravagance does not ruin the state, that of their subjects never will.”

Beveridge added “The insured persons should not feel that income for idleness can come from a bottomless pit and the citizens should not be taught to regard the State as the dispenser of gifts for which no one need pay”.

Sadly, blinkered, bigoted and vote-catching politicians of all parties have not adhered to this maxim and their NHS mythology of a “free service at the point of use” has become the opium of the people and bears no relationship to reality, which is slowly but surely coming to the attention of millions of users of the NHS. Billions more are spent annually but, as Tony Blair said on Radio 4 Today programme on 23<sup>rd</sup> February 2000, “it doesn’t follow that putting more money into the NHS provides a better service” which he again repeated in May 2001 in Birmingham at the Labour Party Manifesto Launch:

“Money alone isn’t enough”

The bad facts could not be starker: The yearly estimated cost of the NHS in 1948 was £140,675,000 and emerged after its first year at £208,000,000 reaching £358,000,000 ca. 3.5% of national income in 1950. Now, HM Treasury (2005) spending of Health and Special personal services total £113 billion or 23% of all government taxes and receipts.

As Enoch Powell correctly observed more than 30 years ago “The demands on the NHS are unlimitable” and as they rise every year, eventually there will be no taxes left to pay for the armed forces, the police and all other items of government expenditure.

Beveridge envisaged funding to be from a “National Insurance Fund” from employer and employee contributions. However, the National Insurance is built up on the fiction that it pretends to be an insurance fund but sadly it is no such thing as the £83bn (NIC) received

by HMT 2004/05 is not invested to meet future liabilities but pays for benefits of the working and past generations.

NIC is an added tax percentage on gross income and consequently an additional income tax. This and the income tax now total (in the lowest band)  $22\% + 11\% = 33\%$ . In the highest band of incomes over £31.400 the combined total of income tax and NIC tax is 52% and it is bizarre to hear politicians saying they will increase (?) tax to 50% if they attained power.

Aneurin Bevan, the founder of the NHS, was responsible for the change from a state administered insurance scheme to a tax in all but name. He allegedly used to boast that the secret of the National Insurance is “there ain’t no fund”.

Apart from the fact that the fund is non existent, “FREE on demand” is a misnomer as very few persons use the NHS before middle age. Yet every time goods or services are purchased, every wage earner pays VAT or tax on these items i.e. A £40 fill-up of petrol will include £30 for tax of which 23% goes to the NHS = £6.90.

In fact, “Free on demand” is a myth as one pays for the service (through taxation) before (or ever) using it.

On the evening of Wednesday 6<sup>th</sup> April 2005, Parliament gave final approval to a bill merging all the revenue gathering arms of HM Government to create one super department called Her Majesty’s Revenue and Customs. The new department will move into the refurbished Treasury Building in Whitehall and house ca. 1500 staff who will be responsible for the “management and collection of revenue ; Clause Five (4) reads :

In this Act, 'revenue' includes taxes, duties and National Insurance contributions."

As this is now on the Statute Book, it is a firm hope that politicians will finally accept the fact that like taxes and duties, NIC is a tax.

### **Beveridge's Brave New World Blueprint**

This envisaged the removal of war, disease, ignorance, squalor and idleness. The removal of war is a highly desirable but an almost utopian dream in today's world. Disease has not been tackled as efficiently as in other western countries who all use health funding from a mixture of private and state insurance. The NHS is the only wholly taxation funded healthcare system in the western world and No. 5 in the world ranking of employee numbers. The Chinese Liberation Army has 2.3 million, US Dept of Defence 2 million, India Railways 1.5million and Wal-Mart 1.5 million worldwide. In Europe, the NHS is the largest employer with 1.4 million people many of whom are vastly removed from the underpaid and overworked doctors and nurses. However, only 119,481 are medical staff (Office of Health Economics – Data of New Compendium of Health Statistics 16<sup>th</sup> Edition 2004/2005) which explains why Tony Blair, addressing frontline health workers on 14<sup>th</sup> November 2001, said that:

"the (NHS) was being run as an old monolithic bureaucracy."

On the eve of the 1997 general election he said "We have 24 hours to save the NHS", but after 8 years, 2920 days and 70,080 hours, his knight-in-shining armour has turned somewhat rusty.

Neither he nor any other politician in Britain has had the courage to admit that a wholly tax funded NHS is wasteful and cannot be run efficiently. They would all be well advised to re-read Lord Beveridge's wise thoughts of more than sixty years ago:

“The insured persons should not feel that income for idleness can come from a bottomless pit and the citizens should not be taught to regard the State as the dispenser of gifts for which no one need pay”.

The “need not pay” attitude is the underlying foundation of the Brit-Irresponsible attitude which is now spinning out of control. Hospitals, the ambulance service and the police are being put under severe pressure due to the irresponsible behaviour of an increasing number in this section of the community. Squalor, idleness and deprivation are rife on the bog estates of our inner cities which have become the breeding grounds for disjointed one parent families.

Government Ministers admit that it is powerless trying to solve the problem. Beverley Hughes, the Children's Minister, said on 20<sup>th</sup> May 2005 that “the Government could do no more to tackle Britain's position as the teenage Capital of Western Europe without the help of parents”. She told the Guardian newspaper that ministers had reached a sticking point and had no “magic bullet” to help solve the problem.

Despite a £40million (taxpayer funded) strategy to counter the issue, Britain's teenage pregnancy rate is five times that of Holland, three times that of France and double the rate in Germany. In Lambeth, South London, one in 10 schoolgirls gets pregnant every year – which is not surprising. Whether by intent or sheer stupidity, teenagers are encouraged into promiscuity by the local council who award extra points for occupancy of a council flat to pregnant claimants.



In December 1999 the Parental Leave Regulations came into force. Whoever drafted the actual wording should take a course on “streetwise” thinking and logic which occurred in our factory.

It is dangerous to generalise from anecdotes, but this is a true story from my own place of work: one year into the Act, one of our seventeen year old hardworking young men from the Elephant and Castle pulled me aside and asked “...what’s all this about parental leave then?”

I explained that in order to qualify you had to have worked with the company for a year and he nodded attentively.

“You also have to prove parenthood with a birth certificate and you then qualify for 13 weeks of parental leave”. “Per kid?” he quizzed. “Yes” I replied “but the parent does not have to be living with the child to qualify for parental leave” (DTI – Parental Leave – URN 99/NG3).

A large grin spread across his face. “Oh that’s good innit : fifteen weeks per kid.....four a year...no wonder all me mates around the Elephant calls it the Bonkers Charter”.

Once again it should be noted that these so-called rights have an economic cost which may be hidden from view. It raises the cost of employing certain types of worker (leading to lower wages and higher unemployment), it raises the general business costs and it imposes costs on those who have to cover the work of those on parental leave – making honest, hard work less attractive. These costs exist even if the “right” is not abused.

## **Cutting the Culture of Dependency**

Many of the idealistic intentions of the Welfare State have led to disastrous results as documented with chilling accuracy in James Bartholomew's book "The Welfare State we're in", which Professor Milton Friedman described as a

"devastating critique of the Welfare State which demonstrates how attempts to achieve good intentions have led to horrible results, increased crime and violence, worsened conditions for the poor and an extraordinary deterioration in the quality and character of British Life".

A look at what can be done to return to the virtues of Lord Beveridge is to study the measures in the US which have achieved these ideals.

Ron Haskins, a Senior Fellow at the Brookings Institution in the US found striking similarities between the current situation in Britain and that of the US in the mid-1990s.

High teenage pregnancy rates were rising as in Britain today, where they are twice the European rates and on the increase. With more than 42% of babies born to unmarried parents in 2004, 1 parent families are on the increase and the children are at a huge statistical disadvantage and are more likely to remain in poverty.

However, Germaine Greer asks "What is so terrible about young women having babies?" when commenting on the Williams family from Derby. The three sisters aged 12, 14 and 16 are all mothers and apart from the babies, have had an abortion and two miscarriages between them.

Ms Greer comments that the Williams sisters live in “an alternative society that is matrilineal, matrifocal, and matrilocal society that the patriarchy has always feared and hated.” It would appear that apart from carrying the empresses’ clothes of feminism and political correctness, she is now advocating a total rejection of current beliefs in morals and religion: nihilism - paid for by the taxpayer.

Britain today could learn a lot from the USA. On the welfare front, they decided not to continue to go down the “dependency road to nihilism”. More than ten years ago, American politicians of both parties agreed to change the welfare system and the 1999 reforms required single parent children to supply the personal details such as names, addresses and place of work or have their benefits ended. This “or else” coercion was accompanied by voluntary paternity programmes in hospitals. As the fathers of illegitimate children were in contact with the mother when they visited her and baby in hospital, fathers were asked to acknowledge their children.

The coercion produced a drop of welfare cases by 60% nationally by 2003 and the number of cash welfare is now the lowest since 1976. The effect on employment was equally dramatic as single mother employment grew from 58% in 1993 and reached 74% by 2000 and the result was more cash in the hands of the mother. Rising income together with decreasing welfare was the aim of the reforms and Bill Clinton and his successors carried this out with staggeringly impressive results.

It is high time that similar reforms and a change in NHS funding in the UK are implemented to achieve the worthy goals of the Beveridge Report, but it will take inter-party political courage to carry them through.