

# Too good an opportunity to miss?

Richard Garside discusses the implications of post general election spending cuts.

Whoever wins the general election, the next decade is going to be grim. The pre-budget report in December 2009 estimated that the UK government's budget deficit would be just shy of £178 billion in 2009-10. Public sector net debt – total liabilities less liquid assets such as bank deposits – is projected to reach nearly 80 percent of Gross Domestic Product by 2014-15 (HM Treasury, 2009b: Table B3).

No one really knows how accurate these forecasts are. They depend on a number of things, including the timing and speed of economic recovery; the extent of tax rises and the depth of spending cuts. Two 'parliaments of pain' is the accepted wisdom of all three of the main political parties. The pain, of course, will not be felt equally. Recessions and cuts in public spending tend to hit the poorest the most. None of the main political parties want to talk about this, preferring vague promises of protection for core public services and support for the most vulnerable. The lived reality of those at the bottom of the heap is likely to be very different.

So what of the opportunity to do something genuinely different? To seize the opportunity presented by the current crisis to rethink some fundamental assumptions? Speaking to a *Wall Street Journal* conference in late 2008 Rahm Emanuel, President Obama's chief of staff, had a very clear message for the assembled plutocrats. 'You never want a serious crisis to go to waste', he told his audience. 'Things that we had postponed for too long, that were long-term, are now immediate and must be dealt with', he went on to say. 'This crisis provides the

opportunity for us to do things that you could not do before' (Wall Street Journal, 2008).

In the UK law and order policy is one such area where opportunities abound. The various departments of government that deal with this nebulous area of public policy have been big winners under the Labour government to date. If a post-general election government is going to be serious about restoring health to the public finances, what might it do on law and order spending?

In the UK there is a tendency to think about government expenditure on law and order in departmental terms. The Home Office and the Ministry of Justice are the ministries with lead responsibility for most of the law and order brief. Looked at departmentally, the Home Office spent nearly £15.9 billion and the Ministry of Justice £9.4 billion in 2007-08, a combined expenditure of some £25.3 billion (HM Treasury, 2009a: Table 5.1).

A departmental perspective is not that helpful however. For one thing the Home Office and Ministry of Justice both spend money on areas other than law order. Moreover, their law and order expenditure is largely confined to England and Wales, resulting in a rather regionalist perspective on UK patterns. Other government departments also devote some of their expenditure to law and order matters. Finally, changes in departmental structures – the hiving off of some of the Home Office functions into the newly created Ministry of Justice for instance – makes trend analysis difficult at a departmental level. For these reasons it makes more sense to follow the United Nations 'Classification of the Functions of Government' framework, using the 'public order

and safety' category as the unit of analysis (United Nations Statistical Division, 2010).

Using this categorisation, in 2007-8 the UK spent just shy of £31.4 billion on public order and safety (HM Treasury, 2009a: Table 5.1). The biggest spending departments were the Home Office and the Ministry of Justice, followed by the Department for Communities and Local Government (£2.5 billion); the Scottish Office (£2.2 billion) and the Northern Ireland Office (£1 billion). Other departments spending smaller amounts on public order and safety were Children's, Schools and Families, Transport, the Law Officers' Department, the Welsh Office and the Northern Ireland Executive.

Expenditure on public order and safety was only a small proportion (some 5.6 percent) of total public expenditure in 2007-08 (£555.3 billion). There is not, therefore, a compelling economic case to be made that cutting public order and safety expenditure will play a key role in repairing the nation's finances. Even if spending on public order and safety were to be halved from its current level, it would only amount to a three percent cut in overall public expenditure. If the case is to be made that expenditure on public order and safety should be cut it needs to be made on grounds other than the economic.

Interesting patterns nonetheless emerge when expenditure on public order and safety is viewed historically. In 1987-88 spending on this category was £8 billion. This had risen to £16.2 when Labour took power in 1997. It doubled to £31.4 billion by 2007-08 (HM Treasury, 2009a: Table 4.2). These are the figures in cash terms and so do not account for inflation during that period. The real terms figures are £15.6 billion in 1987-8, rising to £21.1 billion in 1996-97 and £31.4 billion in 2007-08 (HM Treasury, 2009a: Table 4.3). Over the course of a twenty year period, therefore, UK expenditure on public order and safety doubled once inflation is taken into account.

This is a dramatic change in some senses; less so in others. Over the 20 year period between 1987-88 and

2007-08 public spending as a whole rose in real terms from £345 billion to £555.3 billion. Public order and safety expenditure therefore grew as overall public spending also grew. That point made, public order and safety expenditure grew sharply, doubling over a twenty year period. Other spending areas that grew at a similar rate were education, health and social protection (e.g. pensions and social security payments). Growth in these spending areas outstripped average growth in total public spending.

Broadly speaking, above average growth signifies that a particular policy area is a government priority. Increases in health, education and social protection spending are therefore not surprising. The growth in public order and safety expenditure is, in one sense, merely the financial proof of the claim that law and order has become an increasingly salient political issue in recent years. Having benefited from above average increases the education, health and social protection budgets are now in the frontline for cuts in the coming years. Much less so is this the case with the public order and safety budget. Why is this?

To return to an earlier point, one answer is that public order and safety expenditure is a relatively small piece of the spending pie. Even big cuts to this budget would have little effect on overall expenditure. There is some truth in this. Education spending is more than twice as much; health spending more than three times as much and social protection spending six times as much as social order and safety spending. That point acknowledged, if savings are to be made it makes sense to find at least some of these from the public order and safety budget, if only so that the pain of the cuts is shared out.

Another answer is that meaningful cuts to the public order

and safety budget are politically unsaleable. It can be no coincidence that all the main parties have pledged to maintain police numbers at their historically high levels. Both Labour and the Conservatives are committed to further prisons growth. The Liberal Democrats are more evasive on this issue, preferring to focus on making prisons 'fit for purpose' rather than engaging in discussion about numbers. Yet the notion that the public will demand high levels of public order and safety spending during a period of acute pressure on public spending is not inherently plausible. This all says more about the inability of the political class in the UK to engage meaningfully with the British electorate on this issue.

A further answer is that the growth in public order and safety expenditure has had such a positive impact that it would be wrong to cut it back now. Society would be less safe. There would be more victims of crime if spending was cut. This comes closer to the official position of the main political parties. Labour claims that its 'investment' in criminal justice has been behind the apparent falls in crime over recent years. There are reasons for thinking that this is not particularly plausible (Solomon, et al 2007). It is not a point that can be argued here. The Conservatives and the Liberal Democrats are committed to prison as a means of reform and high levels of policing as a means of reducing crime. I do not actually think that those at the highest levels in these parties believe this with any strong conviction. That there is precious little evidence to back up their publicly held views does not, however, seem overly to trouble them.

The last, and real, answer is that public order and safety expenditure is not, fundamentally, about tackling 'crime', at least not in the abstract sense of that proposition. If, as Max

Weber argued, the state claims a monopoly on the legitimate use of violence in the enforcement of order, the criminal justice process is the embodiment of that claim. Particularly at a time of economic distress, the maintenance of social order becomes a dominant concern for government. The nature and size of penal regimes is also closely related to the political economic arrangements of any given society. The United Kingdom has a high prison population, in other words, because it is so bad at addressing social distress and dysfunction in other, more inclusive, ways (Garside, 2008).

In short, the current economic crisis does offer a great opportunity for radical reductions in public order and safety expenditure. But it is likely to be one that the new government, whoever it is, will miss. ■

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## References

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