ANDREW MARR SHOW, JOHN McDonnell, 11th MARCH 2018

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JOHN McDonnell, MP
SHADOW CHANCELLOR

AM: John McDonnell, welcome. Can I ask you first of all about the story we’ve been talking about so far on the programme a lot: the poisoning attack in Salisbury. There is a suggestion in today’s papers that the so-called Magnitsky Act, which really cracks down on Russian money coming into this country, removes visas and so on, should be applied in Britain too. Do you agree with that?

JM: Yes. The Labour Party moved amendments to the Money Laundering Bill only a week ago to introduce the Magnitsky clause. At that stage the Conservative Party opposed our amendments. We hope now that they’ll enable us to bring those amendments back at report stage of the bill so that we can have effective action, ’cause what Magnitsky does, it identifies those individuals who are basically found guilty of human rights abuses in particular, it prevents them then operating or having bank accounts in our country and it effectively closes down all cooperation with them. Now I think that could be remarkably effective. It was introduced several years ago by the Obama administration, we put amendments up as I say over a week ago. I don’t know why the Conservatives opposed them, they said there was some technical issues, in fact there was a bit of panic among Conservative ranks on the Committee. Let’s now work together on this and let’s use this effective legislation.

AM: If this does prove to be a Russian attack, and I have to keep saying ‘if’ because we don’t know yet. But if it does then clearly there needs to be a very strong British response. Mrs Litvinenko was suggesting that after the report into her husband’s murder the response simply wasn’t strong enough. What would the Labour Party like to see if you were in power now?
JM: We’ve got to work of course. Let’s see the outcome of the investigation. You’re quite right, we can’t leap to any conclusions at the moment. But it doesn’t matter, whichever state it is we’ve got to use every diplomatic method we can, linked up with our European and other global allies to ensure that we isolate that particular administration, if it is a state that’s involved in this. It may well be a criminal operation. We don’t know at the moment, but if it is a state we cannot tolerate another state putting at risk people, our own citizens or people living in this country, so we’ve got to isolate them and as I say, one of the methods – I think one of the methods we can do that, even if it’s not the state and it’s around an individual, is the sort of measures like the Magnitsky clauses that we were putting forward.

AM: One very clear thing that you could do is stop appearing on Russia Today which has been described by one of your own ministers as a Kremlin propaganda vehicle.

JM: I think that’s right now and that’s what I’ll be doing. I’ve appeared on it in the past, sometimes to challenge some of the issues internationally and also to raise issues here that we’re concerned about in terms of well, not just Russia’s role but also the international scene overall and I think that’s right, because I think from what we’re seeing from Russia Today at times it goes beyond objective journalism from what I’ve seen, so yes, I think that’s right.

AM: So this is a change in direction. Peter Dowd your Deputy was on Russia Today only yesterday. Are you going to be encouraging the rest of your colleagues to follow that lead?

JM: Yes, I am because I’ve been looking overnight at some of what’s happening in terms of changes in coverage on Russian television in particular and I think we have to step back now and I
can understand why people have up until now because we’ve treated it like every other television station, we’ve tried to be fair and making sure like any country’s television station we try to be fair with them and as long as they abide by journalistic standards, which are objective, that’s fine. But it looks as though they’ve gone beyond that line, so yes, we’ll be having that discussion.

AM: I mean with respect it was never really like any other television station, was it? Tom Watson, the Deputy Leader said: that ‘Russia Today was reporting false or inaccurate stories and aligned its editorial policy to that of President Putin’s Russian state.’ And that was back in November.

JM: At times there’s been examples of that and I think now we need to take those into account, especially in this current climate and that’s what we’ll do.

AM: Let me turn to the economic story of the day I suppose which is that rare thing a cheerful Philip Hammond statement in the Sun today when he says – he talks about wages going up by nearly 3%, he talks about paying off the day to day debt finally, suggests the end of austerity. The sun lit up lands are ahead. There is light at the end of the tunnel. Now putting aside the politics, can you at least give two cheers for what appears to be a change in the economic story in this country?

JM: No, because I don’t think it’s accurate. Last year we had the lowest economic growth in the G7 countries, so we shouldn’t be celebrating that. Austerity, this isn’t me saying it, the head of the OBR has said it. Austerity is holding growth back. And wages now, wages are below what they were in 2007, 2008, below the banking crisis. So this isn’t a matter of celebration. And d’you know in terms of the deficit we were promised by the Conservatives that they would wipe the deficit out completely three years ago, but I think what he’s done, very cleverly, to be
honest, very cunningly, he's shifted the deficit onto the shoulders of NHS managers, on the shoulders of head teachers and onto the shoulders of local government leaders. And his own local government leaders, Conservative council leaders now are saying – I quote his own council leader in Surrey, that they're facing a financial crisis because of the government cutbacks. So this isn't a matter of celebration. I think actually he should be coming into the real world because as the Resolution Foundation have said in their reports today, 11 million people now – not just the poorest but those just about managing are going to be hit next month by the cuts in the support that they get through the benefit system. So this isn't a matter for celebration by any means.

AM: Nevertheless, pay has been rising at an annual rate of 2.9% over the past six months. We've had the two strongest growths quarters, productivity growth and the current budget surplus for the first time since 2002. Something is happening out there.

JM: Well look, you say on pay. Pay is simply at the moment just about matching inflation, that's all. And then let's say what else he promised. You know that they would lift the pay cap. Look at what they're doing to health workers. They're offering them literally just a standstill wage increase and then they're forcing them to give up a day's holiday pay. These are people who work long hours, dedicated staff in a vocation. I think it's just miserly and I actually think it's mean spirited and this is the sort of thing we should be condemning, not celebrating.

AM: Let me ask you about your own plans. You've said recently that your objectives are Socialist, no surprise there. This means an irreversible shift in the balance of power and wealth in favour of ordinary people. When you say, irreversible, what do you mean by that, because governments come in, they have policies, they're replaced, the policies are replaced and so on. What is irreversible about what you want to do?
JM: Well let’s take the example of the Attlee government. What they did, they won the argument about how we manage our economy and they won it for a generation, about how we manage the economy in the interest of everybody, how we establish a welfare state, so everyone is looked after and cared for. How we give everyone a free education, free NHS. They won the argument for a whole generation. I think we’re winning the argument now and I think by embedding those - well the understanding of how the economy could work for everybody, we’ll be able to have irreversible change in this country.

AM: Just around the corner from you in my home town there’s lots of fishing communities up and down the east coast in both directions. Traditional fishing communities. Can I ask you, you have your own version when it comes to Brexit of cherry-picking in the sense that you want changes on state aid and workers’ rights and so forth. So you need to have a proper negotiation in turn with Brussels. Would you be prepared to see continental based fishing fleets coming into British waters as part of that negotiation?

JM: Look, we want to ensure our own fisher people lead the discussions that we’re having about our future fishing industry. And what they’re saying to us is in any negotiations you’ve got to ensure that our livelihoods are protected, but also you’ve got to ensure that the stock, the stock of fish is protected. So when we go into negotiations they’re the people we’ll be listening to.

AM: Now of course you say when you go into the negotiations. Isn’t it the truth that it’s much likelier if you become Chancellor that you become Chancellor after this deal is done and in that context can I ask you about the impact assessments you’ll have seen this week, the government’s produced lots of impact
assessments about possible outcomes. Do you think they’re broadly speaking accurate?

JM: I’m anxious, I’m anxious about some of those impact assessments, because it does reflect, I think, the nature of the negotiations as they now are. It does reflect, I think, well the inability of our current government to secure a decent negotiated settlement. And I think that if you change the style of the negotiations, worked on the basis – and I’ve said this to you before, Andrew, I think that if you change the tone of these negotiations so you recognise that we’re negotiating on the basis of mutual interests and mutual benefit we can actually - well we can protect our economy and we can protect jobs. That’s what we’ll do in those negotiations.

AM: So if these impact assessments are in any way accurate this is quite bad news for any chancellor of any stripe coming in. Tony Blair, I don’t normally quote Tony Blair to you but I’m going to today said it’s going to be extremely difficult, he said, for Labour to deliver on its promises if it puts itself in the same sort of position on Brexit. It will find it has less money to deal with the country’s problems and it’ll be distracted by dealing with Brexit rather than the health service, jobs and living standards. He has got a point there. You are going to come in possibly in a situation where you have a lot of trouble on your plate about Brexit and yet you want a huge change in economic direction.

JM: Well I welcome Tony Blair’s advice, obviously, but I’m saying this to you. Of course I know we could inherit a real mess as a result of the way the government is negotiating with the EU. I understand that. They are making, well, I don’t know, a Horlicks of it I think some of them. Their own side described it as. I understand that. What I think, I think we can resolve those matters by ensuring that we have well, cooperation in those negotiations, we don’t flounce about saying no deal is better than
any bad deal, this sort of stuff. Threatening to walk away from the table. We’ve got to negotiate in the interests of our country and bring our country back together again. From day to day Andrew, I do not know in this government who is negotiating on our behalf because they keep falling out in Cabinet all the time.

AM: We’ll talk more about this I’m sure but for now enjoy Dundee and thank you very much indeed.

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