

very rapid economic growth. But there are important obstacles to growth such as trade imbalances and inflation, particularly if the rest of the world is in slump. The examples of Britain in 1973 and France in 1983 bear this out. Anticipating these problems, the Left calls for controls — on imports, prices, foreign exchange — indeed on anything that moves except wages. Rigorous controls might work, but the stronger the presentation, the weaker the popular support.

So if we want full employment within a realistic time-span we should be looking for direct methods of job creation like expanding public services, public investment, upgrading the Youth Training Scheme and some subsidies for the private sector. This will be expensive. The author quotes a figure of £20 billion a year to be raised from taxes stretching down the income range to the higher ranges of working class incomes. But by emphasising this redistribution, we will be strengthening the ethical foundations of our policies and providing a sounder basis for an appeal to the electorate.

I think that what is new and distinctive about this argument is not so much the call for direct job creation measures (those listed in the article all featured prominently in Labour's 1983 manifesto), but the idea that they can and should take precedence over growth. To be convinced by the argument I would have to be persuaded by two premises. One, that higher growth is not possible. Two, that substantial redistribution toward the unemployed will be popular.

It would be wrong to underestimate the rates of growth that are needed even to stop unemployment rising. With output per worker increasing at 2-3% a year and the labour force growing each year by 0.5%, we should not be surprised that the 3% growth of the last year has failed to bring down the jobless total. But why shouldn't we aim for faster growth? People often talk in a generalised way about 'imbalances', 'mismatches', 'bottlenecks', and 'rundown of capacity'. I can see many difficulties. But I cannot accept that the skills and resources now lying idle on such a vast scale cannot be mobilised at a steadily increasing rate in production of valued goods and services.

The most intractable problem is that of trade. The main difficulty facing the French Socialist government was not rising inflation, an outflow of capital or an investment strike, but a mounting balance of payments deficit and the instability in the currency it caused. We have discussed at length the merits of import controls and

devaluation without, I think, working out a coherent programme for political action on trade. So there is a lot of scope for more work. We may, for example, be able to learn from the Swedish Social Democrats who have achieved some success with the sharp devaluation which followed their election victory in 1982.

So much for the political problems. What about the policies? John Grahl is probably right to say that a (limited) programme of job creation sold on moral rather than economic grounds would be popular. It was an interesting feature of the last election campaign that many people seemed to separate the problem of unemployment from the problems of the economy. They accepted (just) that Labour would do a better job on the first problem but the Tories scored overwhelmingly on the second. And in the end that counted for more. So an expensive programme to create what would be seen as 'artificial' jobs may just accentuate the divide. Labour would be seen again as the party that cares but doesn't know how to run the economy. Moreover, a £20 billion tax bill to get people back to work would almost certainly exclude other potential claims on resources such as pensioners, families with children, or the disabled.

To sum up, I think it would be a mistake to abandon or downgrade the search for ways of overcoming the obstacles to growth and so expanding production of useful goods and services. Direct job creation would be a valuable part of such a plan for growth. To reduce unemployment without growth would require redistribution on a scale that is politically implausible. 'Vote Labour for an extra 20p on income tax' is not going to be an appealing slogan, even if it does bring jobs for some who are now without them.

But we do need to talk much more about what kind of 'job creation' we are aiming at. How do we generate the range of jobs that can make use of the different skills of the jobless? What training programmes are needed? And two issues which are striking in their absence from John Grahl's piece: how can we broaden the choices between income, work and leisure? And how do we go about evening the burden of unpaid work in the home?

It will do us good to get away from the stock responses of the last few years and to weigh again the constituent elements of political principle, economic logic and popular support which react together to form the programme of a political movement.

## ADAM SHARPLES

### Full employment: Slogan or Strategy?

The AES is dead. Long live 'direct job creation financed by redistribution'. That was John Grahl's theme in 'Full Employment: Slogan or Strategy?' in last month's *Marxism Today*.

If we give those initials a decent burial I will be as pleased as anyone. It's probably a good time too, to lay to rest the whole idea of 'the' alternative economic strategy. Not because it lacks logic or sense, but because we need an open debate about the economic and social policies which will equip us best in this second period of opposition. The 'alternative economic strategy' — always a hold-all for a collection of loose linked ideas — has too often been used by supporters to give easy answers to difficult problems or by the critics as a focus for pursuing much wider ideological debates. But as we roll up our sleeves to empty away the murky and lukewarm intellectual bathwater of left economic debate, it's worth plucking a few babies out first. I am worried that in John Grahl's argument, too many may get thrown out.

His case can be summarised simply — and I hope not too crudely. Traditional left economic policies rely for job creation on