

**Speech to Church Action on Poverty Just Futures conference
17th May 1999**

Shrewd and Innocent

When Jesus gave his twelve disciples instructions on how to behave when they went out into Israel, he told them *"I am sending you out like sheep among wolves. Therefore be as shrewd as snakes and as innocent as doves"*. I am fascinated by that instruction because it seems to sum up the calling of those who wrestle with the problems of justice which are all around us, and who seek to do so as followers of Christ. It sums up our calling but it also makes it clear that ours is not a straightforward task.

On the one hand we have to be shrewd as snakes. No place here for the crass naivety and amateurishness which have all too often characterised Christian comment and engagement. If we are to be faithful to our calling, we have to be shrewd, truly to understand what is happening around us, to engage with it at a deep level and not just superficially. We have to work hard to understand, to reject glibness, trite simplifications, short cuts which too often disguise laziness with a veneer of piety. There is no place for that in the calling which Jesus gave. We have to be shrewd and use all the techniques and devices available to us to understand what is happening in our society and to use that understanding to go on and change things.

But the shrewdness we are called to has to be accompanied by a quality of innocence. We have as well to be as innocent as doves. We mustn't jettison what we believe, but hold firm to it. Our engagement should be characterised not by cynicism but by innocence.

Not that we have to be a little less shrewd in order to be innocent, nor that we should give up on innocence in order to achieve insight. Rather, we have to be both of those things - shrewd and innocent - in full measure at the same time. And I don't know a better summary of both the challenge and the dilemma which confronts us in addressing the concerns of this conference.

If we have anything to contribute to securing social justice, it comes from our experience of Jesus Christ. But too often the way we express that experience distances us from social injustice and diminishes the contribution we can make.

Professor Forrester's paper for this conference characterises Christians as 'resident aliens who have a larger citizenship in the City of God'. We don't only belong here. But that doesn't mean we should respond by losing interest in what is going on around us. Instead, our experience of God's justice provides a model which we want to see better reflected in what is going on around us. That is the basis for our involvement.

The way forward from this conference is maintaining both our shrewdness and our innocence - in being faithful to our citizenship both of the world and of the city of God. Too often and for too long we have settled for just one of those options. The challenge for us is to hang on to both, without compromising either. There was an old Christian Socialism which was Christian only in the sense that it was articulated by people who went to church. It rarely provided much of a glimpse of the city of God. It wasn't the answer. But neither was that kind of Christianity which was only interested in heaven and regarded addressing social justice as a sell out.

The challenge for us is to hold on to both - shrewd *and* innocent, citizenship of the world *and* of God's city. Putting it another way, the challenge is to hold together the full coalition of organisations which has come together to support this conference and not allow it to be divided.

There is no doubt, and I think this is being recognised today in a way it was not just a few years ago, that the churches have an immense contribution to make to the achievement of social justice. And by the churches, I don't mean denominational superstructures and committees - though they have a contribution to make - but ordinary local churches whose members are willing to put themselves out because of what they have experienced in their own lives of the city of God.

Richard Zipfel's paper draws attention to the characteristics of churches which equip them for this role:

"Networks of thousands of long standing small communities, many of them located in the poorest areas serving the poorest parts of the population ... idealistic and altruistic communities, with strong traditions of basic care."

Demos Quarterly has suggested that church-based projects are often more effective than their secular counterparts, because of the commitment which they bring and the credibility of churches within their communities. And if the potential is immense, maybe there are signs that it is starting to be realised. I think it is very heartening that, as Angela Sarkis's response indicates, the biggest single set of responses to recent consultations with the Social Exclusion Unit has been from the faith communities.

The task of this conference, then, is to help work out how to be shrewd as well as innocent. In my mind, at least, that is linked with this Government's task of building a new Britain which will be modern as well as fair. That is how we see the task which we have embarked on.

Modern and Fair

Modern Britain will have a strong and stable economy - we want the cycles of get rich quick followed by years of counting the cost to be behind us.

We will have strong knowledge based-companies ready to participate with confidence in the global economy by properly harnessing the know how, creativity and expertise of all of our people.

We'll invest more in information technology, infrastructure and skills. Education will be our highest priority and we will provide high quality opportunities for all our young people.

And we want Britain to be a fair place as well - an inclusive society where everyone will have the chance to play their full part.

There will be help for those trapped on benefits, or in poor housing or without a job - for those unable to work through disability or because they are looking after somebody else.

We'll confront crime, anti-social behaviour, drug taking which has cast a shadow over far too many lives. We want to entrench decent values - society pulling together.

So modern and fair - that's our vision for the future.

The problem of exclusion

If you asked most people if they felt they were "better off" than they were 30 years ago, better off than their parents or grandparents were, I am sure that most would say that they felt richer. And there is good reason why we feel this way. Life for many people is materially better than it has ever been. The opportunities for travel and leisure have expanded. Improvements in medical care have increased life expectancy and technological progress has brought advances in to the home, the lecture hall and the workplace. For most of us - even for the average person - the poverty of our grandparents is a thing of the past.

But there is a large group which is not enjoying these advances. As Geoff Mulgan has written, "*Large sections of the population are, in effect, cut off from qualifications, jobs and safe environments*". While many - the majority - have prospered, there is a large and growing group which has not, and has been excluded from the wider wellbeing. The Prime Minister made this problem of social exclusion the subject of his first speech after the election, when he made this pledge at the Aylesbury Estate in Southwark: "*To those who have lost hope over the last 18 years*", he said, "*I offer them a fresh start.*" It has become one of this Government's central concerns.

The statistics make a compelling case for why that is:

- Over the last twenty years average incomes have increased by 40%, but incomes for those at the very bottom have remained pretty much the same.
- The chances of those with the lowest incomes breaking out - moving up through the income bands - has been very limited.
- One in 5 children live in a household where nobody works.
- Over 2.3 million children live in a household dependent on Income Support.

The Government is introducing a host of measures to start to tackle the situation, but we are clear that we cannot do it alone. We need partners and the churches are potentially key among them.

We want to invest in tackling the root causes of poverty and social exclusion.

Recent research work based on data from the National Child Development Study shows that children who grow up in disadvantaged families are more likely to go on to be:

- young parents - have no educational qualifications - be dependent on benefit
- living in social housing - and have a low income.

Other research identifies similar themes

- the children of parents who are poorly educated and have low income tend themselves on average, to have lower incomes and levels of educational attainment. - the strong relationship between coming from a disrupted family and childhood poverty.

This inter-generational deprivation lies at the heart of social exclusion.

And if you track the cycle what emerges is that at all the critical points along the way the opportunity that we have all had access to has been denied to this group.

This inequality is most apparent in the early years where very targeted and decisive intervention is required. And in employment. The one key characteristic that separates an included family from an excluded one, is a family that works and a family that doesn't.

Joined up solutions

There is no single tool to tackle these problems. One of the most striking characteristics of this Government is the very sharp rate of increase in spending on education. We see imaginative solutions at school as being vitally important. In the health service, we don't just want to increase the amount of treatment, we want to invest in tackling the causes of ill health. Joined up problems need joined up solutions and we need to be active across a very wide range of fronts if we are to make the progress that we aspire to.

An essential part of joining-it-up is to record the impact of all of this activity. Later this year the Department of Social Security will publish the first of an annual series of reports which will show how we are progressing on our aims to tackle poverty and social exclusion. Over time, this will increasingly ensure that our policy programmes are audited to show they recognise that promoting opportunities at all stages through the life cycle is the prime purpose of this Government. We want to be open about what is happening and to make sure that people outside Government, people in the churches and the lobbying organisations, academics and researchers - people can share our information about what is happening and engage with us in the debate about how best to achieve the inclusive society which is our goal.

Welfare reform

Reform of the welfare system is a key task on the road to a modern and fair Britain, and it is the task which I am working on so let me speak in a little more detail about that this morning.

The need for reform was vividly brought home to me in my surgery in East Ham last summer just after I had become the Minister responsible for disability benefits. A young Asian man, married with a child, and another on the way, came to see me, deeply worried about how to bring up his family decently.

Four years earlier, off work one day from his job at a Royal Mail sorting office, he was in a car accident which left him with only partial use of his left arm. He was forced to give up his job and has lived on fairly low rate disability benefits since. He could see no decent way forward for his family. He told me he wanted to work, but had no confidence at all that he would ever be able to work again.

But there was absolutely no reason why he could not work - he was a bright young man, he's right handed and his right arm is fine. What he needed - and what he should have had four years ago, was some serious help in planning a return to work.

He seemed to me to be a very clear example of someone who had been badly let down by the benefit system, and his experience was a powerful illustration of why the system needs to change. It needs to be much more active, providing incentives and opportunities, and not being content merely to hand out gilros.

We usually think that the problem with the welfare system is a lack of money, but actually the amount of money consumed by the welfare system has risen inexorably and substantially over the past 20 years. It rose by 90% in real terms between 1979 and 1997. It accounts for a third of all Government spending. But

the problem is that rapidly rising spending has been accompanied by a rapid rise in poverty and inequality as well.

The old idea of social security was as a giro factory. You went in, you talked to someone sitting behind a glass screen whom you have never seen before and whom you will never speak to again. If you can persuade the system you are entitled to a benefit then it will start to send you giros and beyond that will take no further interest in you.

Our view is completely different. We want a social security system that actively helps people, not one that just sends out giros. We want a system built not around "*how little can we get away with paying you?*" but "*how can we best help you plan a move towards independence?*" Its what we call active modern service.

You can see what we have in mind if you look at what's happened to the Employment Service with the New Deal. Before the election the churches compiled an impressive and significant report, *Unemployment and the future of work*, which said, and I quote: "*It is wrong in such prosperous times as ours for men and women to be deprived for long periods of the chance to earn their living ... it is wrong to allow children to grow up where the right and duty to work are forgotten after generations of unemployment*". That view was essentially the starting point for the New Deal, and the progress of the New Deal has shown how public services can be transformed and modernised to achieve far better results than was ever thought possible in the past.

The essential job of the Employment Service in the past was to minimise the amount of Job Seekers Allowance it paid out. But with the New Deal Employment Service staff have a completely different task. For the first time through the windfall tax they have the resources to do the job which actually most people joined the Employment Service to do in the first place - to help people into work. And the young people who have been on the receiving end of the New Deal - and have every reason to be sceptical about the whole thing - they are saying that the New Deal is good and that the Employment Service has been transformed from an enemy to an ally.

Andrew Smith, the New Deal minister, tells of one young man who went in for his New Deal initial interview. The interview went well - it usually lasts an hour or so and it gradually dawned on the adviser that the young man had basic literacy problems - he couldn't read and write. He did not want to embarrass the youngster so he didn't raise the subject straight away but he waited until it could be raised naturally and then a little nervously he told him that there was a good basic skills course available at the college down the road. Would he be interested in signing up? The young man thought for a moment and then he said "*I will go - if you will go with me*". So they both went straight away down to the college, the young man signed up for the course and was well on the way to getting into a job.

Well over 60,000 young people so far have moved from welfare to work through the New Deal, and church-based projects have had key roles in a number of areas. That is the potential of our public services and that is the transformation we want to see right across social security.

Our vision is for an active system that treats people as individuals and addresses their specific needs of returning to the workplace.

This afternoon, the Welfare Reform and Pensions Bill returns for its report stage to the House of Commons. It has been my task to take it through its committee stage. As you may have gathered, it has not been without controversy, and you are likely to come across protesters today objecting to some of the elements of the bill.

I am absolutely certain that the Bill will deliver a better welfare system for disabled people than we have had in the past, although those people protesting today take a different view. We are taking forward the single work focused gateway as part of the Bill. In the case of my Asian constituent, that would have at the outset immediately set about the challenge of reconnecting him to the work place, instead of abandoning him for four years. Nothing in the Bill would have been to his disadvantage. The chances are that he would by now have been back in work and able to plan the future with his family with confidence.

By building in the gateway, and the conditionality attached to it, we have raised the stakes. We are not saying that a requirement for interview is a requirement to work. But what we are saying is that in most situations work must be the first consideration.

There is much to be developed here, not least changing attitudes, but there is now a general recognition that no-one should be simply assumed to be permanently outside the labour market.

Making Work Pay

As important it is to get people back to work as the first step back to social inclusion, better earnings are another decisive factor in pushing people out of low incomes.

The National Minimum Wage will provide the broad earnings safety net, but other programmes are also required to direct help to those who need it most. The Working Families Tax Credit and the Childcare Tax Credit will help more families see the cash advantages of work. And the National Childcare Strategy will play a vital supporting role.

Conclusion

I am very heartened by the ambition and the breadth of this conference, and by the papers which have been prepared for it. I hope that material and the events of today will spur new engagement in the churches with building just futures for all our people. I hope they will contribute to the shrewdness of that engagement as well as to its innocence- that they will promote the faithfulness of church people as citizens of the world as well as citizens of the city of God.

We won't always agree, but we can work together. And if we do, we are in with a chance that this new Britain, fair as well as modern, will take shape around us.

Thank you