

Britain: Blair works to quash rebellion on university tuition fees

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With the parliamentary vote on the government's introduction of a student graduate tax just days away, a major effort is underway by Prime Minister Tony Blair's backers to bring Labour rebels into line.

The measure is deeply contentious. Under the proposal current up-front tuition fees of £1,000 are to be replaced by charges of up to £3,000 a year to be deducted from graduates' salaries. Combined with student loans and other borrowings the scheme will saddle students with debts close to £35,000 on graduation, but university vice-chancellors have already made clear that charges will have to rise even further.

With some 43 percent of young people now going on to further education, the proposal hits many families and has provoked outrage. In the space of just seven years, the Blair government has completely overturned the right to free education in Britain. Not only will the likelihood of large debts deter many young people from continuing with their education, the right to charge variable fees will lead to an even greater stratification between the elite universities, such as Oxford and Cambridge, and those whose intake is predominantly from poorer students, as well as between degree courses, as universities hike up the cost of more prestigious subjects.

The parliamentary vote had already been delayed from December until January 27 to enable ministers to make a deal with some 150 Labour MPs who had threatened to vote against the measure. A rejection by all the opposition parties, plus 82 Labour rebels, is enough to defeat the bill.

Even under normal circumstances such a rebellion would have significant ramifications, representing the first time the government could possibly lose a vote throughout two terms in office. But the stakes have been upped dramatically by the announcement that Lord Hutton will present the findings of his inquiry into the death of Dr David Kelly—the whistleblower credited with BBC reports that the government “sexed” up intelligence dossiers to justify war against Iraq—the following day, January 28.

The terms of Hutton's inquiry were extremely circumscribed. Limited purely to the immediate events leading up to Dr Kelly's death, the Judge had been at pains to stress he would not be examining the grounds for the government's decision to join the US-led attack on Iraq. Nevertheless, should Blair be

held in anyway responsible for the leaking of Kelly's name to the press, his position would be under threat. If such a judgement were made under conditions where his government had lost a parliamentary vote and already faced a confidence motion, it could be fatal.

Labour ministers have been unabashed in using such a possibility to demand critics of the graduate tax scheme drop their opposition. At the same time Education Secretary Charles Clarke last week announced that poorer students would receive an extra £1,200 to spend on maintenance or pay off fees at the end of their course.

This apparent concession is a cynical manoeuvre aimed at saving the faces of any potential turncoats. The “extra” money is nothing of the sort—it is to be financed by reducing the maximum government loans poorer students can take out. Moreover, the £15,000 per annum benchmark at which graduates must begin repaying their debts stands, as does the principle of universities levying variable fees.

This did not stop some Labour dissidents from declaring themselves satisfied. Ex-cabinet minister Chris Smith and two high-profile former critics of the tax, Peter Bradley and Alan Whitehead, have said they will vote with the government. Backbencher Diana Organ agreed stating, “I started off implacably opposed to this and now I am almost evangelical in my support.”

Ex-sports minister Tony Banks, also a signatory to the original opposition motion, announced his return to the fold by attacking his former allies. It was distasteful that formerly stalwart champions of the prime minister were now turning on him, Banks said, accusing critics of being part of a political conspiracy to undermine Blair.

The media has rushed to Blair's defence, with all the major newspapers declaring that a graduate tax is only right and proper. *The Mirror* newspaper, which made a show of opposition to Blair over Iraq, led the way—denouncing opponents as traitors. In a comment entitled, “Don't topple Tony over top-up fees,” it argued that Blair's days would be numbered if the vote were lost:

“That is what some of the rebels want, though. Their prime concern is not higher education but getting rid of the Prime Minister... If that is the reason why any MP votes next Tuesday,

he will be a disgrace to his party and country.”

Irrespective of their differences with the government, the stakes for Blair’s critics and the media go way beyond the prime minister’s personal fate. On its own a defeat on graduate tax would be a severe setback for ongoing efforts to “marketise” every area of public services, which is supported by the entire political establishment and big business. Coupled with a damaging report from Lord Hutton, the political fallout could throw the right-wing’s agenda into chaos, opening up the possibility of working people beginning a fight back against the ongoing destruction of their living standards and democratic rights.

Writing in the *Financial Times* Philip Stephens explained, “If university fees were voted down, Mr Blair would certainly be badly wounded. But the damage would go much further. The wreckage would signal that the Labour party had reverted to type, giving up reform for the old ways of tax and spend.”

In truth the chance of such a reversion by the Labour Party is as probable as discovering that the moon is made of cheese. Even Chancellor Gordon Brown, who stands the most to gain personally from Blair’s departure as his possible replacement, has thrown his weight fully behind the prime minister over the graduate tax.

But Stephens’ comment underscores the more fundamental political imperatives at stake. The government has portrayed the student graduate tax as the only “fair” means of financing higher education. The choice is either between the “dustman financing the doctor” (raising education spending by hiking up general taxation) or students repaying part of their education costs upon graduation, in exchange for supposedly greater earning potential.

There are numerous flaws in this schema, but the most essential is that neither option is necessary. Education has been deprived of vital finances over the past two decades as successive governments have slashed public spending in order to provide lucrative tax breaks for the super-rich and the major corporations.

Raising the top rate of tax on all those earning above £100,000 per annum, for example, would raise the necessary revenue in one go. Cutting back on burgeoning military spending, by drawing an immediate end to Britain’s occupation of Iraq, moreover, would release tens of millions for vitally needed public services.

But such measures, the only viable ones in terms of providing for the lives and welfare of millions of working people and their families, have been explicitly ruled out of bounds.

During his appearance on BBC 2’s *Newsnight* programme on January 19, where Prime Minister Tony Blair faced an audience of critics, such a suggestion was immediately dismissed.

In response to Blair’s insistence that there was no other way to raise revenue, one parent suggested an alternative. The government had given £11 billion in tax breaks to the major corporations since it came to power, he pointed out, whilst

lowering the top rate of tax. Instead of giving hand outs to the rich, the rich should be made to pay their share, he said: a much fairer solution.

It was as if someone had broken wind in church. Whilst Blair stared straight ahead, *Newsnight* presenter Jeremy Paxman insisted “that is the subject of a different discussion” and moved quickly on to the next question.

The great unmentionable of taxing the rich had been broached on a high-profile TV programme, however, and could not be simply ignored. The next day the *Mirror* conceded that “it would be fairer to raise the money by increasing taxes on the rich”, before dismissing such an option on the grounds that there was no reason to believe university students would be the main beneficiaries of such a measure.

Blair himself was forced to address the issue in an interview with the *Guardian*, published January 21, declaring there was no point in raising taxes on the rich because they wouldn’t pay them! The wealthy “would simply hire a whole lot of new accountants to do this and that. And actually your tax take would be a lot less,” he stated.

From a government that has expended an enormous amount of time and money in tracking down so-called “welfare scroungers” and locking up motorists for non-payment of miniscule fines, his argument is both cynical in the extreme and revealing as to who are the real criminals in society.

The bottom line for Labour is that the rich must be protected at all costs. Blair’s insistence that he will “survive” the parliamentary vote is based on his belief that this is also the governing principle for his critics. Given the volte-face by many of his opponents within the Labour Party, and with sections within the Conservative Party arguing that it should not vote against the government on the issue, his confidence is not misplaced. But this serves only to underscore why the opposition to Labour’s big business agenda can only be developed on the basis of an independent political movement of the working class based on the fight for social equality.



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