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Why England is rotting

England leads Europe in illiteracy, obesity, divorce, drug use, crime and STDs. Bloody hell

World Business

MARTIN NEWLAND | June 11, 2007 |

There used to be a time when taking on the Royal Navy was a bad idea. The force that policed the high seas through two world wars and protected the largest empire ever seen was for years the emblem of British national pride and pugnacity. Which is why it was particularly humiliating for many Britons to witness the spectacle of the navy's finest peddling stories about their capture a couple of months ago by the Iranian Republican Guard to the newspapers. The British had already watched televised "confessions" by servicemen, in which they criticized national foreign policy and admitted to crimes and trespasses they had not committed.

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But it was the paid interviews given once safely home that left the nation wondering what has happened to traditional British reserve and the notion of the stiff upper lip. Leading Seaman Faye Turney told the nation of the sheer hell of being reduced to counting carpet tiles in solitary confinement while waiting to learn of her fate (Iranian prisons, one is led to believe, are carpeted). And the diminutive Operator Mechanic Arthur Batchelor complained to the media that the Republican Guard had taken away his iPod and called him Mr. Bean.

It was not long before commentators drew parallels between the behaviour of our fighting personnel and the collapse of traditional British values. The venerable right of centre newsmagazine *The Spectator*, in its editorial, said the episode "demonstrated just how deeply British society has been corrupted by the twin cults of celebrity and victimhood." These sentiments were echoed by the social commentator Theodore Dalrymple, who said the affair showed Britain "to be a country of very slight account, with a population increasingly unable to distinguish the trivial from the important and the virtual from the real, led by a man of the most frivolous earnestness who for many years has been given to gushes of cheap moral enthusiasm."

The Shatt al-Arab affair was, he contended, a sign of a desire by British leadership to be both "policeman and lady almoner, General Patton and Gandhi, Rambo and [prison reformer] Elizabeth Fry." Our servicemen are potential killers, and yet make good subjects for the chat-show couch. In striving to be both, they end up being neither.

This dichotomy runs through the country these servicemen are paid to defend: Britain is, for instance, a champion of free markets, but also administers some of the greatest and most unproductive state bureaucracies in the world. Britain believes in multiculturalism, but dislikes its Muslims wearing the veil. The country believes in freedom of choice by individuals and parents, but prohibits selection in schools and enacts streams of legislation restricting freedom of speech and protest.

Every year since Labour's landslide 1997 victory, Chancellor of the Exchequer (and soon to be prime minister) Gordon Brown has delivered budget speeches in the House of Commons trumpeting Britain's sustained growth and its record of low unemployment and inflation. We are told of a miraculous melding of socialist philanthropism with market-force-driven capitalism. We are reminded of Labour's war on child poverty, of its solicitude for the elderly, of its sustained investment in health care and education, but also of the positioning of Britain as the economic powerhouse of Europe, churning out dynamic, well-educated graduates who are more than capable of taking on the Asian Tiger economies.

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Britain is, apparently, awash with disposable wealth, laden with opportunity, bursting with economic and social optimism. CEOs and union bosses can live happily together, either side of an agreed minimum wage. The social safety net, which guarantees world class public services for everybody, free at the point of need, have been sealed off from market forces, offering care for those unfortunates who find themselves unable, through no fault of their own, to benefit from Britain's economic miracle.

And we don't just care about the poor at home. Gordon Brown and almost-departed Prime Minister Tony Blair are fully paid up members of the Bono / Bob Geldof African anti-poverty movement, unashamed to divert G8 agendas and overseas aid programs to issues of Third World debt relief and the scourge of AIDS and underdevelopment.

The government trumpets unique and long-standing "British values," but has done away with some of the constitutional "anachronisms" of the past; Wales has a devolved assembly, Scotland its own parliament, and Northern Ireland took up the reins of self-government weeks ago. All members of the "union" still have full access to subsidies generated in England, however. The House of Lords is well on its way to becoming either an elected, or an appointed chamber, or a hybrid of the two.

The House of Commons is increasingly marginalized and many developments in government policy are revealed to friendly newspapers before they are announced in Parliament. Republicanism is on the rise among the ruling elites, though not yet among the masses. The Queen was forced to give up her beloved royal yacht *Britannia* and will soon be ferried around on a jet dubbed "Blair Force One," to be shared with Gordon Brown.

Brown mistrusts European integration, has shunned the euro, and all are invited to shake their heads despairingly at the sclerotic economies and social models of the Continent, bound by stiffling employment laws and mired in protectionism and economic nationalism. Instead, we are led to believe that Britain and the United States are natural economic bedfellows, chasing ever lower levels of regulation and ever higher levels of productivity.

To echo Dalrymple above, we are tough, but caring. We are competitive, but solicitous for the weak and the poor. We are modern, but in tune with precedent. We have, if the rhetoric is to be believed, established a utopia where the full spectrum of human endeavour and aspiration can find a home

But consider the following statistics which, most will agree, point instead to a fractured society, to impending economic decay and the total collapse of the postwar values system:

- UNICEF this year ranked Britain bottom in the league of industrialized nations in terms of the well-being of children. This is a startling fact, given that child welfare has been one of Gordon Brown's chief preoccupations throughout his 10 years at the Treasury.
- Labour has also failed to meet its own targets on the reduction of child poverty, and this despite the extra billions in welfare targeted at parents and carers.
- Britain also has the highest rate of teenage pregnancy in Europe, the highest proportion of single mothers, and one of the highest divorce rates.
- Britain ranks top, with France, in western Europe in terms of sexually transmitted disease. It has the highest obesity rate in Europe, with nearly a quarter of inhabitants classified as obese.
- Britain has one of the highest rates of alcohol abuse in Europe, with a quarter of Britons indulging in the sort of binge drinking that every weekend transforms cities and market towns into Hogarthian hellholes.
- Britain also heads Europe in terms of drug abuse. Cocaine use is highest in the United Kingdom, and use among secondary school pupils has doubled in the last year.
- Along with Ireland and Holland, Britain has the highest crime rate in Europe. London has a higher violent crime rate than any other city in the European Union, higher than in Istanbul and New York City.

Perhaps most worrying is the alienation of large sections of the country's young people. These are people detached from society, floating free of family, jobs, education and training. NEETs, or young people "not in education, employment or training," now comprise one-fifth (1.2 million) of British 16- to 24-year-olds. In the 16 to 19 age bracket, 11 per cent are classed as NEETS, double the proportion in Germany and France -- and this despite massive spending on "welfare to work" initiatives by Gordon Brown since he declared, on taking up the reins of power in 1997, that "staying home is not an option."

Commentators scratch their heads at how so many young people are able to get away with, literally, doing nothing, when there is apparently enough work for the hundreds of thousands of eastern Europeans who have entered the country since enlargement of the European Union a couple of years ago. One of the most watched shows on television employs police closed-circuit television-camera footage of drunken brawls each weekend in British towns and cities. It is normally the NEETS who are throwing the punches.

And with the challenges of globalization becoming every day more apparent, Britain's record on education declines steadily, despite a doubling of spending from £29 billion (\$62 billion, using current exchange rates) in 1997 to £64 billion (\$138 billion) projected for 2008. The Organisation for Economic Co-operation and Development last year claimed a quarter of the British population aged between 25 and 34 are "low skilled" in terms of educational attainment, five times the numbers in Japan.

An OECD report also said that Britain lags behind in literacy rates among developed nations, and the U.S. Institute for Education Sciences says 14-year-olds in Britain are outperformed by 17 other countries in the developed world in terms of mathematical ability. Recent statistics showed that fully one-half of state secondary schools are failing to provide pupils with a good standard of education, and 40 per cent of 11-year-olds are leaving primary school without having reached an appropriate level in reading, writing and math. Grade inflation, through which the government stands accused of covering up low achievement, is endemic. In 1989, for instance, a grade of 48 per cent was needed to get a C in GCSE math. By the year 2000 it was 18 per cent.

The government remains hostile to selection in education, and teachers remain hostile to any academic streaming within state schools. This means that in any given classroom, a Somali refugee who does not speak English can sit alongside the pupil with learning difficulties who in turn sits next to one with chronic behavioural problems who "learns" alongside the gifted pupil who would benefit from a greater challenge.

And, as part of its policy of ensuring "equal access" to higher education, universities have been told that, in future, funding will be partly dependent on the ethnic, economic and social background of undergraduates they select. It will now also be incumbent on universities to consider the education and social background of an applicant's parents, as well as the suitability of the applicant himself, in allocating places.

The pressure on universities to accept, and then pass, undergraduates who have little aptitude for further education has the inevitable effect of devaluing Britain's knowledge base and competitiveness. Employer and business organizations are already bemoaning the low literacy and numeric skills of graduates, and the drawbacks of government manipulation of education standards will become increasingly manifest as Britain is thrown into closer competition with the developing economies of India and China.

After the Prime Minister steps down on June 27, Gordon Brown will finally gain the keys to Number 10 and Blair will wander off, like his old friend Bill Clinton before him, into a world of multi-million-dollar book deals and lecture tours. Blair's fury at Brown's grip on domestic affairs has always been obvious. The latter used his support on the left of the party to block real reform of health care and education, and stifled at birth the Prime Minister's more progressive (and market-driven) domestic plans through ruthless, centralized control of the nation's purse strings. Blair leaves without the domestic legacy he craves.

But it is probably just as well for Blair that he is leaving. For Brown's policies are beginning to turn sour, and Blair will be better off writing speeches on the beach at Robin Gibb's Florida hideaway when the full scale of Brown's legacy becomes apparent.

Interest rates in March reached a 10-year high of 3.1 per cent, one of the fastest among developed nations. House prices -- one of the most inflation-sensitive factors in British household finances -- are excluded from the official method of inflation measurement. If included, the real rate would be close to five per cent.

In a country where the average home costs nearly £200,000 (\$430,000), property owning remains a pipe dream for the poor and an enormous burden for blue-collar families and the middle classes.

The homeowner is faced with a precarious financial predicament: new homebuyers are facing an average mortgage of £150,000 (\$323,000). This means that anyone on the average wage of £23,000 (\$49,500) would be spending 70 per cent of take-home pay on the mortgage. And this is before factors such as unsecured debt, spiralling domestic costs including a 70 per cent hike in property taxes over the last 10 years, and over 100 indirect tax increases since 1997 take their share.

If interest rates continue to remain high, increased mortgage repayments on all those highly leveraged families referred to above could mean severe

hardship and, some are predicting, the bursting of the U.K. property bubble and subsequent movement by large parts of the property-owning classes into negative equity.

The International Monetary Fund is warning that public spending is too high and that public sector wage demands threaten Britain's stability. But both show every chance of rising under a Brown premiership. The state now employs a quarter of workers in Britain, and the 900,000 hired since 1997 almost equals the fall in unemployment in the same period.

All seven million public sector workers are furnished with index-linked pensions, leaving the country with a current public sector pensions liability of, some studies contend, £700 billion (\$1.5 trillion) — twice the national debt. Brown's decision upon taking power to remove tax concessions on private pension funds has, conversely, devastated their value and channelled an extra £5 billion (\$10.8 billion) a year to the Treasury. This has done huge damage to Britain's savings culture and left the person holding a devalued private sector pension paying increased sums in taxation to ensure his neighbour's public sector pension maintains its integrity.

The welfare bill is becoming unmanageable. In 1971, only eight per cent of the working population was on benefits. Today the figure is 18 per cent, and some economic think tanks estimate that one-third of British households rely on benefits for at least half their income. Catering for the demands of such a massive welfare operation and for the demands of the gigantic state workforce and public services (the National Health Service is one of the largest employers in the world) is the single biggest threat to competitiveness and, the IMF warns, will lead to rising inflation.

Gordon Brown has taken advantage of 10 years of growth to pump billions into public services, but with negligible results. In 1997, for instance, spending on the National Health Service was £33 billion (\$71 billion), rising to £90 billion (\$194 billion) last year. Although critics of the NHS would argue for negative productivity, the most generous estimates point to a productivity increase of just 9.9 per cent between 1998 and 2004 -- a period during which spending doubled.

And by the end of last year, a service that has seen a funding increase of nearly 200 per cent since Labour came to power found itself, amazingly, facing a deficit of over £500 million (\$1.1 billion). The urge to meet government targets resulted in regional managers over-hiring and over-remunerating staff rather than relying on increasing efficiency or improving standards. General practitioners in Britain can now earn over £150,000 (\$323,000) a year, and no longer have to make house calls. And tens of thousands of managers were hired to administer centralized targets and implement reforms.

Perhaps the greatest indictment of the NHS is the fact that thousands each year die from hospital-acquired diseases and infections. Officially, death rates stand at around 5,000 a year, but some experts, pointing to misreporting of suspicious deaths by hospitals, suggest a figure four times as high.

The answer to the problem is simple cleanliness. All those extra billions, all those extra targets and managers and doctors and nurses, and thousands are still dying each year for the lack of properly mopped floors and cleaned toilets.

And ordinary health outcomes, measured in deaths before 70 that were potentially avoidable through good medical care, put Britain near the bottom of the league among developed nations in terms of cancer, heart disease and stroke. In 2005, 41 per cent of patients waited four months or longer for elective surgery, compared with 33 per cent in Canada, 19 per cent in Australia and less than 10 per cent in Germany and America.

Taxation has risen to a 20-year high to cope with funding the state and the public services. Since 1997, the amount raised through personal taxes has risen from £175 billion (\$376 billion) to nearly £370 billion (\$796 billion). The OECD says that over the past four years, taxation of working families has risen in Britain, but fallen across Europe.

In the lead-up to the French elections, French politicians and businessmen were singing the praises of Britain — its lower tax rates, its free-market competitiveness. A BBC documentary focused on young French graduates pouring across the Channel to take up jobs in the British financial sector. But although personal taxation is higher in France, total taxation (taking into account Brown's so-called indirect "stealth taxes") is almost on a par, and the French public services, unlike Britain's, are world class. London may well be a tempting place for the young French graduate, but France is a far better place if he or she gets married, seeks a good education for the children, falls ill or grows old.

And London itself, frequently mistaken by outsiders as representing Britain as a whole, has become, in the words of the British conservative commentator Charles Moore, a "city state ... with a fairly unimportant country attached." London's role as a financial centre on its way to eclipsing New

York City has provided a vision of prosperity which, it is assumed, trickles down to the population at large. But it is a city in which increasingly only those on welfare, or the super-rich, can afford to live. It has become a playground for non-domiciled billionaires and financial wizards who receive multi-million-pound bonuses to artificially inflate property prices and average earnings levels.

The IMF recently ranked Britain alongside the likes of Bermuda and the Caymans as a tax haven. Last year, accountants from Grant Thornton calculated that the U.K.'s 54 billionaires paid income tax totalling £14.7 million (\$32 million) on their combined £126 billion (\$271 billion) fortunes. There is an argument to be made for some of this wealth trickling down -- perhaps to the catering and entertainment and other service industries, but the main burden of supporting Britain's gargantuan state machinery lies with the working and middle classes -- many of them unable to afford a house in London.

The central government's policies, extending to the ballooning public sector and expanding welfare provision, have rendered large parts of the populace reliant on redistributionist state largesse. Added to this is the government's fondness for legislation and intervention in many aspects of its citizens' affairs

For instance, the Home Office, which handles crime, immigration and security, has put no less than 3,000 new offences on the statute book since 1997 — on issues from detention without trial to the correct use of cellphones in cars. Myriads of new laws affecting personal liberty have been introduced, from religious hatred legislation to a national identity card scheme. Bible tracts are seized as evidence of hate literature at homosexual rights rallies, Catholic childrens' agencies are required to place foster children with gay couples, and protests are banned in the vicinity of Parliament.

But it is Dalrymple's identification, noted above, of a "population increasingly unable to distinguish the trivial from the important," that is causing commentators, politicians and swaths of Middle England concern.

A few weeks ago, for instance, a mother, a grandmother and two aunts of a pair of toddlers were spared jail for filming a fight between the children in which they were goaded to viciously assault each other. On the same day, a man was sent to jail for four months for dogfighting. Similar inconsistencies are everywhere increasingly apparent. Tony Blair recently announced a plan to provide pregnant problem mothers with state "super-nannies" to teach them good child-rearing practices. At the same time, local government authorities employ nurses to provide underage girls with morning-after contraception services -- the most notorious example of this was when a nurse met a girl at a McDonald's and administered the dose in the restroom. Another girl of 14 had an abortion after counselling from school health workers. In both cases, parents were not informed because of the child's right to privacy.

And it is young people who are causing the most concern. Recent statistics showed, for instance, that at least one child aged five and under is expelled from school every week and many more excluded for offences ranging from fighting to sexual assault to drug dealing. Increasingly, but belatedly, politicians are beginning to identify the decline of marriage and the family as the major cause of this and other social dysfunctions including ill health, crime, rampant promiscuity and welfare dependency. David Cameron, the leader of a resurgent Conservative party, finds himself able to mention this publicly without being crushed by the forces of political correctness. He points out that every government statistic garnered over the past 20 years shows that families bound together by marriage are happier, healthier and wealthier, and he is promising to alter the tax system to provide incentives for marriage, fidelity within marriage, and child nurture.

A few weeks ago, Cameron railed at the increasing lack of civility in British society. Citing the case of the women forcing their children to fight for the camera, he said "all these are signs of a culture that is becoming decivilized -- and the terrible thing is, we are getting used to it." Government's interventions in the realm of personal responsibility had stripped people, particularly parents, of the need to take responsibility for themselves: "My worry is that after a decade of a Labour government that said, 'the state is always the answer, more government is the answer,' they actually created the irresponsible society."

Increasing numbers attribute Britain's lapse into incivility to the misapplication of welfare and the disincentives to taking responsibility that this causes. Despite overwhelming evidence of the benefits, social and economic, of marriage to society, Gordon Brown in one of his first acts as chancellor abolished the married couples allowance, which gave tax breaks to a husband and wife who stayed together.

A Conservative party policy paper last year revealed that three-quarters of family breakdowns affecting young children now involve unmarried parents, and that cohabiting parents were more than twice as likely to break up than married couples. Government figures show that by 2031 there will be four

million cohabiting couples. Over the past 20 years the proportion of children born outside marriage has risen from 12 per cent to 42 per cent.

Labour's highly complicated tax credit system, born partly from a need to reduce child poverty, made welfare benefits for lone parents far more generous and, perversely, rendered a poor family headed by a single parent better off than a poor family headed by a couple. An out-of-work couple with children would thus be better off by between 27 and 35 per cent if they broke up, and a couple earning minimum wage with children would see their income rise by 12 per cent if the father moved out.

Britain leads Europe -- and most of the world -- in terms of single-mother households. Commentators and politicians are increasingly linking this to the fact that the country offers the most generous benefits in Europe to those same households. They recall former president Clinton's success in reducing teenage pregnancy rates and lone parent households by changing welfare entitlements.

In Sweden, a single parent begins to lose state support if he or she is not in employment by the time the first child is three. In Britain, the government is only now taking soundings on the possibility of doing the same thing when a child reaches 12.

Whatever the case, those couples who do take responsibility to provide for themselves are forced to work to meet the bills, and many children rarely see their parents. Government has plowed millions into child care facilities without considering the benefits of manipulating the tax system to allow one carer to remain at home. There are now plans to keep state schools open for 50 hours a week, so educators who went into the profession to teach find themselves transformed into social workers and surrogate parents.

As a means of targeting the poor and encouraging the low-paid into employment, Gordon Brown shuns tax allowances, whereby the individual is allowed to retain more of his earnings at source, in favour of tax credits where income is taxed and returned after means testing. The message is clear: wealth cannot stay with the earner, who, arguably, is better able to make decisions about their personal financial circumstances. Wealth instead belongs first to the state, which sets itself up as the sole axis and arbiter of redistribution.

Economists and think tanks contend that it is hardly surprising that so many at the bottom end of the income scale opt for welfare instead of employment. Because Brown has increased National Insurance contributions (a levy designed to help fund the NHS) and allowed the personal income tax allowance to shrink as earnings rise, it is the poor who now pay the largest share of their income in direct taxation. A minimum wage earner in the U.K., after the first 26 hours' work per week, pays over 30 pence in every extra pound he earns direct to the taxman.

The fiscal dynamics of marriage, home and family at the lowest end of the earning scale are thus not governed by the principle of self-betterment, experts say. "The bravest and most admirable person in Britain today is the working-class man with children who clings to self-provision when it would be far easier to get on the state teat," said David Smith of the Institute of Economic Affairs. "If you look after your children and stay with your partner, you are poor and the kids are debits. If you leave home the state takes over your family and you, alone again, are richer."

In France and other European nations, child-rearing is rewarded by a reduction in the tax burden. In Britain, poor families crumble, male role models are encouraged to depart, and children of broken unions soon lapse into delinquency and social ostracization.

Government is doing everything it can to keep growing numbers of Britain's youth from becoming feckless. It has plans to force young people not in training to stay in school until they are 18, but for many, this is shutting the stable door after the horse has bolted. The Conservatives say it is the decline of the family unit, the fiscal and practical challenges to good parenting, poor education and the nanny state, that is the root of so many of Britain's social and cultural problems. It remains to be seen whether the Conservatives, when in power, will make the difficult decisions they accuse the current government of ignoring.

W.F. Deedes, at 94 a national icon who still pens a column for the London Daily Telegraph, has participated in public life for over 70 years. Said to be the inspiration behind the fictional and hapless Boot in Evelyn Waugh's Scoop, Lord Deedes has been an MP, a minister, a newspaper editor, a soldier and privy counsellor to the Queen.

"I have never known a time when government exercised more control over every aspect of our lives," he says, pointing to the sheer size of the state and the inroads it has made into "personal liberty, fiscal responsibility and personal responsibility."

"We are, dear boy, on the verge of a permanent change in the national character. It is very sad."

