
fabiana

The Fabian Women's Network Magazine

ISSUE #4

AUTUMN 2012

Vidhya Alekeson
Seema Malhotra
Chuka Umunna
Barbara Govan



Let's change this!

Rachel Reeves
Ville-Pekke Sorsa
Stephen Twigg
Lydia Prieg

Fabiana Autumn 2012

Contents

Fabiana is the magazine of the Fabian Women's Network (FWN). The articles represent the views of the writers only and not the collective view of FWN.

Editor: Ivana Bartoletti

Deputy editor: Suki Ferguson

Designed by: jamesenglishdesign.com

Illustrations: www.amerincamera.co.uk

FWN Director: Seema Malhotra MP

Email: fabianwomen@fabian-society.org.uk

Twitter: @FabianWomen

Website: http://www.fabianwomen.co.uk

Fabian Society General Secretary: Andrew Harrop

Fabian Society membership: Giles Wright 020 7227 4904

Young Fabians (under 31s): www.youngfabians.org.uk

Young Fabian Women: Claire Leigh, cleigh@youngfabians.co.uk

Fabian Women's Network

c/o Fabian Society

11 Dartmouth Street

London SW1H 9BN

Telephone: 020 7227 4900 Fax: 020 7976 7153

FWN COMMITTEE

Seema Malhotra MP – *Director*

Emma Carr – *Secretary*

Johanna Baxter – *Union Liaison*

Laura Nelson – *Head of Communications*

Christine Megson – *Mentoring Scheme Coordinator*

Sarah Hutchinson – *Researcher and Website*

Emma Burnell – *Events Manager*

Ivana Bartoletti – *Editor, Fabiana magazine*

Jessica Asato – *Events and Social Media*

Amina Lone – *Fabian Women's Network North*

Carolina Lindahl – *Research and Membership*

Alex Kemp – *Research and Events*

Nina Champion – *Events*

Claire Hickson – *Events*

Claire Leigh – *Research and Mentoring Scheme*

Christine Quigley – *Young Fabian Women Liaison*

Editorial	3
<i>Ivana Bartoletti</i>	
Tackling BME unemployment	4
<i>Seema Malhotra MP</i>	
The deteriorating economy is hitting us	5
<i>Rachel Reeves MP</i>	
The time has come to work together	6
<i>Phillippa Roberts</i>	
The rhetoric of work needs deflating	7
<i>Baroness Ruth Lister</i>	
Scrap the flawed 'fitness to work' test	8
<i>Kathy Peach</i>	
The business of growth	9
<i>Chuka Umunna MP</i>	
Beyond redistribution	10
<i>Richard Angell and Adam Harrison</i>	
The Euro crisis and the Nordic model	11
<i>Ville-Pekka Sorsa</i>	
Now is the time for a banking inquiry	12-13
<i>Lydia Prieg</i>	
The psychology of banking	13
<i>Alex Adranghi</i>	
Hollande: playing women's advocate	14
<i>Felicity Slater</i>	
Can we afford not to?	15
<i>Rowan Harvey</i>	
Childcare: winning the public argument	16-17
<i>Natan Doron & Robert Tinker</i>	
Scandinavian radicalism?	17
<i>Stephen Twigg MP</i>	
Childcare in the past, childcare in the future	18
<i>Caroline Needham</i>	
Where next for UK childcare?	19
<i>Vidhya Alakeson</i>	
Our radical history heralds a radical future	20
<i>Victoria Powell</i>	
STEM: where are the women?	21
<i>Barbara Govan</i>	
Sexism is a problem – even within Labour	22
<i>Victoria Prior</i>	

Welcome to the fourth issue of Fabiana!

Ivana Bartoletti,
Editor



This edition proudly marks Fabiana's first anniversary. We have been with you for a year now, and it has been fantastic – but we want to do more. We established Fabiana on a new wave of British feminism, with a younger generation of feminist women approaching political life. Throughout the year, we have explored how to reform our economy and the State, and how to encourage more women in science, as well as hosting voices from all over the world. I have to thank Suki Ferguson, Fabiana's Deputy Editor for her encouragement and support during these initial twelve months.

We never wanted a women's magazine to simply showcase what matters to women. We wanted to create a space for feminism to interpret mainstream politics, reshape the relationship between the sexes, and reformulate the key issues of today, by providing innovative ideas. Our ambition is to demonstrate that women are not an appendix to the broader equality agenda; they are a real force for change.

A few weeks ago, Ed Miliband delivered a radical speech where he ironed out ideas for growth in an era with few resources, and in which there is little awareness of how the future will pan out. He argued that we are moving to a stage where we must prevent inequalities from happening in the first place, as we will no longer have the financial capacity to deal with the outcomes of an unfair society. In the past, in Britain as well as in the rest of Europe, redistribution through taxation helped to create (some) positive steps towards equality. However, this is a

distortion of something which could be fixed from the outset, by supporting everyone's trajectory in life, irrespective of their starting situation. A living wage; reforming our banking system, to ensure banks work for the people not against them; improving pay ratios ... These policies are instrumental for a realistic reorganisation of our economy, to make it work for working people.

In 2015, we will have to be able to gain people's votes, and not only on the ashes of Tory failure. There is a long way to go until then, and a fantastic opportunity to contribute to the debate on what the Left looks like, both in Britain and in Europe.

This is why Fabiana will engage with today's most complex issues. We ask readers to join us in our determination to bring our discussions and proposals into the national debate, to people's homes as well as to the tables where Labour's policy review is being discussed.

We start with this edition, where Rachel Reeves, Shadow Chief Secretary to the Treasury, examines how we need to both advance an alternative to austerity and an agenda for reform, that meet popular aspirations for a fairer, stronger economy.

Ville-Pekke Sorsa, from the University of Helsinki, highlights how the principles of the Nordic social model, based on equality and inclusiveness, could be crucial for overcoming the economic crisis. Chuka Umunna, the Shadow Business Secretary, is interviewed by Felicity Slater and discusses what deal we need to offer to small businesses, and

what we will be doing for women, who are at the sharp end of the crisis.

This issue also makes the case for affordable childcare: at present, there is nothing more than motherhood, which undermines women's capacity to earn money and their financial independence. This is not fair and must be addressed. As Stephen Twigg, Shadow Education Secretary, says in his article: childcare is not a 'hoarding house for children of hard-working parents. It should, and it must be much more than that'. We believe that childcare must be at the top of Labour's agenda as it encapsulates our values: equality, responsibility, social mobility, fairness, and choice.

In her piece on how the double-dip recession is having a greater impact on ethnic minority women, Seema Malhotra MP, director of the Fabian Women's Network (FWN), is excited about the months ahead, and all that FWN can achieve.

To do this, we need you! We were heartened by the success of our July reception and of our recent events. The FWN mentoring scheme, run by Christine Megson, is giving twenty-two outstanding women the chance to gain what they need to approach political and public life. Our Speaker Club, started by former mentees Vicki Butler and Chloe Surowiec, provides an opportunity for those who want to practise public speaking.

However, there is more we could be doing, and we need your support, your ideas, and a financial contribution too. Help us to thrive, and we will continue to do our best. □

Tackling BME unemployment

The current government's Cabinet looks increasingly uninterested in helping those in need

It has been nine months since I was elected as the Member of Parliament for Feltham and Heston and I am incredibly proud of how much the FWN has achieved this year. My thanks to Deputy Director Ivana Bartoletti who has helped keep the FWN moving forward so well. I am excited about our future possibilities. It was wonderful to meet so many of you at the reception in July – and I look forward to meeting many more Fabian women at Party conference in Manchester.

This year has been a time of great reflection for me; not least reflection on representation in Parliament and why we continue to promote diversity in the way that we do. The autumn reshuffle has seen the Coalition government reduce the power of women at the top table. The Treasury, Transport, DEFRA and MOD teams have no women. The Foreign Office, Cabinet Office, BIS, DWP, MOJ, Health and DECC teams have one woman out of a team of five, six or seven. Ethnic minorities are absent from the Cabinet for the first time in 14 years.

A diversity of voices at the top table remains vital to keep a check on group think and on the diversity of life experience considered in policy development. Too often policy can be developed with a mental model of a person that rarely goes beyond the life experience of the policy developer. We are all guilty of it. We more easily come up with ideas that most likely will work well for people like us, or people we know. Extending beyond that needs a structured policy of reaching out and generating the insight needed.

Recently I have been working to address the issue of unemployment, and particularly the experience of BME women looking for work. ONS statistics for 2011 show that for 16-64 year olds, unemployment rates are 7.6% for whites, 19.7% black, 9.4% Indian and 15% Pakistani / Bangladeshi. Female unemployment statistics suggest 20.5% of Pakistani and Bangladeshi women and 17.7% of black women are unemployed, compared to 6.8% of white women.

stani / Bangladeshi. Female unemployment statistics suggest 20.5% of Pakistani and Bangladeshi women and 17.7% of black women are unemployed, compared to 6.8% of white women.

'Policies need to have a holistic view of people's lives – of family context and culture, of community needs as well as the interface between the local communities and local jobs'

This autumn, the All Party Parliamentary Group on Race and Community, chaired by David Lammy MP, will publish its report on black, Bangladeshi and Pakistani female unemployment. Over the summer a sub-committee of parliamentarians, including Labour MPs Debbie Abrahams and Kate Green, have held roundtable discussions across the country to explore the reasons for higher unemployment.

Initial research already suggests that this double-dip recession is having a greater impact on ethnic minority female unemployment compared to previous recessions due to the high number of public sector cuts made by the government. Last year more than 30,000 NHS workers and 71,000 in education were among more than a quarter of a million public sector staff who lost their jobs, a figure set to rise to over 700,000 in the next few years. We know that women make up a large proportion

Seema Malhotra is the MP for Feltham and Heston and the Director of the Fabian Women's Network



By Seema Malhotra MP

of the public sector workforce; 77% of the NHS workforce is female.

But an approach to tackling women's unemployment and indeed BME women's unemployment only through standard programmes misses the complexity of approach needed to support women making the transition into the workplace. More effective tailored support is needed. Policies need to have a holistic view of people's lives – of family context and culture, of community needs as well as the interface between the local communities and local jobs. Where networks into employment are not strong, bridges need to be created such as through targets for different groups or local procurement policies that help drive up local employment. Even the design of local childcare options will make a difference as to whether or not someone would take up the childcare available.

Addressing so many of our social inequalities is not just about what those who suffer inequalities must do, but how the system around them shifts in line with their needs too.

This is one reason why it is disappointing that the government's Equalities Strategy does not address ethnicity as a cross cutting theme, and needs to do a lot more to support the needs of diverse groups.

The recommendations of the APPG on Race and Community will be vital to push forward some of these questions and issues. But the fundamental agenda is one of reform not just of public services, but of the design of public programmes. Going forward, it is vital that the government realizes what it lacks in its own ranks, and finds a way to compensate for the missing ingredients in its policy development – the voices of under-represented groups that need to be heard more than ever. □

The deteriorating economy is hitting us

But let's work toward 2015 to create one of the great reforming governments of the 21st century

The global financial crisis, and resulting global recession, raised fundamental questions about inequality, irresponsibility and Britain's future economic prospects. These questions have now been sharpened by the Conservative-led coalition's failure to deliver the change that they promised, and their imposition of unfair tax rises and spending cuts that have choked off the recovery and pushed us back into recession.

For Labour, this presents a challenge and an opportunity: to advance an alternative to austerity and an agenda for reform that answers popular aspirations for a fairer, stronger economy that works for working people.

The current squeeze on ordinary families' incomes and living standards is historically unprecedented. Families with children are, on average, £450 a year worse off as a result of last year's VAT rise, and another £511 worse off this year because of further cuts, freezes and restrictions to benefits and tax credits.

In addition, unemployment, underemployment, and stagnant or falling wages caused by the economic slowdown mean people are earning less. Analysis I commissioned from the House of Commons Library shows that in addition to the impact of tax and benefit changes, the deterioration of the economic outlook since George Osborne's 2010 Spending Review means that by 2015 the real disposable income of the average UK household will be £1,700 lower than previously projected.

The result is what Ed Miliband has called "a quiet crisis that is unfolding, day by day, in kitchens and living rooms up and down this country".

It's a crisis that women are at the sharp end of. Research commissioned by Yvette Cooper has shown how changes to taxes, tax credits and benefits have taken twice as much from

women as from men. Deep cuts to child care support and SureStart, and restrictions to working tax credit, have made it much harder for mums to work and earn. And women have borne the brunt of recent rises in unemployment resulting from public sector cuts and private sector retrenchment.

'Tough decisions on tax, spending and pay cannot be avoided. But when money is tight, [Labour's] values and priorities matter all the more'

And the government isn't even delivering on the deficit reduction it declared to be its central purpose. The latest figures from the Office of Budget Responsibility show the government on course to borrow £150 billion more than they planned – and that's based on figures from before the economy fell into double dip recession.

As the failure of the government's economic plan becomes clear, with the years of austerity and uncertainty stretching on into the future and no sign of light at the end of the tunnel, people are asking if we just have to accept all this, or if there is an alternative.

Labour's new agenda combines a strict focus on economic and fiscal credibility with a powerful argument for the growth and reform our economy needs if we are to raise living standards and expand opportunities for the majority.

First, it's because we are serious about deficit reduction and long-term fiscal sustainability that we have been urging the

Rachel Reeves is the MP for Leeds West and Shadow Chief Secretary to the Treasury



By Rachel Reeves MP

government to put into action a plan for jobs and growth that can restore business and consumer confidence, stimulate investment, and tackle the current crisis of joblessness and underemployment. Because the longer the economy stagnates, the more we pay out in benefits and the less we receive in taxes, and the more permanent damage is done to our economy's future growth potential.

Second, tough decisions on tax, spending and pay cannot be avoided. But when money is tight, our values and priorities matter all the more. A Labour government would make fairer choices – for example, reversing the Tories' tax giveaways to the richest one per cent so we can do more to protect living standards and opportunities for those on low and modest incomes.

Third, as well as securing growth and providing direct support to hard-pressed households, we will rebalance and restructure our economy to improve the availability of good jobs paying a decent wage, as well as regulating and reforming markets to help contain the costs that families face.

That means reforming energy markets, regulating rail operators more effectively, and getting banks and pension providers to be more transparent about fees and charges; and increasing investment in cutting edge export industries as well as improving career opportunities in high-employment service sectors like retail and social care (where many women work).

This is an exciting agenda that we have only just begun to explore. But on the basis of ideas like these, and the political philosophy that underpins them, I think that if Labour win the election in 2015 we could be one of the great reforming governments of British history. Just as the last Labour government repaired and renewed our public services, it could be the next Labour government that repairs and renews the British economy. □

The time has come to work together

Collaborative capitalism comes from our past, but can be part of our future

We've heard the speech about predators and producers, and we know the problems of executive pay - but for all the talk of responsible capitalism there isn't a clear idea about what a future economy might look like, and whether or not it's really achievable.

We are all familiar with the problems in the banking industry, but there are other issues too. Familiar companies that were considered national institutions have disappeared, taken over by private equity and larger corporations, without account being taken for their importance as national symbols of success. Creating value by building a business or a service is not considered as interesting or important as the quick win of trading and takeovers. And trust in our key institutions has plummeted.

There is light at the end of the tunnel however, and a radical shift in our moral compass isn't even needed; it's happening already. The time has surely come for a 'less degenerate capitalism.' I call it collaborative capitalism.

Collaborative capitalism means a long-term approach to business and the economy. It means productive investment: in skills for workers, in creating products that last, and buildings that are efficient. It means working to the triple bottom line, where sustainability (in the Brundtland sense of the word) means considering the social, the environmental as well as the financial consequences of what you do. It means support for SMEs and businesses that are embedded, and invest, in their communities. Collaborative capitalism is innovative, because it pays attention to the viewpoints of many, not just the people with the largest share. It is open-source, crowd-sourced and crowd-financed. It is networked.

It's happening with companies like RiverSimple and their open-source car designs, with crowd-financed films like the Age of Stupid, with 38 Degrees'

campaigns and in workspaces like The Hub. These examples of collaborative capitalism have happened in spite of, not because of, government. But there is a case for the state to play a role, and it is one we should be arguing.

Philippa Roberts runs Low and Behold, a small environmental consultancy. She was Labour's candidate in Hereford and South Herefordshire in 2010 and is currently a town councillor in the county.



By Philippa Roberts

quick profit. If we care about the environment, we need to have the conversation about whether ultimately resources should be taxed, rather than labour.

Collaborative capitalism is based on the principle of working together. It

'Collaborative capitalism means productive investment: in skills for workers, in creating products that last, and buildings that are efficient'

When entrepreneurs remortgage their homes, or invest their savings for the project they believe in, then there is an argument that this level of risk deserves a different level of reward. Taxes can be used to incentivise the long term holding of investments over the short-term trading for

has a long history in the co-operative movement and the Quaker-founded businesses of the eighteenth and nineteenth centuries; in the paternalistic industries at the turn of last century and the social enterprises of the last 50 years. It comes from our past, but can be part of our future. □



Movement for Change is running a number of events at Labour Party Conference this year and we hope to see you there:

Community Organising fringe event with David Miliband MP and Stella Creasy MP: 30 September, 20:00-22:00, Manchester Central Cobden Room.

Labour Women's Forums and Community Organising: Workshop event, 30 September, 11:30-13:00, Room 301, Manchester Town Hall (places limited).

Loansharking: training session: 1 October, 19:30-21:00, Manchester Central Exchange 1.

The home of Community Organising in the Labour Movement

www.movementforchange.org.uk @M4COnline

The rhetoric of work needs deflating

A 21-hour working week would give both women and men time to be good citizens with good lives

Time is a feminist issue, and the politics of time is integral to building a good society. It is also of key significance for the central values that guide Compass: equality, democracy and sustainability.

In *Gender and the Politics of Time*, Valerie Bryson explores two kinds of time: the clock-driven, goal-oriented, commodified time that governs our lives, and a more fluid form of 'care' time dedicated to looking after others, which is squeezed out into the margins of living. A feminist politics of time would aim to shift the balance between the two kinds of time. But, in recognition of the fact that time is a resource, such a politics would also aim for its more equal distribution between women and men.

Although overall paid working hours have gone down on average in recent years, this reflects the growing number of women in the workforce, many of whom are working part-time, and more recently the involuntary reduction in hours as a response to the recession. Full time working hours are among the highest in the EU. One poll found three out of five British men working more than 60 hours a week; yet overall men had on average an extra three hours a week more 'me time' than women. In most countries, the presence of children affects women's working hours but not men's. Whether in full or part time paid work UK women on average spend more time on unpaid care and housework and have less leisure time than men.

The distribution of time matters: for women's quality of life, for their economic independence and their citizenship. Time is a resource for citizenship and a currency for the good life. An economy that enables workers to balance commodified and more fluid forms of time is more conducive to a good society than one in which, as Philip Larkin put it, the toad work squats on our lives.

One emblematic policy for the gendered politics of time that would help put the toad work in its place is a shorter paid working week. A culture of long, paid working hours only encourages male absenteeism from unpaid caring and domestic work while also creating barriers to women's full advancement in the workplace. It fuels the vicious circle created by the traditional gendered division of labour, ultimately impoverishing the lives of men as well as women. While a shorter paid week cannot of itself guarantee that men will spend more time on care work, it would help particularly if combined with other policies such as adequately paid parental leave, with a portion reserved for fathers, and public education campaigns.

Nef has spearheaded a campaign for a shorter working week in the UK, in part on sustainability grounds: less time devoted to paid work could weaken attachment to carbon-intensive consumption and create more time for less carbon-intensive ways of being. Its report, 21 hours, emphasises that we are talking about a gradual process and explores the potential transitional problems. An obvious one is that many people simply cannot afford to work fewer hours at present. Wages and benefits policy would have to adapt over time so that they are no longer predicated on a norm of full-time work. Meanwhile, the redistribution of time

Baroness Ruth Lister is currently chair of the Compass Management Committee, a Labour peer and Emeritus Professor, Loughborough University.



By Baroness Ruth Lister

would need to be underpinned by a redistribution of income and wealth.

'The distribution of time matters: for women's quality of life, for their economic independence and their citizenship.'

However long it takes to achieve, a shorter working week would be a policy with high symbolic value. It symbolises a very different kind of society in which we no longer live to work but work to live and in which unpaid care and voluntary/community work are accorded equal value with paid work. A society that allows us to live with ease, with time just 'to stand and stare.' 'Hard-working families' would no longer be the dominant political icon. Instead, as Ed Miliband argued in his first conference speech as leader, when arguing for a "change in our culture on working time," work is "not all that matters...there is more to life than the bottom line." Yes there is much more to life – time: to care; for citizenship; for love and loved ones, friends, and neighbours; for fun and play. And time just to be. □

Labour
Women's
Network

Supporting Labour women since 1988
@LabourWomensNet
www.lwn.org.uk

Labour Women's Network is an organisation of women members of the Labour Party dedicated to supporting Labour women to play a full part in the Party, and to securing the election of more Labour women to public office at every level.

We train, mentor and advise Labour women seeking selection for all levels of public life, but particularly parliament. We run residential courses for our members, and provide CV surgeries by email.

Interested? Join us today – www.lwn.org.uk

Scrap the flawed 'fitness to work' test

Work Capability Assessments underestimate the complexity of illness and disability

Picking up an empty cardboard box, walking 200 metres, holding a pen and pushing a button. These are some of the 'tests' deployed by the government to assess whether someone is fit for work. They form part of the Work Capability Assessment (WCA), which was originally introduced by the Labour government in 2008, and left mostly unchanged by the coalition. The WCA currently determines who is eligible for out of work benefits, who is eligible for specialist support to help find a job, and who is expected to get a job straight away.

'Over a thousand benefit claimants tragically died last year after being told they were fit enough to get a job'

Delivered by French computer giant, ATOS, the WCA is now being used by the government to reassess the 1.9 million people who used to claim Incapacity Benefit. But sick and disabled people, as well as the organisations that support them, believe that the test is fundamentally flawed and designed solely to take people off benefits. July's Channel 4 'Dispatches' programme appeared to provide the proof many have long waited for. Undercover filming at an ATOS training centre showed doctors being taught to deliver a test that even the trainer claimed was "almost unachievable" and "toxic." Most shocking was the trainer's admission that assessors should be finding "just 12-13% of people [eligible] for the support group." This evidence contradicts everything the government has said about the test being fair and not driven by targets.

Right now huge numbers of people are appealing against their WCA decision and nearly 40% of those appeals are successful, according to the Guardian. It highlights the inaccuracy of WCA decision-making, and calls into question the government and media's narrative of a welfare system filled with benefit cheats.

Labour should denounce the inhuman side of the WCA and counter the government's narrative that its welfare reforms are only weeding out the scroungers. It should tell the stories of people like Stephen Hill, a sandwich delivery man who gave up work after being referred for medical tests which revealed he had heart failure. Despite this, an ATOS assessor declared Stephen fit for work. Just thirty-nine days later Stephen was dead. Stephen is one of over a thousand benefit claimants who tragically died last year after being told they were fit enough to get a job.

But Labour must also admit it got the fundamental design of the test itself wrong. Very few employers would agree that being able to pick a coin up off the floor or raise your arms above your head are true indicators of someone's actual ability to work. These flaws have also been highlighted by GPs who have called for the WCA to be replaced, describing it as "inadequate" and having "little regard to the nature or complexity of the needs of long-term sick and disabled persons."

Labour should listen to GPs and challenge the government to scrap this simplistic tickbox assessment. It should set out how it would develop a more accurate test, endorsed by medical professionals. The new test should also identify the other multiple barriers people may face in finding work, from a lack of skills, confidence or experience to inaccessible workplaces, inflexible working hours, and negative attitudes from employers.

The information gathered by this more holistic test should enable assessors to suggest a personalised package of

Kathy Peach is Head of Campaigns & Social Change at the disability charity Scope



By Kathy Peach

support, including signposting or pass-porting individuals onto other vital services, such as social care. And because finding a job is more complicated than just measuring the impact of a health condition or impairment, the assessment should not just be performed by medical professionals. It should be carried out by a combina-

'Labour's new approach should offer much closer working with employers to create workplaces that are welcoming, flexible and adapted to those recovering from illness or living with impairment'

tion of professionals who understand the real lives of sick and disabled people and the barriers they face, including social workers, employment experts, medical experts and care planners.

Replacing the flawed WCA would be fairer. But it would also provide a more solid foundation for future economic recovery. Once Labour is back in government and able to deliver a plan for growth, it will need a workforce capable of resuming a productive role to meet the subsequent surge in demand. A new 'fitness to work' approach that understood, and helped tackle, the social and psychological barriers disabled people face in getting back to work would better ensure that they are ready to take new jobs when they appear and can contribute to building a thriving British economy once more. □

The business of growth

Chuka Umunna talks to Felicity Slater about Labour's offer to businesses and what the party can do for women

What strategy should Labour pursue to equip the UK economy for growth?

You need to look at the situation we're in. Firstly, there's the short term and the immediate crisis around growth and the lack of demand. You have to sort that out to provide the platform for which you structurally reform the economy for the medium to long term. In the short term, George Osborne's approach of expansionary fiscal contraction – which argues that as you hack off chunks of public sector activity, the private sector will step in automatically – is not working. That's why we're arguing for a stimulus, to get demand going.

Long term, we have an even bigger task. Growth became too concentrated in too few regions and in certain sectors, leaving us massively exposed when the crash came in 2008-09. We now need to diversify our economy, so that we have a more balanced spread and draw wealth and prosperity from a greater range of sectors. That won't just happen on its own – which is what the government believes. To achieve this, and ensure we're set up to meet the new demand coming from the emerging markets, government needs to work strategically in partnership with business. At the heart of this is an active industrial strategy.

We also need to be a lot more discerning about the business models, practices and behaviours and capitalism that we want to see. You can have a fast-buck market-driven model, which just looks to the next one or two years, or, as in Germany, one that takes far more of a long term view.

How can we communicate this so it resonates with people and businesses?

I would say you can support business in two ways: there are measures you can put in place to support every business, and those to support particular sectors. High

street shops will tell you how hard it is to get access to finance through banks. Clearly, there's a market failure there, and that is where government definitely has a role to step in. This is why we're looking so seriously at a British Investment Bank. We are the only country in the G8 without a state-backed investment institution. That's real. It could potentially be on your high street.

We also need to think: what are the sectors where we've got a comparative advantage? How can we grow them to meet future demand? This involves identifying sectors which aren't necessarily massive now, but could be in the future. Once the market's identified that in its infancy, there are ways in which government can help 'turbocharge' sectors, like we did with our video games' sector, in which we became a world leader.

What can be done to support more women in business? What are the specific actions?

The biggest problem is getting access to the support and advice for starting up a business, which becomes more acute the less wealthy you are. So what we're considering is how the public sector can provide that. In government, the RDAs and Business Link had varying levels of success. So we've looked abroad. In Singapore, the SPRING agency provides excellent support, advice and mentoring to help you set up your own business. We're looking at that – and, of course, not just to support women but other underrepresented groups too.

How can we get more women in science, engineering and technology? Are there positive actions that we should pursue?

Schools are the route to achieve this – and it has to start at primary school. There are two big problems. Firstly, careers advice is not keeping pace with technologi-

Chuka Umunna is the MP for Streatham and Shadow Secretary of State for Business, Innovation and Skills



By Chuka Umunna MP

cal change, as people in careers services aren't necessarily on the ground in business and industry. Secondly, we have to break down the stereotype of what people think of an engineer as being, which means exposing kids to that kind of environment, which they often won't see. We are currently working with business organisations to help MPs arrange visits for their young constituents to different engineering outfits, and so to affect change on a micro level.

How can we improve the presence of women on boards? What do you think of the EU Commission's proposed 40% quota?

The question is how long will it take for us to reach parity if we keep going along at this pace. If you don't want to wait another 40 to 50 years to reach that then you've obviously got to consider what further may need to be taken, which is why Yvette Cooper and will need to look carefully at the Commission's recommendations.

What do you see as the role of affordable childcare in boosting the economy?

It's huge. During the summer, a constituent told me about the impact of the government's change in tax credits on her and her family: because of childcare costs, she was essentially having to pay to work, as a university lecturer. So I want to ask Fabiana readers: what further do we need to do? Given the fiscal landscape we will inherit, we need to look at suggestions which aren't necessarily about spending money but can make a real difference on the ground, and which reflect the circumstances and challenges which people face day to day, particularly on areas like employment law. I would really value people's insights and suggestions. □

chuka.umunna.mp@parliament.uk

Beyond redistribution

By Richard Angell and Adam Harrison

Devolving power from state to markets and local government is an effective strategy



Richard Angell is Deputy Director of Progress



Adam Harrison is editorial manager at Progress

At the heart of *The Purple Book*, released last year and authored by a host of Labour figures examining the way forward for the party, was the belief in the need to redistribute power throughout society via reform of the economy, the state, and the political system: from market to employees and consumers; from public service to citizens and local communities; from Whitehall to town hall.

With the public finances under pressure and future growth uncertain, the old, straightforward Croslandite model of using capitalism to redistribute its proceeds via the state for social ends has come to the end of its useful life. Instead, we must ask how we can make markets work well in the first instance, without the state having to clear up behind it. Such an approach also looks to Labour's earlier collectivist history, from the time of its founding where working people came together through free association to provide for what the state at that time would not.

It is in following these paths that Labour MP and historian Tristram Hunt cites the work of Jacob S Hacker, whose concept of 'predistribution', 'the way in which the market distributes its rewards in the first place,' is core to rethinking Labour's political economy. Recognising that the market has been 'predistributing' its rewards towards those at the top, we can consider how we ensure this no longer happens in future. New Labour's national minimum wage was an

early example of this – and Tory antipathy towards this indicates their deep-seated resistance to taming the market.

Citing how 19th century cooperatives once formed a central feature of working-class communities based on mutual assistance and reciprocity in the absence of a redistributive central state, Hunt argues we should encourage new models of ownership which strengthen employees in their workplaces, actively encouraging the formation of mutuals and cooperatives through incentives such as tax breaks, and by lightening the regulatory burden for new mutual start-ups.

ity being shared fairly among all families. Universal, high quality and affordable childcare and elderly care are key to achieving this.

In terms of political reform, Andrew Adonis called for devolution of new powers to local authorities to allow them to offer greater tax and fiscal incentives to help shape the local economy, encourage new businesses and provide jobs. Progress backs elected mayoral authorities for the six major city-conurbations beyond London. Although Liverpool and Bristol have opted for elected mayors, giving city-regions rather than single authorities

'We must ask how we can make markets work well in the first instance, without the state having to clear up behind it'

Further, we should promote employee share-ownership by reintroducing the tax break on creating employee benefit trusts that was abolished in 2003, and hardwire progressive principles in through establishing the tax break only where a significant number of shares have been distributed to all employees.

The Stoke-on-Trent Central MP also called for the proposed sale of 600 branches of Lloyds TSB demanded by the Vickers Commission be made to a mutual – and, indeed, they now belong to the Cooperative bank.

It is to be hoped that other proposals from the same publication will also become reality, not least Labour MP Liz Kendall's call to invest in public services that help ensure fair predistribution, and that help women in particular to remain in work. She argues that while a return to economic growth is absolutely critical, it may not guarantee increased prosper-

their own mayors would help reap the benefits enjoyed by the Greater London area in terms of transport, planning economic regeneration, and national and international profile. Powers should pass from Whitehall to the mayors of the six city-regions to turn this potential into a reality.

All parties are currently grappling with working out what localism can and should mean for our political economy. The Conservatives' 'big society' has barely left the starting blocks because they fail to grasp the importance of cooperation in society – that we achieve more together than we do alone. In contrast, *The Purple Book* maps a Labour way forward which believes in people's ability to do the best for their communities when given the power and tools to act, backed up always by an active and responsible government and an enabling state. □

The Euro crisis and the Nordic model

The principles of the Nordic social model could help the European Project to overcome its economic crisis

The European economic crisis looms large. The financial and debt crises have haunted both politicians and investors for almost half a decade. Yet the most painful elements of the economic crisis have been the rapid real economic decline and the materialisation of all kinds of social risks caused by that decline; the results are present in the everyday lives of citizens in most European countries.

The European project may have faced its greatest challenges so far, ranging from new national juxtapositions in economic policy to the deterioration of democratic institutions in face of economic discipline. It has been dominated by ideals of limited economic integration, while the development of European-level democracy, social policy and sustainable institutions has been at best a secondary target. At the moment, one simply cannot avoid asking if the European project could be renewed on the basis of some more comprehensive ideals that would create a more democratic and socially sustainable Europe.

The Nordic social model is one ideal often brought up in European debates, where the model is often thought to refer to some specific institutions such as universal social security. However, when taking the institutional differences between Nordic countries into account, the model can be perhaps better understood as certain principles for governing the society. The principles of the Nordic social model are based on equality and inclusiveness, but can be adapted in various institutional contexts.

The Nordic model stands on at least three such principles.

The first one is the effective management of social risks. Extensive public sector safety nets prevent risks from materialising and help citizens to cope with risks that do materialise. The mitigation of risks with broad and pub-

licly supported access to occupational and private sector social protection further increases effectiveness.

'The principles of the Nordic social model are based on equality and inclusiveness, but can be adapted in various institutional contexts'

The second pillar is the principle of universalism. The principle does not apply only to basic social rights and social security. The principle is present equally strongly for example in taxation with very broad tax bases, and in the broadly diffused usage of public services such as libraries. The principle underpinning the model is not only that everyone receives a public benefit but also that everybody pays and everybody participates.

The third pillar is multilevel coordination. Public governance is rarely implemented through as many institutional channels as in the Nordic countries, which makes Nordic governance exceptionally effective. For example, collective bargaining has been coupled with pension politics, and labour union activities have been coupled with shareholder activism by institutional investors.

The materialisation of these principles at the European level would certainly be most helpful to overcome the current crisis. Improving equal access to risk management is one thing. Education, which is vital to prevent social risks from materialising, is one field where inequalities remain

Ville-Pekka Sorsa is a postdoctoral researcher at University of Helsinki, Finland. He is the editor of the book *Rethinking social risk in the Nordics*, published by The Foundation for European Progressive Studies.



By Ville-Pekka Sorsa

all over Europe. There is also much inequality in access to management of the risk of unemployment between northern and southern European citizens – especially with youth unemployment. This inequality is further strengthened by European decision-makers' choices to neglect the target of full employment.

In social policy, universalism tends to be a preferable option whenever equality (whether that is between genders, or otherwise) is desired. In the current European situation, Nordic universalism would provide another virtue as well. Broad tax bases and broad social policy tools can be used to redistribute income and to promote effective demand to boost targeted economic performance. The Nordic model could be used to curb the economic imbalances within Europe.

Finally, Europe needs effective economic coordination. The current institutional framework hardly promotes such effectiveness as it has extensive ideological constraints to union-level, government and central bank activities. Although much debate is needed to achieve institutional reforms, successful implementation of any new union-level strategy is likely to require Nordic-style multilevel coordination.

It is evident that the model is not an answer to all immediate European problems. Only changing the mandate of the European Central Bank could solve the crisis in sovereign bond interest rates. Nor can the Nordic model be a feasible economic strategy for all, as Nordic economies are very much export-led economies. Yet in the longer term and in terms of social sustainability, the principles of the Nordic model could indeed serve as the pillars for building institutions that promote another more democratic, inclusive and equitable Europe. □

Now is the time for a banking inquiry

Greater transparency over UK pay ratios will contribute to a fairer economic environment

Banks have been dominating headlines again in the past few months. We have seen a payments system collapse at RBS. We have learned that banks have mis-sold complicated financial products called 'derivatives' to small businesses. We have seen a record fine for the manipulation of the LIBOR interest rate, and accusations of money laundering.

The only good thing to come from these events is that they have forced banks back onto the public agenda. It is now glaringly obvious that we have a bloated banking system that is reluctant to lend, and is riddled with short-termism and conflicts of interest. The private interests of banks have diverged so far from the public interest that radical reform is required.

So what sort of reform do we need? Firstly, we need to acknowledge that our banking system, which consists of a small number of enormous banks listed on the stock-market, is dramatically different from the banking systems that are found in many other countries. Many nations instead have a diverse range of successful financial institutions in their economies.

For example, in Canada, 46% of the economically active population are members of a credit union. Compare this to the UK's 2%. Countries like Germany and Switzerland have well-established networks of local banks, which are forced to serve specific regions of the country. One indicator of the usefulness of such institutions is that approximately 75% of German SMEs bank with German local banks (Sparkassen).

Having varied financial institutions in an economy introduces a variety of incentives and, in turn, behaviour. For example, customer owned mutuals can focus on long-term goals more easily than banks owned by remote shareholder only interested in maximising this year's profits and bonuses.

Diverse financial sectors also help ensure that all areas of an economy are appropriately served. For example, if Britain were to have a series of local banks, then a North-East regional bank's *raison d'être* would be to make money in that part of the UK; to work harder to find and nurture local business customers. It could not choose to chase business in wealthier parts of the country, such as London, or allocate scarce capital to financial market speculation.

Lydia Prieg is a Researcher at the New Economics Foundation (NEF). Prior to joining nef she worked in banking, on the trading floor at Goldman Sachs.



By Lydia Prieg

However, policy prescriptions as to how this might happen have so far been notable by their absence. For example, Labour's best idea so far is to force our banks to sell off branches to cooperatives and mutuals. Unfortunately, this ignores the fact that none of these institutions, with the exception of the Co-op, are currently in a position where they could feasibly buy.

We should instead be pushing for the government to break up RBS,

'In short, fixing our banks is Ed Miliband's chance to define his leadership and the Labour party. Does he have the appetite, courage and vision to firmly grasp this opportunity?'

Politicians are beginning to wake up to the narrowness of Britain's banking sector, and Ed Miliband's recent speech on banking argued for Britain to have a thriving mutual sector once again.

which we mostly own, into a series of local, mutual banks with a mandate to focus on traditional high-street banking and handing power back the local branch managers who know their area



so much better than either credit-scoring computers or remote Head Office managers. Instead of selling the bank back onto the stock-market at a bargain-basement price, as per the current plan, we have an opportunity to dramatically transform the landscape of UK high street banking.

While such action would be bold, one should remember that the public are furious with the banks, and, if a strong leader spoke out with sensible ideas for real reform, people would rally round. When Ed Miliband argued for a public enquiry into

the banking system, rather than the ineffectual parliamentary one we are getting, even the Daily Mail came out in support of him.

The banks have the Conservative party in a straight-jacket, meaning Labour stands in front of an open goal. With over 50% of donations to the Conservative Party stemming from the City, along with an army of Tories still wedded to a market-knows-best dogma, Cameron is essentially powerless to act.

Of course Labour too has some unfortunate skeletons in its banking

closet –the previous Labour government enthusiastically continued Thatcher's deregulation of the City. However, if Ed Miliband firmly distances himself from this failed ideology, he could both help repair our broken banking system and simultaneously transform his chances of winning in 2015.

In short, fixing our banks is Ed Miliband's chance to define his leadership and the Labour party. Does he have the appetite, courage and vision to firmly grasp this opportunity? □

The psychology of banking

If there were more women in the sector then the banking crisis of 2008 would have been less severe

The banking industry has a problem in that there are not enough women at all levels of the industry. Many women who succeed in the industry work in the middle and back office, with fewer entering the risk-taking front-office environment.

There is evidence to support that if there were more women in the sector then risk management would be better and the banking crisis of 2008 would have been less severe. John Coates at Cambridge undertook a study looking at hormonal pattern of men on a London trading floor. His study found that testosterone and cortisol levels corresponded with the level of risk that participants were willing to take. Banking is critical with our current economic structure and with this testosterone risk, it makes financial sense to hedge by bringing more women into the front office.

While overt sexism has largely disappeared, what remains is a masculine culture that favours individual competition, impulse and inflexible anti-social working hours. This doesn't prevent individual women from participating, but women tend to have different life priorities which are less compatible.

As an interconnected global industry, cultural change is immense – especially with American firms. There

will be competition between desks in Tokyo, London and New York. Regulating working hours on the trading floor will send work at best home, at worse abroad. Any change must be gradual. We must first send a positive message about the banking sector and promote the women who are currently in the sector as role models to female graduates.

Alex Adranghi is the Chair of the Young Fabians Future of Finance Network and works in the City



By Alex Adranghi

their own book, or a simulated desk in a team of students. This provides a break-in for perhaps more risk-adverse women, as well as gets men adapted to working in this environment with women.

Computer literacy is a must, and the technological revolution in the industry has played to the advantage of

'There is evidence to support that if there were more women in the sector then risk management would be better'

What we can do to support women is to providing immersion early to helps boost confidence and to debunk industry myths. In recent years universities have been investing a lot of money in campus trading rooms. These facilities should in turn be utilised by schools to provide insight to the industry.

There is little benefit teaching how to navigate the Bloomberg system as this is taught in any graduate scheme. In any case, this is more research analyst and less trader. What is needed is a case of running

gender equality, moving trading away from intimidating shouting across the floor and down phone lines to trade execution at a click of a button.

In 2008/2009, there were three times as many men leaving university with degrees in physical sciences, mathematics, computing and engineering. While a much larger problem than the banking sector, we need to showcase this fantastic industry and the female talent to schools so that young females deciding their A-levels can aspire as with those who want to become medical doctors. □

Hollande: playing women's advocate

The French President's gender balanced cabinet alone is a huge step forward

The election of Francois Hollande in May signalled hope to centre left parties across Europe. Although the new French President is typically assessed through the lens of the Eurozone crisis, his commitment to another issue merits particular scrutiny: gender equality. Unlike his predecessor, Hollande put women's rights at the heart of his campaign. Given the regression that occurred under the Sarkozy administration, from stagnation and decline in women's political representation to abortion clinic closures, this represents a much needed shift. Beyond the country's borders, the French government's relative progress, particularly at a time of economic crisis, will provide lessons on how to further gender equality – even when times are tough.

Hollande – who describes himself as a feminist – has set the bar high, committed to 40 manifesto pledges to bring about real gender equality. The key emphasis is to achieve this in the public sphere, both politically and professionally: from educating against sexism in schools, to putting quotas in place for women in politics, and working to reduce the gender pay gap.

Without faltering, Hollande and the government have begun to put his programme into action.

Firstly, Prime Minister Jean-Marc Ayrault appointed a gender balanced cabinet, one of Hollande's manifesto commitments. It is a huge step forward – even if the women have more typically 'feminine' portfolios, such as health, family, and older people – given that in the last government of Sarkozy's presidency, only four of 29 ministers were women.

Upholding another pledge, Hollande reinstated the Ministry for Women's Rights. Existing as a single ministry, it is explicitly to cover the breadth of public policy, rather than to treat 'women's issues' as standalone. Women's Rights Minister Najat Vallaud-Belkacem is lead-

ing on a number of innovations. In each department, ministers must designate a civil servant responsible for gender equality oversight, to undertake impact studies on all proposed legislation.

Felicity Slater works at the Institute for Government. She writes here in a personal capacity



By Felicity Slater

The French socialist government has made clear its commitment to achieving real gender equality through a transversal, joined-up approach to public policy. Such a shift has the potential to dura-

'The French socialist government has made clear its commitment to achieving real gender equality through a transversal, joined-up approach to public policy'

In July, Vallaud-Belkacem began holding 'equalities meetings' with her ministerial colleagues to review developments and progress towards women's equality on a sector-by-sector basis. In October, Ayrault will chair a meeting of the inter-ministerial committee on women's rights, which has not met for twelve years. The Women's Rights Minister will announce the cross-governmental action plan for women in the public sector for the presidential term, from education to health and beyond.

bly change culture and practices, so that gender equality becomes a reflexive consideration in policy-making.

Successfully enacting an ambitious feminist programme for government at a time of budgetary austerity may appear daunting. Indeed, the task is huge – but austerity does not preclude feminism. As Fabiana argues, returning to economic growth and advancing towards gender equality go hand-in-hand. We will be attentively following what happens in France. □

Labour's Socialist Societies

invite you to an evening of Socialism and Singing to raise money for



LABOURLIST.ORG

Take part in our auction: Bid to win duets with special guests including Tom Watson MP and author Owen Jones.

Or just enjoy yourself singing and dancing the night away.

Date: Monday 1st October Time: 8.00 pm until midnight
Venue: Rain Bar, Great Bridgewater Street M1 5JG
Entrance: £10 (£5 concessions)

Labour Party members only. No press passes.

Can we afford not to?

The UK government must make ending violence against women a foreign policy priority

70% of people living in poverty in developing countries are women. Their unequal position in society means they have less power, money, protection from violence and access to education and healthcare than men. Women are more likely to live in poverty, simply because they are women.

As economic agents, women are hindered by lack of access to education, have less access to credit, and are prevented from entering certain occupations. In agriculture, women farm smaller plots of land and are less likely to own that land. As entrepreneurs, they manage smaller firms in less-profitable sectors. In formal employment, women are over-represented in lower-paid professions and are paid less for the same work. Everywhere in the world, women, even when they work the same hours as their partners, still put more unpaid labour into domestic work and care-giving.

‘Violence against women stops them securing a decent education, earning a living, participating in public life and lifting themselves out of poverty’

This inequality comes at a cost; research has shown that, with a level playing field, women farmers produce the same yield as their male counterparts. The Food and Agriculture Organization (FAO) have estimated that if women had the same access to productive resources such as fertiliser, agricultural output in developing countries would increase by as much as 2.5 to 4%. Equally, If women

were welcomed into the sectors and occupations that currently exclude them, output per worker would likely increase by 13 to 25% (World Bank, 2012). In the face of the global economic downturn, we can't afford to ignore the impact of gender inequality on women's productivity and participation in global markets.

‘Everywhere in the world, women, even when they work the same hours as their partners, still put more unpaid labour into domestic work and care-giving’

Along with these additional hurdles, one in three women globally also have to contend with endemic violence, usually at the hands of partners or family members. A leading cause of death and disability for women and a constant threat to their well-being, violence robs women of choices and control over their own bodies and lives. It stops them securing a decent education, earning a living, participating in public life and lifting themselves out of poverty. Even the most conservative estimates measure national costs of violence against women and girls in the billions of dollars.

The impacts of violence are felt at a young age; according to USAID, every year 60 million girls are sexually assaulted at or en-route to school. School violence leads directly to lowered enrolment rates, poor performance, absenteeism and high dropout rates. Dropping out of school in the face of violence will cost a girl up to 20% of her future wages for each year she misses, according to estimates by the World Bank.

Despite the challenges they face, our work with women around the world has taught us that women and girls are powerful forces for change, amazingly determined and resourceful in their fight to achieve a better future. We believe the best way to end poverty for good is to help

Rowan Harvey is a Women's Rights Advocacy Adviser for ActionAid UK and a Governor at the LSE.



By Rowan Harvey

strengthen women in their own struggles, supporting them to use their knowledge, talents and abilities to achieve changes for themselves, as well as their families, communities and countries. Allowing violence against women to continue unabated not only sends the message that we do not value women or their

lives, it also means that progress towards development goals is destined to fail.

The UK government should build on recent commitments and stand shoulder-to-shoulder with these women, putting women's rights and tackling gender-based violence at the heart of their development efforts and making ending violence against women a foreign policy priority.

As well as realising commitments to put women's rights at the heart of the process for renewing the Millennium Development Goals and seeing through commitments to a new initiative to tackle violence in conflict, the government should establish an infrastructure to monitor and enforce UK commitments on violence against women. They should also champion women's rights within the international development agenda and strengthen DFID's approach to violence against women and girls with a coherent and adequately funded strategy to address it.

In particular, they should support and fund the local women's organisations and networks that provide life-saving services and advocate for women's rights. Listening to women is the first step towards understanding their needs, and an important step towards unlocking their potential. It's an issue the world simply cannot afford to ignore. □

Childcare: winning the public argument

Defining what we want capitalism to do for us is the key to responsible change

By Natan Doron & Robert Tinker



Natan and Robert are Researchers at the Fabian Society.

Childcare is back on the political agenda. In part this is because although Labour diminished the inequalities which entrenched during 18 years of Conservative rule (see figure 1), the Party's commitment to reduce child poverty by half was unfulfilled. Equally, childcare costs in the UK remain the second highest in the OECD, contributing in no small measure to the current squeeze on middle incomes. Nevertheless, it is not at all clear that this political awareness currently extends to the public imagination. How do we make this transition?

More should have been done to sustain the momentum of New Labour's early years' agenda, but when compared to the patchwork of provision inherited in 1997 there is much to take pride in too. Substantial investment in high quality childcare, Sure Start centres, Working Tax Credits and more helped the most vulnerable and marked a serious attempt to institute 'progressive universalism' in this area.

Conscious of the need to revive this current, a number of arguments in support of expanded childcare provision have been made in recent years. Among the strongest, a widely cited report by the

IPPR demonstrated that the returns to the exchequer of implementing a free universal childcare policy could be considerable.

'The centre-left must make a case which unites citizens around the social significance of early years' provision'

According to this view – widely held in Labour circles – that is precisely the policy a credible centre-left programme should encompass during a period of budgetary tightening: one that combines a strong sense of justice with fiscal realism. Similarly, perhaps in attempt to rescue David Cameron's promise to lead the most family friendly government in Europe, the Coalition too has established its own commission on childcare.

Defenders of equal life chances and gender equality should be heartened

by the political debate on childcare – but where is the public in this? The question is a pertinent one if we hope to see state investment in childcare grow. Recent polling by the Fabian Society indicates that in spite of Labour's achievements, the public remain unconvinced of this area of expenditure. In our poll, almost half of people think 'the current balance is about right' in childcare provision. Interestingly, these figures contrast with provision at the end of life which is marked by consensus: across Tory, Labour and Liberal Democrat 44%, 56%, and 49% believe 'tax rates should rise, to pay for greater provision of services' in elderly care (see figure 2).

Have our parties got their priorities wrong? Not necessarily, but the centre-left may need to re-think the arguments by which it approaches childcare in order for the public to share its vision. This is not to suggest that the argument from tax receipts in favour of increased childcare spending is unappealing: the economic case is a necessary component of the argument. But by focusing only on utilitarian reasons, we may surrender the opportunity to engage in a deeper conversation about the society we choose to live in.

Figure 1. Proportion of children falling below various relative income poverty lines, before-housing-costs income (source: IFS)

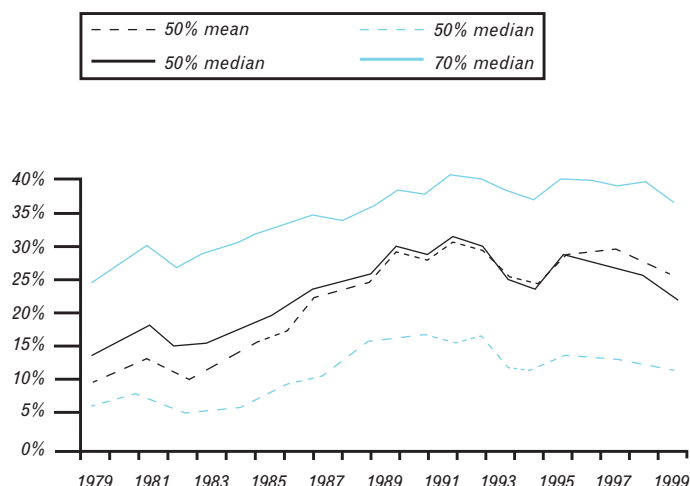
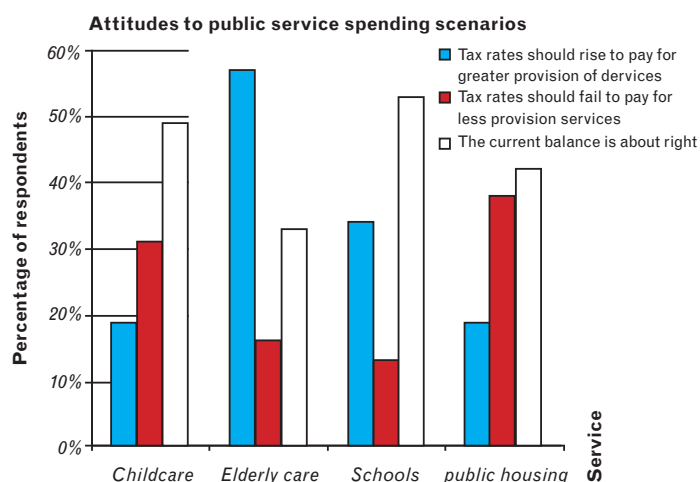


Figure 2. Data taken from Fabian Society poll of 2050 adults conducted by YouGov 4th-9th April 2012



The centre-left should take this opportunity to develop a narrative around childcare spending grounded in a shared conception of the good society. This more far-reaching narrative can be guided by a number of simple questions, inextricably related to the issue of childcare. Do we want to live in a society where the nature of work imposes a choice for women between a career and spending more time with their children? Do we want to live in a society where women who want to return to work after

childbirth are often made to feel guilty for neglecting their 'natural' parenting responsibilities? Do we want to live in a society where the role of the community in raising a child goes unrecognised? If a community takes more care of people at the beginning and end of their lives, might people in turn take more care of their community over the life course?

In themselves these questions are important, but equally the centre-left should recognise the good pragmatic reasons for attending to them. The more our

commitment to childcare is also motivated by this wider set of issues the stronger the resilience of this social institution may become. This involves making a case which unites citizens around the social significance of early years' provision. Further, an extended commitment to childcare could act as the policy choice which illustrates the principles and values underpinning today's Labour Party: responsibility, mutual dependence, and the justice of giving every child the right to a more equal chance. □

Scandinavian radicalism?

Labour's childcare policy review must pass three crucial tests

Before the summer Parliamentary recess, I visited Swindon to listen to the views of parents on what they think about childcare in this country. Two things struck me from listening to these parents. First, that there is need for greater flexibility for childcare support offered by the state. Too often, they told me, childcare support places barriers in the way of going to work. Second, they told me of the importance that they place on high quality care. It is clear that for parents, they want childcare that both accommodates their participation in the labour market but also strengthens the educational development of their children.

Childcare, they said, is not a hoarding house for the children of hardworking parents. It should, and it must be, more than that.

I also recently visited Scandinavia, where there is a far more deeply rooted emphasis on childcare for the benefit of the labour market and also for the educational development of the child. I believe that we can learn a lot from countries like Sweden and Denmark and that is why we are looking at the evidence on what works there and seeing how it can be applied here.

I have set out that there will be three tests for Labour's childcare policy: it must promote and support participation in the labour market; be based on the evi-

dence on educational development in the Early Years; and advance gender equality by breaking down the barriers for women who want to go into or return to work.

'By promoting Liz Truss as the Minister responsible for overseeing Cameron's Commission, [the Conservative leader] has chosen an advocate of deregulation as the answer to the issues of availability and quality'

The Tory-led Government has followed Labour's lead in establishing a Commission into childcare. David Cameron recently gave a signal of very clear intent as to what his proposals will look like. By promoting Liz Truss as the Minister responsible for overseeing Cameron's Commission, he has chosen an advocate of deregulation as the answer to the issues of availability and quality. In a recent report, Liz Truss advocated a model, trialled in the Netherlands and subsequently rowed back on, that reduces the adult to child ratio. The international evidence is weighted against this approach.

Labour made great strides in childcare and Early Years. As Naomi Eisenstadt (the architect of Sure Start) argues in her book, *Providing a Sure Start*, Labour

Stephen Twigg is the MP for Liverpool West Derby and Shadow Education Secretary



By Stephen Twigg MP

ventured into a previously policy-free territory by introducing a new focus on Early Years provision. Labour can be proud of the advances that were made in government. From securing a universal entitlement for 3 and 4 year olds, to introducing the Early Years and Foundation Stage curriculum, a policy step change was achieved. As we go forward with our Policy Review, we need a renewed radicalism to build on the foundations we left behind.

Stephen will be exploring these ideas in more detail at the Fabian and Family and Parenting fringe event at 12.30 on Monday October 1st, 2012 at the Labour Party Conference. □

Childcare in the past, childcare in the future

New indicator can change how policy-makers value women, the environment and wellbeing

When I became a mother over twenty-five years ago I was determined to look after my son while I worked. I would work freelance, evaluating community projects, and my baby would come too – meetings were timed to be while he slept. I would be superwoman.

Though I juggled the work life balance, as time passed I had to recognise that my lively toddler's fondness for his climbing client's office furniture had become a health and safety hazard. In the end, a shared space in my husband's workplace nursery proved a childcare lifeline, and since I had run out of clients I returned to part-time salaried work. The subsequent arrival of twin brothers proved a barrier to returning to the workplace because paying for childcare for three would cost more than I could earn. After 24 months of full time motherhood I spent another six years piecing together part-time jobs, ad hoc childcare arrangements and studying for the Masters degree that would enable me to escape the badly paid and static world of part-time work.

A quarter of a century later, the options for working parents looking for good quality affordable childcare are remarkably unchanged. The average cost of nursery day-care for a child under two in the Hammersmith and Fulham area is £285 a week - scarcely affordable for one child, even on an above average salary. Only a tiny minority of parents would be able to afford two places. On the other hand, childcare is now rightly seen as skilled work that demands qualified practitioners, and is better regulated than in the past. Investing in early years provision was a major achievement of the last Labour government and alongside tax credits for childcare created opportunities to enable parents to have career opportunities.

Without robust childcare strategies another generation of parents will be trapped in an unequal partnership

where one parent works while the other stays in the home shouldering both childcare and housework. The resentment as one partner experiences the stress of being the sole breadwinner and the other feels trapped at home, while both struggle to make ends meet on a single salary, can contribute to relationship breakdown. When families split lone parents are even more likely to be trapped into poverty with their children.

'Without robust childcare strategies another generation of parents will be trapped in an unequal partnership where one parent works while the other stays in the home'

Furthermore, until the UK is able to provide substantial resources to provide excellent sustainable day care, a generation of older people will find themselves holding the baby. A quiet

Caroline Needham is a Labour councillor and Shadow Cabinet Member for Education and Children's Services in the London Borough of Hammersmith & Fulham



By Caroline Needham

revolution has taken place with the strong expectation that grandparents will fill the void and step in with unconditional love and daytime availability to care for grandchildren. My generation, who ourselves juggled to find a work/childcare balance, may gladly step into assist - but as our families grow in size some will struggle to allocate quality grandparent care fairly. Our support to the economy in this childcare role is at odds with the increasing financial requirement to work longer.

Parents, women's groups and think tanks are increasingly looking to learn from the models of high quality subsidised day care in the Nordic countries. I share their belief that a subsidised community-based provision could promote gender equality, reduce child poverty and equalise educational opportunities for young children.

Bearing both my own observations of childcare and the lessons from Northern Europe in mind, as a councillor I will be campaigning for good childcare, writing day-care policies into my local Labour manifesto and, when in power, ensuring a Labour council offers a better deal and more choice of options to balance work and childcare for local parents grandparents and carers. □

www.prospect.org.uk

"I am inspired by blue sky thinking. I believe anything can be reality if you try hard enough"

Prospect works hard with government and employers to help women in science, engineering and technology break the cycle of under representation in these key areas of the economy. Help us overcome the career barriers that have held women back for too long.



Where next for UK childcare?

The creation of high quality part-time work is the next step towards a fairer system for all

Women's earnings have never been more important to families or the economy. As men's earnings have stagnated over the last decade, women's have continued to rise slowly, filling in gaps in household finances alongside tax credits. Surprisingly, mothers have been closing the pay gap on fathers faster than women in general, leaving children in single male breadwinner families most vulnerable to poverty. Childcare is critical to enabling two parents to work and balance their family commitments. This is especially the case as family ties loosen and parents are less able to rely on relatives to help out. According to the OECD, the UK has some of the most expensive childcare in the developed world but the picture is more complex than the bare facts suggest. Our affordability problems are a reflection of the shape of our labour market and the way government support for childcare is targeted.

The UK has a larger low wage labour market than many of its international competitors. Nearly 21% of employees in the UK are in low wage work compared to an OECD average of 16%; only the US has a higher proportion of low wage workers than we do. Furthermore, many low wage jobs are in sectors of the economy such as social care and retail that are expected to grow in the coming years and are dominated by women. Despite the fact that a substantial amount of government resources are targeted at supporting the childcare costs of low income households, childcare inevitably eats up a large proportion on earnings for those on low wages. Coupled with the withdrawal of tax credits as families earn more, this means that parents have to work many additional hours to increase their income by only a few hundred pounds a year.

For families on middle incomes who fall just outside the tax credit system, the problem is different but equally difficult. They earn more but get far less

support from government and, therefore, a greater chunk of their income goes towards childcare. For example, a low income family on £24,000 would spend 10% of its income on full-time childcare for two

'The current offer of 15 free hours of childcare for three and four year olds is not adequate to make even part-time work possible'

children under five after all government childcare support is taken into consideration. A family on median income, by contrast, would spend 23% of its income on the same amount of childcare, reflecting far less generous support from government. It is only those on high incomes for whom the equation comfortably stacks up, because their earnings are high enough to justify paying large amounts for childcare.

The low wage labour market presents a further set of challenges to parents who need childcare. Many low wage jobs require parents to work outside of core hours but little formal childcare is available outside of these hours. Only one in five working families in Britain has at least one parent who works all their hours between 9am and 5pm and less than 1 percent of families now have both parents who work these hours. Furthermore, the growing insecurity of many low wage jobs makes it difficult to keep a childcare place. Parents on zero or short hours contracts have little certainty about their working hours from week to week. However, childcare providers want parents to

Vidhya Alakeson is the Director of Research and Strategy at the Resolution Foundation



By Vidhya Alakeson

stick to a regular schedule which means paying for childcare that they do not need.

While our childcare problems are in part a reflection of our labour market, there is strong evidence that a lack of affordable childcare holds back women as well as the economy. There is no longer a gender pay gap for those under 30 - but a significant gap remains for women over thirty who are of prime child bearing age. While the UK ranks 15th in the OECD for overall female employment, it falls further behind for women aged 35 to 39 and has the third highest proportion of women working part-time in the OECD. That said, when asked, most women with young children want to work part-time rather than emulating the full-time dual earning model of the Scandinavians. Ensuring that women are able to work part-time when their children are young is a sound investment in the future because it leaves mothers better placed to progress when their children reach school age. The current offer of 15 free hours of childcare for three and four year olds is not adequate to make even part-time work possible. Extending this to twenty five hours for those in work would make a real difference, especially to those on low to middle incomes who would struggle to cover additional childcare costs.

But investing in childcare alone is not enough. We also need to make a stronger case for high quality, part-time jobs to ensure that mothers returning to work can earn a decent salary by working part-time. For many women returning to work after having children, the only option to secure a part-time role is to take a cut in responsibility and salary. Employers may not be willing to invest directly in childcare, especially at the lower end of the labour market. But by offering greater flexibility for parents to allow them to combine higher quality, better paid employment with family responsibility, employers have a big contribution to make and government should challenge them to rise to the task. □

Our radical history heralds a radical future

Lowering the barriers to female employment could add 7% to GDP

There is no doubt that the introduction of Universal Childcare in the UK would be a radical act – so let's not forget that the Labour Party was formed on radical principles. In 1945 it was a Labour government that established the welfare state on the principles of the Beveridge Report. Had Beveridge and Attlee known that women would enter the workforce as they did over the coming decades, they would no doubt have provided for free childcare in their reforms. The original welfare state had, after all, been built around the principle of full employment – but in 1945 that had meant full employment of men only.

So we are essentially sixty years adrift with Labour's plan. Today 65.5% of women in the UK work, but many more want to and cannot because the cost of childcare is greater than their earning potential.

Will a Labour government of 2015 take forward the bold principle of the welfare state to help boost childcare provision and maternity and family rights, so that all men and women can work? It should – and here's why.

Because it'd be a great driver of economic growth.

The rise of female employment has been a central chapter of the story of growth in the UK and around the world in the past 40 years. According to a 2011 report from the Resolution Foundation, from 1968 to 2008 women's work drove more than a quarter of income growth in low to medium income households. But in recent years, as women's entry to the workforce has flattened off (just a 1.4% rise in the 2000s), we have seen no further significant gains in growth from female participation. This is not a sign that the UK has reached its limits – rather, it is a sign that barriers to female work have prevented the UK from reaching its potential. The UK ranks only fifteenth in the OECD on female employ-

ment and just twenty-fourth on a full-time equivalent basis.

'The electorate will vote for us in 2015 if they trust that we can effectively handle the economy with fairness and compassion, and encourage aspiration for all'

The result is that further gains in female employment present a unique opportunity to boost living standards and GDP in the years ahead.

If these barriers were lowered and we raised female employment rates to the level of male employment rates, we could expect an additional 2 million UK women to enter the workforce. They would bring with them GDP growth of 7%. As well as this we could expect better long-term growth prospects. Why better long term growth prospects? Because more women in the workforce means more businesses being started, more intellectual and creative capital being employed, and therefore more innovation across the country.

How Labour will revive the economy is the only question that matters when it comes to the next election. The Con-Dem coalition have chosen to drive us further into debt by introducing some of the most ill-thought through public sector cuts and changes this country has ever seen.

Come the next election will the country vote for the Tories, with their 'sink or swim', 'there are winners and there are losers' attitude? Or will they vote for Labour? If they do, it will be because of

Victoria Powell is the Labour's Women's Officer for Hornsey & Wood Green. She is an award-winning TV producer and has founded and run several successful media businesses..



By Victoria Powell

our values – especially the value of fairness in tough times. The electorate will vote for us in 2015 if they trust that we can effectively handle the economy with fairness and compassion, and encourage aspiration for all.

Many see the issue of affordable childcare as one of female employment and gender equality as well as child development equality. As a Labour activist and also as a woman with two small children, I agree. The lack of affordable childcare is a huge burden to the women of our country – tens of thousands of whom are being forced out of work by its costs. But it is the impact on low to medium income households and the effect this has on the economy that we need to put centre stage if this debate is to be won.

At the next election we need to demonstrate bold policies that will help rehabilitate our economy. That is why policies which lower the barrier to female participation in the workforce, such as childcare provision, should be understood not only as a vehicle for changing the entire landscape of female employment, but also as a vital and significant opportunity for continued household and economic growth. □

promoting european values in labour and labour values in europe

lme
LABOUR MOVEMENT FOR EUROPE

Labour Conference 2012 Fringe Event
Europe: Moving beyond Austerity onto Plan B

Speakers
Harlem Desir MEP, French Socialist Party
Richard Howitt MEP, Labour Party
Petros Fassoulas, Chair, European Movement
Axelle Lemaire, French Assembly Member for Northern Europe
Alison McGovern MP, Wirral South
Lucy Powell, PPC for Manchester Central
Emma Reynolds MP, Shadow Europe Minister
David Scholbl, Chair, Labour Movement for Europe
Speaker from UNITE the Union (tbc)

Chair
Lord Neil Kinnock, President Brussels Labour & LME

Where? Peoples History Museum, Left Bank, Spinningfields
M3 3ER, Engine Hall

When? 30 September 2012 - 12:00 PM NOON
Lunch and refreshments will be provided

In cooperation with

Web
labourmovement.eu

Twitter
@labour4europe

Brussels Labour

EUROPEAN MOVEMENT

STEM: where are the women?

There need to be greater incentives for female scientists and innovators in the UK

What's your favourite shocking statistic about the lack of women in science in the UK? I set out to find my own top ten after a Fabian Women's Network debate on the subject in Westminster in June. Some of these statistics were as follows:

›A top Veterinary School degree has 80% female undergraduates enrolled on it but no female professors teaching it.

›In Chemistry 50% of undergraduates are female but only 6% of professors are female.

›22% of Physics A Level students are female and 7% go on to become professors.

These statistics leave a nasty taste in one's mouth. There is clearly some progress but it's too slow; we're fifty years behind the United States of America in terms of equal opportunities in science for women.

So what defines this lethal landscape causing so many to stumble between school and the top jobs? It seems that the rot starts in our children's early years with some shocking gender stereotyping that we have complacently allowed ourselves to fall into. For instance: "shops tell us that science is a boy's thing." That statement was made by a boy in London in June 2012, at the beginning of a pilot project created by neuroscientist Dr. Laura Nelson (called Breakthrough Stereotypes) and trialled in a primary school. The project was designed specifically to counter gender stereotypes in science for primary school students – a problem identifiable from an early age in young children.

The statement also highlights the role that retailers and marketers have in perpetuating gender stereotypes. However, retailers and marketers arguably only reflect the demand that exists in the market – what sells and who buys.

'We need an army of role models, men and yes, far more women, promoting science and raising its profile to make it the career of choice for our best brains before it is too late'

This means that we, as parents, must be on our guard about our own attitudes.

We must also examine adult attitudes in the UK towards science and innovation regardless of gender, which in turn will affect the representation of any British born individual, including women in the science and innovation industries.

A senior academic electronics engineer (who doesn't want to be named) is infuriated by the United Kingdom's negative perceptions of science and he is not alone. He claims his engineering school would close overnight if it weren't for overseas students; that applicants for PhD places in electronics engineering are almost entirely from overseas and that, incredibly, PhD scholarships restricted to UK applicants with fees and maintenance paid remain unfilled. Similarly, Paul Jackson CEO of Engineering UK stated that the United Kingdom needed 1 million more engineers. China, in comparison, produced

Barbara Govan is the CEO of Screenhouse, a multiple award-winning science television and video production company.



By Barbara Govan

500,000 BSc graduates and 10,000 PhDs in engineering in 2009. That was 3 years ago.

The existence of such unfilled scholarships and demand seems to illustrate a deeper problem in attitudes towards science and innovation more generally across the United Kingdom. Sir James Dyson recently bemoaned the lack of good graduate engineers as a consequence of the lure of large City salaries. The status and rewards for scientists and innovators need to be increased to start solving that problem. Too many female science graduates don't make it through to top jobs but that statistic should not mask the fact that we are losing many male science graduates as well.

Some work is already underway here by representatives of the science community – female, as well as male. One excellent example of a tireless ambassador for science is Dr Maggie Aderin-Pocock MBE. She is constantly out there, inspiring the next generation of boys and girls, talking to wide audiences in a way that is engaging, enlightening, exciting. We need an army of role models like her, men and yes, far more women, promoting science and raising its profile to make it the career of choice for our best brains before it is too late.

It is also down to scientists, engineers and innovators to raise their status and profile to the British public. People need to understand what they do, how they change and shape the world, how they could lift the country out of recession by attracting high tech companies like Siemens, Nokia and Fujitsu to university neighbourhoods (as is presently happening in China). The UK science community itself needs to better communicate the excitement of being on the leading edge of innovation and do more to ensure that the science 'We need an army of role models, men and yes, far more women, promoting science and raising its profile to make it the career of choice for our best brains before it is too late' □

Sexism is a problem – even within Labour

Young Labour recruits need to practise what they preach if our party is to be a force for gender equality

This summer, Team GB stormed the medals table, and an unprecedented number of those medals were thanks to the achievement of many remarkable women. The media is heralded this turn of events as a new era of equality, and even the political realm seemed to agree. At the same time, The Guardian was full of articles celebrating the appointment of Frances O'Grady as the first female general secretary of the TUC and the rise of women in union movements. But I am sceptical about whether this high profile push for gender equality is filtering down to grass-roots level. My own experience, while at university, was an embarrassing case of same old casual sexism.

I am not generally the greatest endorser of feminism. In my early twenties I proudly referred to myself as a Stepford Wife and was happy to smash my way through the glass ceiling with some beautifully baked goods, so perhaps I brought it all on myself. In September 2010 I started a Master's degree at Goldsmiths College, University of London. Goldsmiths prides itself on its radical left-wing student body: the SWP are the dominant political organisation on campus. The walls are strewn with posters in support of gay rights, racial equality and the Union were running a campaign to stamp out sexual harassment. So I naively assumed that the newly formed Labour society would be full of liberal minded, left wing men and women, respectful of women's rights.

The first thing that happened after I became the Secretary for the society was that I was often the only girl in the room, which made me extremely popular with the red-blooded males. I won't lie and pretend I didn't enjoy the attention, but I've now realised that I made a text-

book error. You cannot be perceived as overly feminine in politics if you want to be taken seriously.

'No female had ever pointed out to these male Labour students that their casual sexism was reinforcing the gender inequality that as a Party we fight so hard to stamp out'

In my admittedly limited experience, those men who classed themselves as Conservatives were polite and respectful, citing an upbringing rich in parental guidance. I wouldn't say that this guidance was lacking with Labour men, but they revelled in allegedly pretend Tory behaviour, which they classed as being laddish and rude when exhibited by others. Cameron's infamous jibe 'Calm down, dear' was denounced as patronising and unacceptable by my fellow Labour students, which didn't stop them from constantly saying it to me; it soon became a guaranteed laugh amongst them.

As Secretary I fondly imagined that I would become the administrative hub of the society. This did happen, but by far my most illustrious job was that of fetching the society's President his coffee. I was once lucky enough to share the coffee, only to be chastised for making it taste of lipstick. As I said, you cannot be feminine in politics.

Fed up, I fought for responsibility for an actual campaign. Now, the Treasurer had already labelled me 'the boobs of the organisation', as opposed to himself who was the brains. This was obviously a very good joke as he repeated it often. Even so, I was given the Yes to AV campaign,

Victoria Prior is a freelance researcher in cultural policy, working on the UK's entry to the Compendium of Culture for the Council of Europe.



By Victoria Prior

which was successful on campus. As part of my duties I could either attend a strategy meeting with representa-

tives from London universities, or a phonebank with MPs and pizza. The President was adamant. I should go and 'socialise with the celebrities' while he attended the meeting. At which point my head hit the glass ceiling and some sense was knocked in.

I denounced the President as a misogynist on Facebook, admittedly not the most mature of responses. He was devastated, having genuinely believed I would find the meeting boring and that I deserved a more fun reward for my hard work.

He promised it had nothing to do with my gender. I explained that to be asked to discuss strategy was a validation that my political skills were developing. I accepted the President's apology and still believe it was a thoughtless error on his part. I don't think the Treasurer meant his jokes offensively either. But no female had ever pointed out to them that their casual sexism was reinforcing the gender inequality that as a Party we fight so hard to stamp out. Much has been made of the Labour Party's strength at grass-roots level. These students could be the politicians of the future, in order to make sure we eradicate sexism in the corridors of power, we need to first beat it in the corridors of academia. □

FWN Fringe events at Labour Party Conference

Women in Public Life Awards

Join us for the launch of the 2012/13 Women in Public Life Awards, to celebrate women making their mark in the party and furthering women's participation in politics, the media and business, as well as standing up for the rights of women in Afghanistan and across the world.

Date: Sunday 30th September

Time: 19:15-21:15

Venue: Exchange 2&3 Manchester Central (inside secure zone)

Featuring: Yvette Cooper MP, Shadow Home Secretary and Shadow Minister for Women and Equalities; Ed Miliband MP (invited); Melanie Ward, Head of Public Affairs, Action Aid UK; Baroness Amos (invited) *Dods* in association with Action Aid UK, Fabian Women's Network and Labour Women's Network

Please confirm your attendance to florence.rdv@actionaid.org to obtain a free pass to attend.

How can Labour solve the Childcare crisis?

Date: Monday 1 October

Time: 12:30-14:00

Venue: Exchange 2&3 Manchester Central (inside secure zone)

Featuring: Stephen Twigg MP, Shadow Secretary of State for Education; Seema Malhotra MP (chair); Sam Smethers, Chief Executive, Grandparents Plus; Purnima Tanuku OBE, Chief Executive of National Day Nurseries Association.

*Fabian Women's Network in association with Family Planning Institute,
The Family Room and Co-operative Party.*

No need to book, just turn up!

Two speed Europe: are women being left behind?

Date: Tuesday 2 October

Time: 19:45-21:15

Venue: Lord Mayor's Parlour, Manchester Town Hall (outside secure zone)

Featuring: Emma Reynolds MP, Shadow Minister for Europe; Ivana Bartoletti, editor, Fabiana; Linda McAvan MEP; Dr Roberta Guerrina, University of Surrey; Felicity Slater (chair).

*Fabian Women's Network in association with the Fabian Society and
Labour Movement for Europe.*

No need to book, just turn up!

