

# A hard right turn that brings meltdown

Anarcho

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Boris Johnson last October proclaimed that this “is the direction this country is going – towards a high wage, high skill, high productivity... low tax economy.” Ignoring the awkward fact that his government increased taxation to its highest level for 70 years, nothing was done to stop wages falling by a record amount nor stop productivity remaining low. Around the same time, he dismissed concerns over rising inflation (just as he dismissed concerns of Covid, presumably because not doing so would have involved some actual work) before pivoting against wage increases because of concerns over a “wage-price” spiral. Ignoring the awkward fact that wage increases were not driving the price increases nor – where they existed – higher than inflation, it is of note that you never hear of an “interest-price” spiral or a “rent-price” spiral or a “profits-price” spiral even though these are also part of any price – and all have been rising for some time. It is always a “wage-price” spiral, simply because interest, rent and profits are income to capital and so, by definition, above reproach and sacrosanct – the notion that the capitalist class should not get the income they are accustomed to is unspoken.

A few examples. This year the Chief executives of the UK’s 100 biggest companies saw their median pay jump by 39% to £3.4m from £2.5m in 2020, surpassing the £3.25m recorded in 2019. This means that the average UK CEO now collects 109 times that paid to the average British worker, up from 79 times in 2020. Bonuses jumped to £1.4m compared with £828,000 in 2020. The Felixstowe docks company made £61 million in profits during 2020 and its parent company handed out £99 million to its shareholders. It even gives Chris Grayling £100k a year to work 7 hours a week as an advisor, yet its workers are striking over pay. Privatised water companies diverted £57 billion to shareholders between 1991 and 2020 and CEOs get paid millions while leaks increase and raw sewage gets dumped into our rivers and coasts.

In area after area, Thatcherism can be seen to have failed. The first double-digit inflation in forty years – since Thatcher, lest we forget – is the latest example of the unwinding of neo-liberalism. The problems facing Britain are many – as exposed by the candidates for the leadership of the Tories, just as it was exposed by Johnson’s fatuous “levelling up” rhetoric and May’s “burning injustices” and the “just about managing”. So every Tory leader appears to forget who was in office when the problems they so readily denounce during election hustings became so obvious even they could not ignore them any longer.

Most workers – even those getting decent pay rises – are still seeing a real wage cut due to soaring inflation. Yet even before the recent rise in inflation, the crisis was obvious. Foodbank

use has been steadily rising for 12 years, wage-growth was poor at best for many workers, so millions being placed into fuel poverty is just the latest of a long line of poverties we are being placed into, suggesting that the problem is a general one and systematic – namely, capitalism. Yet its very success in enriching the wealthy in the short term causes social, ecological and economic problems in the long term – in terms of the latter, households who have to pay more for energy, rent, mortgages, food, water, etc. will stop spending on everything else – and many companies will go under, jobs will be lost, public services will be impaired and a spiral towards recession started.

Yet labour applied to nature is the source of all wealth. Without our minds and muscles, all the owners (laughingly proclaimed as “wealth creators” by Tories, amongst other sycophants) in the world would not ensure any new goods or services were created nor existing ones distributed. Yet because they own the means of production and we have to sell our labour and its product to them, they monopolise society’s wealth and ensure that we see only a fraction of what we produce.

Little wonder strikes – official and wildcat – are on the increase. And the response of the Tories to them is to urge yet more state invention against workers. This is not isolated, with more and more oppressive legislation is directed against protestors as well as organised labour (i.e., ordinary people), which is matched by a steady increase in the powers of the executive, using Brexit “freedoms” as the excuse to utilise more “Henry VIII clauses”. This has been embraced by the average Tory MP who may wish to deprive the State of some of its functions (i.e., those which aid the many rather than the few) but have to increase the repressive functions which are its essence as their policies produce more discord and inequality. As *Freedom* so rightly put it in its first ever issue back in October 1886:

To understand the Governmental application of laissez-faire learn the two -following rules of thumb. 1. When the proprietors molest the proletariat, laissez-faire. 2. When the proletariat resist the proprietors, interfere to help the proprietors.

The Tories have, since 1979, been keen to proclaim the “free market” while passing laws to make it harder for workers to keep more of the value we create in our own hands. Lest we forget, workers kept between 58% and 64% of the wealth we create in the 30 years leading up to 1979. Since then it has gone steadily down to its around 51% – a figure which classes as “pay” the wages of a company’s CEOs.

The rhetoric is of note – “militant” trade unionists is used to describe workers striking for a wage increase close to the rate of inflation, in other words at best a pay freeze in real terms. Then there is the talk of “union bosses” or “union barons”. It is as if the Tories and their hangers-on are unaware of the many, many anti-union laws they have imposed on the “free market” since 1979. The people being referred to are elected union officials who are implementing a mandate for industrial action voted upon by over – usually well over – 50% of their members with a turnout of over 50% (the latter being Cameron’s contribution to labour market red-tape).

Yes, as anarchists, we recognise the problems associated with full-time, well-paid union officials elected to represent the membership, but while this may make them bureaucrats it does not make them bosses – as these are not elected and paid far, far more. Still, healthy signs can be seen in more and more union leaders recognising the pointlessness of waiting for the Labour Party to do, well, anything. Unison and the RMT are leading the way in asserting union independence and self-sufficiency, anarchists need to encourage and support these trends – this includes developing a 21<sup>st</sup> century rank-and-file strategy.

Can the Tories ability to pretend that a new leader means being disassociated with the party's previous policies work its electoral magic again? Ironically, both Tory leadership candidates have indicated a "return" to conservative values as regards the economy, differing only in how quickly that can be done (days as against a few years). Why the Conservative Party has implemented far-left, socialist, presumably "Woke" economic policies for the last 12 years in government is not explained – beyond general moaning about how "the left" dominates discourse in the country and so they, rather than the actual ruling party, are really in power, something else that is not explained. Perhaps this reflects the fact that the right has no ideas beyond a half-remembered recollection of the Thatcherite dream which has brought us to this series of crises?

So they recall how Thatcher cut income tax (particularly for the top-brackets) Unforgotten – at least in public – is the awkward fact that when Thatcher cut income tax rates she compensated by bringing in big rises in VAT. In other words, it was not a completely unfunded freebie, it was a conscious switch from taxing income to taxing spending which is regressive, hitting poorer people harder (not to mention squandering North Sea Oil revenues to also pay for it).

In short, a "return" to the "Conservative" values that have enriched a few and impoverished the many since 1979 – and as implemented since 2010. This explains why the "solutions" offered by the candidates are either tax cuts or more "handouts". The former will not benefit the poorest whilst giving money to pay energy bills is simply giving public money to private companies, which is simply more of the neo-liberal mantra of private gains, public losses.

So a generalised non-payment campaign is essential but – like the anti-poll-tax campaign – it cannot be left to calls for individuals to refuse to pay. Community groups are needed to defend those who refuse to pay against attempts to cut-off their energy supply or bailiffs seeking to force them to pay. We need a federation of community unions across these isles – and we must learn the lesson of the anti-poll-tax campaign and ensure that no leftist sect uses them as the springboard to electioneering as Militant did. Rather than generalise the anti-poll-tax groups into a community resistance network, Militant let them wither away after using their influence to get Tommy Sheridan elected to, first, the Glasgow municipal council and then Holyrood before, after some moderate electoral success, the Scottish Socialist Party self-imploded.

We cannot wait for an election in two years' time and even if one did take place, the Labour Party has reverted back to Tory-lite – indeed, one of the worse things about the Tories is that they make Labour look better although, to be fair, Kier Starmer is trying his best to not even reach that low bar. So anarchist tactics are, as always needed, with direct action in terms of strikes over bills, rents and wages a necessity. And if anyone is in doubt of the effectiveness and transforming nature of direct action, look at the numerous existing and proposed laws which the Tories have used against the unions and protestors.

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An article on the state of Britain in late 2022 written for *Freedom*. Its original title was “Keeping head above water in the Turd-Reich” and was written during the Tory party leadership contest (and so before the spectacular, destructive implosion of the short-lived Trust Premiership). The non-payment campaign seems to have fizzled out, undoubtedly due to lack of local groups and organising to build a sense of collective strength.

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