ANDREW MARR SHOW, 8th March, 2020
JOHN McDONNELL, MP
SHADOW CHANCELLOR

AM: It’s going to be a poignant week for John McDonnell, the Shadow Chancellor. Had Labour run a more effective campaign he might have been delivering this budget on Wednesday, but instead his party is in the middle of a long leadership election battle which the left is struggling to keep control of. John McDonnell joins me now.

That is in a way the essence of this. We are in a real crisis, there’s a real problem and we have a government with radical plans which we’re going to learn more about on Wednesday, and yet, because of the length of the Labour Leadership battle, your party’s finding it quite hard to provide, as it were, tough, old fashioned opposition.

JM: I think we are doing our best in providing opposition. We’re trying very, very hard, but I agree the leadership – if there’s a lesson for the future let’s have shorter leadership elections in the future. Well hopefully we don’t need one for quite a while – and let’s learn that lesson ‘cause it is seen to be interminable I accept that.

AM: But one of the reasons it’s been going on for so long, frankly, is that the left thought this was the way to keep control of the party. Now Lisa Nandy, who’s one of the candidates, said this week that factionalism has been the problem since 2016. I’m going to show you a clip here. She was talking again about 2016. Here’s Lisa Nandy:

Lisa Nandy:
“It became very apparent to me that when a whole series of colleagues had resigned from the Shadow Cabinet and I went to see Jeremy and some senior politicians in his own team, they made it very, very clear that they were going to continue to wage
that factional war until the other side had been crushed. Now it’s one thing to have backbenchers doing that. It’s quite another thing to hear the leadership of the Labour Party state a commitment to doing that.

AM: Did you really want to crush Labour MPs who disagreed with you?
JM: Of course not. Look, I’ve kept out of the leadership election. I’ve said that I’ve supported Rebecca Long-Bailey and Richard Burgon, but I’ve kept out of it. I’ve not appeared on – I think one platform that’s all in one speech and that’s about it. And look, we want to unite the party. There was no – I’m sorry I just don’t recognise – I’m not attacking anyone, all these, I just don’t recognise any of that. Let’s just move on. All of the three candidates have said they want to unite the party and look to the future. Let’s do that.

AM: So that’s misrepresentation?
JM: Well I’m not accusing anyone of anything, but that is not my view of what was happening, certainly. And at that point in time Jeremy was trying to remain as Leader and bring people together. And actually as for faction fighting, well go and ask some of the people in the last round of selections who I went to support, like Diana Johnson or Liam Byrne who I’ve supported. I tried to bridge –

AM: There has been a fight between the left and the right of the Labour Party.
JM: There’s always a bit of a tussle but actually the one thing that we try to do now is learn all of those lessons and unite. Let’s just move forward. All the Leadership candidates have said they want to unite the party – fully agree – all of them have said, which I think is a great idea, whoever wins they’ll appoint the others into Shadow Cabinet. Let’s go forward united.
AM: Let’s turn to the Budget therefore. Now as I said right at the beginning there’s a kind of irony here because you were attacked during the election campaign for being a tax and spend politician, which you certainly are. But we now have a Conservative government which is clearly going to tax and spend a bit more. They are going to be spending a lot more on the Coronavirus issue and probably some other things as well.

JM: I think there’s lots of lessons that we’ve got to learn. As you say, the emphasis that you put is a bit more. It’s nowhere near the scale we need. I think the one lesson we’ve got to learn this coming week, one is we’re faced with three emergencies. Yes, Coronavirus of course, which is a considerable emergency. Secondly, we’ve got crisis in all of our public services, particularly health and social care and one of the reasons we’re not as well prepared to tackle the virus is – I’ll give you the example - 17,000 hospital beds cut; social care in absolute crisis; a hundred thousand vacancies in social care. The third element, the third crisis though which we mustn’t ever forget is we’re facing an existential threat of climate change. This Budget has got to be the most important budget I think since the Second World War.

AM: So on climate change an existential threat, you presumably back Rishi Sunak, the Chancellor, in pushing back on attempts to freeze the rise in fuel duty? That’s something where Labour could back the government.

JM: This is a good example. Our proposals are about a just transition where you don’t hit people hard without giving them an alternative. So if you are going to end the fuel duty freeze what you should be doing is bringing forward a scrappage scheme offering the alternatives of making sure we have the supply of battery driven cars, etcetera.

AM: But that delays things. I mean the campaigners –
JM: No but in just transition what you can do is make sure you timetable these things effectively. So people aren’t penalised unduly. But you’ve got to take people with you. They’re attracted into the alternative.

AM: So this is from a campaign called Greener Journeys and it says that’ the fuel duty freeze has led to five million tons of CO2 emissions extra.

JM: Yeah, quite right.

AM: Five percent more traffic and 250 million fewer bus journeys.’ Surely that should end?

JM: Of course, but that’s why alongside that you have to give people the alternative. Public transport; investment in buses on a massive scale which Labour planned; making sure you have a proper rail network that’s invested in. But also if you remember in our policies we were setting up - battery factories in Swindon and elsewhere - we were going to give subsidies for people to transfer over to battery driven cars. You have a just transition where you’re not penalising people, you’re taking people with you. You can’t just do short-term gimmicks like this.

AM: The next thing that’s going to happen in politics is the local election campaign and an internal Labour document was leaked to the BBC predicting that Labour is going to have disastrous results in that campaign. Is that the final gift of the Corbyn years for the Labour Party?

JM: I’m not sure whether that was someone being too clever by half of talking our results down in advance.

AM: You hope it did.

JM: Well sometimes that happens. It might just be a direct translation of the existing opinion polls. Local elections are completely different. They’re on the ground. I’m confident that, well look at Sadiq Khan in London. His campaign... Sadiq Khan’s campaign in London has been fantastic. And elsewhere around the country. I think we’ll have lot better results. But the issue here is
this Budget this week is absolutely critical and my advice to Rishi Sunak is don’t put things off. The worry that I’ve got is that this budget will not deliver what we need in terms of the NHS.

AM: It’s a short term crisis?
JM: Yes, but there’s long term issues that have to be addressed and this crisis is made worse by not addressing those long term issues. We need a funding for the NHS. Full funding, not just to cope with this virus outbreak. We need social care funding. £8 billion cut in social care. We need social care properly funded. We also need infrastructure investment of course. Putting off the infrastructure plan till after the budget I think is really disappointing.

AM: We’ve talked many many times. This is your last interview with me I’m sure as Shadow Chancellor. You used to say that your hobby was fermenting the overthrow of capitalism. And then you said, no no, it’s not my hobby, it’s my full time job. Candidly you’ve failed.
JM: I’ve taken, I think, our party and the country to a certain stage about the debate about the future of our economy. As you said, even the Tories now are having to invest on a scale that they never wanted to. We’ve forced them into addressing some of these issues, even though they’re doing it in a way which is scant and not...

AM: But capitalism is in rude health after all this time, isn’t it?
JM: With the greatest respect our economy after 10 years of austerity - we’ve got business investment flat lining; we’ve got 0.3% productivity crisis over the last ten years and we’ve got four million in insecure work. And at the same time we’ve got inequality and poverty that we’ve not seen on a scale in this country ever. It’s not working for those four million children living in poverty. 70% of them in households where someone’s at work. Where there’s seven hundred thousand people died on our streets
homeless last year. That isn't an economy that's working for everybody.

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