Britain’s Conservatives outline plans for an “age of austerity”

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The Conservatives’ annual conference saw the party campaigning to win power in next year’s general election, with a message directed to the wealthy and the business elite.

Party leader David Cameron’s efforts to repackage the Tories as more socially concerned were always as thin as tissue. At Manchester, however, these efforts were cast aside, and the Thatcherite core of the party was unveiled, as Shadow Chancellor George Osborne and Cameron delivered keynote speeches fleshing out what it claims is the “age of austerity” now required by the global economic crisis.

Osborne announced the biggest public spending cuts for 30 years. He pledged to freeze all public sector pay until the end of 2011. The move affects four million workers. Only the one million earning less than £18,000 would be exempt. Tax credits will be removed from families earning above £50,000. Civil Service funding will be slashed by a third, more than £3 billion annually.

For the better off, the threshold for inheritance tax would rise from £300,000 to £1 million, supposedly paid for with a one-off £25,000 fee charged to business people who register abroad for tax purposes. Osborne stressed, however, that he did not want to chase after the income of non-domiciles held in the off-shore bank accounts after they paid this token sum.

The retirement age is to be raised to 66.

Ken Clarke, the shadow business secretary, said that regulation on businesses would be cut, denouncing Labour for leaving the economy in a worse shape than that inherited by Margaret Thatcher in 1979. His reference to “Margaret” and her legacy was one amongst many.

Shadow Home Secretary David Davis ended his pose as a champion of civil liberties to concentrate on pledges to clamp down on immigration, which would be “substantially lower” under a Conservative government. A border police force would have “real power to stop, search, detain and prosecute, to gather intelligence and to seize illegal goods.” There would be “zero tolerance” policing and money for an extra 1,200 prison places.

Cameron’s closing speech to conference was, with a few cosmetic dressings, a statement of Thatcherite orthodoxy. He said his favourite conference was “almost 20 years ago after the Berlin wall had fallen and we met in Bournemouth.”

Thatcher was personally credited with the downfall of “Communism” in the “Soviet Union and Eastern Bloc.” “I remember that day in Bournemouth standing at the back of the hall; hairs standing up on the back of my neck as a succession of democratically elected leaders, some of them just out of prison, walked onto that stage and praised Margaret Thatcher and our party for the inspiration she gave on our long march to freedom,” he told the party faithful.

Aware that outside the conference hall Thatcher is a despised figure, Cameron made an attempt to distance the party from her record. But this was meagre stuff—more women MPs, a concern for the environment, praise for the National Health Service and a call to “get out amongst Britain’s ethnic minority communities.” Then it was time to beat the free-market drum. The “nanny state” was denounced amidst calls for personal responsibility and a declaration that the “family” was the best form of “welfare state.”

Under pressure from his own right-wing and from Rupert Murdoch’s media empire, Cameron restated his pledge to hold a referendum on the European Union’s Lisbon Treaty after indicating that it would be abandoned earlier in the week. He then emphasized that there were “huge changes taking place in Europe,” referring exclusively to cuts in corporate taxes in Spain, Germany and France that Britain must trump.

“We will get out of the European Social Chapter,” he declared as a pledge to impose attacks on the working class without even the minimal restraints imposed by Brussels.

On education, there would be more “setting by ability”—that is, dividing students into different classes based on ability levels—and opening up the public sector to private providers. Head teachers would be given “complete command of their school.” There would be no appeal against the exclusion of pupils.

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After making references to poverty, Cameron spoke only of getting people into work. This would be achieved by contracting out the employment and benefit service to "private limited companies." The NHS too was referred to as having a future that was "public or private or voluntary."

He closed with pledges that the army would be expanded by at least three battalions, and that there would be a "national citizens' service" consisting of a "compelling programme" for 16 year olds.

The Tories message from Manchester was well received by Britain's media. The right-wing press declared it as proof that the Tories are ready for office. Murdoch's *The Sun* editorialised that "Gutsy David Cameron showed he was primed for No10 yesterday." But the nominally liberal media were only marginally less enthusiastic for Cameron's message.

The *Independent* wrote that Cameron looked "competent, non-triumphant and prime ministerial." He had presented "an ideologically coherent programme for government." of which there were things that should be welcomed—"not least the acceptance of key planks of Labour's progressive legacy."

Jonathan Freedland wrote in the *Guardian* that, "Many Guardian readers would have found themselves undergoing a new experience: nodding along at regular intervals to a speech by a Tory leader." Cameron had clothed himself "in red," he continued, but as part of a "restatement of classic conservative philosophy." Cameron "wants to be prime minister and, with every day that passes, he increasingly looks the part."

The paper's editorial likewise proclaimed Cameron's speech as having contained "a coherent line of moral reasoning and social argument: measured, humane and mercifully short of bombast." It was "an audacious raid on Labour ambitions that was followed by an equally audacious dismissal of Labour means."

Cameron can supposedly "steal Labour's clothes" because the two are competing parties of big business, both committed to privatization, tax cuts for business and the rich, along with efforts to make workers pay for the economic disaster created by the corporate and financial elite.

Labour only argues that the more savage cuts should be imposed over a longer time-frame in order to avoid making the recession deeper and should be spoken of sotto voce until after the election. The Tories, however, have staked their bid for office on trying to prove they are more determined to make the type of attacks demanded by the bourgeoisie.

These go far beyond the £7 billion plus outlined by Cameron and Osborne. Jonathan Loynes at Capital Economics told the *Financial Times*, "This is small fry compared to the government's existing forecast that borrowing will still be close to £100bn a year at that point, a figure which could prove too optimistic. It is clear much deeper spending cuts, probably involving huge cuts in public sector employment, will be needed."

Irwin Stelzer, often described as "Murdoch's mouthpiece," asked in the *Times*, "Will David Cameron be radical enough?" He warned that "unless there beats underneath David Cameron's sweet, I-do-the-washing-up, public-relations exterior a heart of pure steel, all the talk of radical reform of education, the criminal justice system, and the welfare system will be just that."

The Tories privately reassured their potential backers that they would do whatever it takes. Ken Clarke told the *Telegraph* that Osborne's cuts package was "only a sample of what we have been working on." "We certainly will open the books on everything," he added, including the NHS.

The *Times* reported that Osborne was "in private talks with international credit-rating agencies to persuade them that it is 'deadly serious' about dealing with Britain's debt mountain." He would draw up a timetable for a "more ambitious" and faster plan to halve the national deficit before polling day, was already recruiting staff for a new watchdog to police spending restraint across government, and would cut "tens of billions of pounds."

The Tories also revealed that civil servants at the Ministry of Defence are to be asked to draw up plans to reduce costs by 25 percent before 2012 through slashing civilian staff numbers.

If there is to be any revival in Tory electoral fortunes, it is entirely due to Labour.

In 1997, Labour was swept to power on a wave of public revulsion against the Conservatives under Thatcher and John Major that united a broad social coalition of working class and middle class people. It has spent the past 12 years betraying its mandate for change, deepening the pro-business policies of the Thatcher era. The profound opposition this has created within the working class can at present find no political expression. This can only be rectified by a turn by workers and young people to the building of a new, socialist party to represent their interests in the class struggles now on the agenda.

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