

# Labour plans to gut National Health Service in Wales

By Chris Talbot  
18 April 2007

A statue of Aneurin Bevan in his characteristic oratorical posture stands in the centre of Cardiff commemorating the local left-wing MP who, as Minister of Health in the 1945 Labour government, founded the National Health Service.

Throughout Britain the NHS—one of the few universal, publicly funded health care systems in the world—is highly valued, nowhere more so than in Wales. There the Labour-run Welsh Assembly has had to end prescription charges and has refused to implement Private Finance Initiatives for building programmes. Had it done any less, Labour would never have won control of the Assembly. On the face of it, the NHS preserves the principles of its founder, who resigned over the introduction of prescription charges, to a far greater extent in Wales than it does anywhere else in the UK.

The reality is another story. Labour has tailored its attack on the NHS in Wales to avoid provoking opposition in a strongly working class area of the country. Labour's flagship health policy in Wales is "Designed for Life." Under this scheme, extra money was to be made available to general practitioners (GPs) to increase their responsibilities and take on services transferred to them from the hospitals as part of a programme of community-based care. But on the last day before the Assembly dissolved for the elections, the Labour administration presented the doctors with a mafia-style offer: either they accept a £5 million cut in the £6.2 million they had been promised or get nothing.

Doctor Andrew Dearden, a family doctor in Cardiff, who represents the Welsh General Practitioner Committee of the British Medical Association (BMA), explained what had happened. They were told "you've got till 3 o'clock to decide." As Dr Dearden said "[this] is not the way civilized people conduct their negotiations."

"What they wanted the BMA to do was to put a stamp of approval on the clawing back of £5 million so they wouldn't have any criticism," Dr. Dearden explained, "So we said we're not having that."

What the doctors had been promised was a health care system for the 21st century in which, according to the Designed for Life document, "Primary Care Resource Centres will provide services, which might at present be provided separately by GPs, dentists, hospitals and social services. They will often have beds for people who do not need high levels of clinical care, and might also support the long-term or respite care that will still be needed for those who cannot remain in their own home. Increasingly, medical and technological advances will mean that services currently

provided only in hospital will be provided close to home in local neighbourhoods."

These fine words, as the doctors have discovered, were just spin. The £6.2 million would never have been enough to set up such a system in any case and now they find it was not really on offer. It was just intended to bait a trap that would persuade doctors to sign up to a deal that would eviscerate the NHS in Wales.

In other parts of the country new hospitals have been built under Private Finance Initiatives. This is a scheme that channels public money into the profits of construction companies and private health companies and mortgages the future health care of the population who are left paying the bill through their taxes for decades to come.

PFI is one of the reasons that health trusts in other parts of the country have run into debt. The Royal College of Nursing (RCN) calculates that 22,000 posts have been lost in the NHS over the last 18 months. Three-quarters of newly qualified nurses are unable to find jobs. In a survey, 87 percent of nurses said that cuts in funding had impacted on patient care.

Though the ruling Labour group in the Welsh Assembly has refused to implement the PFI policy, the results in Wales are strikingly similar to those in the rest of the country. Hospitals face closures, debts mount, waiting lists have grown, jobs are cut and skilled health professionals cannot find posts. It is small consolation to have a free prescription when the local hospital has closed or you have to wait for months for a routine operation.

The absence of PFI hospitals in Wales has not prevented closures. Last year hospitals at Llanidloes, Bronllys near Brecon and Builth Wells were threatened with closure when the Brecon and Radnor Community Health Council announced a £6.7 million budget cut. In Prestatyn a hospital porter staged a rooftop protest against the closure of the local hospital.

Labour has denied that it plans to close hospitals in Wales. "To claim that the present Government is committed to a programme of hospital closure is absolutely absurd when we are building new hospitals," said Dr Brian Gibbons, the Labour Health Minister in Wales. Gibbons denied that the Royal Glamorgan, one of Wales' newest hospitals, faces closure. But, according to the BBC, its employees were warned last year that the hospital faced downgrading or closure along with the Prince Charles hospital in Merthyr Tydfil.

Dr. Dearden's report of the way in which GPs were presented with an ultimatum by the Labour administration in Wales suggests that its assurances regarding hospital closures cannot be trusted either. The Labour administration has behaved dishonestly in setting up a deal with the GPs

---

then reneging on it at the last minute. Labour is using crude blackmail tactics against the doctors. They are attempting to force them into taking on services for which they are not prepared to provide the finance.

Shifting these services to the general practitioners represented a cut in funding since this was intended to be a cheaper option than funding the same services in hospitals. In withdrawing the money they promised for GP care in the community, the Labour administration has made its intentions to make savage cuts in health care all too clear.

Labour no doubt hoped they could bury their attack on the NHS if they announced it as the Assembly adjourned. It certainly did not make much of a stir in the national media. A cut of £6.2 million is small change in comparison to the total UK-wide NHS budget of nearly £100 billion. But what appears to the national media as a local spat has national significance, because Labour has plans to make a similar transfer of services from hospitals to GPs' surgeries all over the country.

GP services were fully opened to private companies in 2005. As a result, they have suddenly become an interesting investment for large transnational companies.

United Health Europe, which is part of a giant US health company, has won the contract to provide health care in the village of Creswell, Derbyshire. Local doctor Elizabeth Barrett thought she had agreed a deal with the local health authority. "The whole process was mysterious," Dr Garrett said. "It was very hard to know what was happening with the bid and looking back, I feel I never had a chance against such a big company."

Dr Barrett, who runs a practice in a nearby village, expressed concern that other doctors would have the same experience as they were forced to compete with major companies. "Firms have to make profits for their shareholders and that leads to care being compromised, whereas GPs have been trained and worked for the NHS all their lives; the ethos is different," she said.

The Creswell contract is under judicial review, but other deals have gone through. Care UK, another private company, has signed a deal to provide GP services in the Barking and Dagenham areas of London. This has been presented by the government as a programme to bring health care to a deprived area of the capital.

The danger is that once large companies such as these begin to muscle in, they will force down standards as they cream off profits. Conscientious doctors will not be able to balance their budgets if they attempt to provide the treatment their patients need, especially in the most

disadvantaged areas where multiple health and social problems place a severe burden on the health service. Dr. Dearden told me that he had increased his nurses' pay by 2.5 percent because it was "the honourable thing to do," but giant international companies with an eye on their shareholders' dividends will not share his public service ethic. As Labour allows companies to tender for contracts, GPs will be forced to compete for patients and money. The actions of Labour in Wales make it clear that it is attempting to privatize the NHS by sleight of hand as it undermines the financial structure that supports essential services.

Labour established the NHS in 1945 as the centre-piece of a raft of social reforms designed to avert the threat of revolution. Aneurin Bevan's political record as a Labourite in an area that had been one of the centres of support for socialist ideas among workers in the inter-war period went back far enough for him to know the importance of preventing a similar revolutionary upsurge after World War II. Dismantling that system is proving to be as difficult and dangerous a task as defusing an unexploded bomb left over from that bloody conflict. In this case it is a social bomb.

The present Labour government has used the system of devolved power they created when they came into office to obscure the full extent of the attacks they are making on the NHS. Four different systems have been developed in Wales, Scotland, England and Northern Ireland. It has proved to be one of the most useful political weapons for a ruling elite that needs to devastate the social conditions of the majority so that a tiny super rich layer can enjoy their profits without threat.

The attacks on the NHS are driven by exactly the same forces that drove the invasion of Iraq and Afghanistan and now threaten the extension of the war to Iran. The same criminal oligarchy that seeks to benefit from looting the oil wealth of the Middle East is engaged in a massive looting operation of the welfare state in the UK. Dismantling the NHS and converting it to a profit making enterprise is part of their project.

There can be no exclusive Welsh or Scottish or English solution to the attacks on the NHS. Any idea that the welfare state can be preserved on a separatist basis is a dangerous delusion. Nor can British workers defend these social gains on the basis of a national programme that sets them against workers in other countries. The NHS and other welfare measures can only be defended if workers are united by a socialist programme based on internationalism and opposition to imperialist war. The Socialist Equality Party is the only party standing in the elections on such a programme.