

Labour's Ed Miliband discovers “predatory capitalism”

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19 November 2011

Labour leader Ed Miliband has come under increasing criticism from all sections of the media over his attack on “predatory capitalism” at the last party conference and his failure to elaborate the party’s right-wing agenda more forcibly. On top of this, they have been bemoaning Miliband’s lack of charisma and a series of unconvincing performances in parliamentary debates.

But these are not primarily personal weaknesses. It was, in part, Ed Miliband’s lack of ego and ability to flatter others in the search for cross-party coalition partners that helped secure his victory over his more abrasive brother, David, in the Labour leadership election campaign.

Miliband faces the difficulties of dressing up a perspective dictated by the needs of big business to impose savage austerity measures on working people while selling this to an alienated electorate.

Many of Labour’s parliamentarians, trade union bosses and various middle class intellectuals have adopted “Blue Labour”, a right-wing populist project conceived of by Maurice Glasman. They hope it will help them build a social base of support, and possibly some form of coalition should the present alliance between the Conservatives and Liberal Democrats break apart, to smother the growing leftward-leaning oppositional movements.

Stung by the criticism, Miliband has made key statements elaborating on his central message, beginning with an article that appeared in the November 6 *Observer*, headlined, “Ed Miliband: business, finance and politics are out of touch with people”.

“This is a frightening time for Britain,” he wrote, citing rising unemployment, inflation, falling living standards and the mounting crisis for the euro currency, “adding to the sense that the economy is on the brink; a government sitting on the sidelines, unwilling or unable to help.”

Miliband urged his critics not to underestimate the significance of the oppositional movements that have emerged, such as the Occupy London demonstration at St. Paul’s Cathedral “and hundreds of similar demonstrations in cities across the world.”

Whatever their “diverse and often impractical proposals,” they reflect “a crisis of concern for millions of people about the biggest issue of our time: the gap between their values and the way our country is run.... I am determined that mainstream politics, and the Labour Party in particular, speaks to that crisis and rises to the challenge”.

Miliband is telling the bourgeoisie that it can’t base its policies on counting the numerical size of the protest movements or the apparent relatively low number of days lost to strikes. As someone close to the trade union bureaucracy, he knows that political repercussions flow from the ongoing international economic crisis and its negative impact on social cohesion in countries such as Greece and Italy. All indicators point to the fact the UK itself is on the eve of a mighty social explosion.

He is sounding alarm bells over the possibility of a revolutionary movement of the working class emerging. He warns, “Many of those who earn the most, exercise great power, enjoy enormous privilege—in the City and elsewhere—do so with values that are out of kilter with almost everyone else. The warning lights on the dashboard are flashing. And only the most reckless will ignore or, still worse, dismiss the danger signals”.

That is why Miliband has discovered there is an “uncaring” and “predatory” capitalism, “based on the short term, rather than productive, responsible behavior which benefits business and most people in the long term.”

Pointing to record profits for banks and energy companies, and a 50 percent pay rise for top directors, he continued, “People feel let down by aspects of business, finance and politics which seem in touch with the richest 1 percent—but badly out of touch with the reality facing the other 99 percent. They wonder if things can be different—and whether politics can make a difference”.

This begs the question: Where has Miliband been for the last decade and more, when the Labour governments he supported worked out the economic and fiscal measures that have created such a huge social divide in Britain? He worked inside Gordon Brown’s treasury department, in

Tony Blair's government until Brown became prime minister in 2007. Brown appointed him minister for the Cabinet Office, chancellor of the Duchy of Lancaster, before finally making him secretary of state for energy and climate change. He is one of those directly responsible for developing budgetary policies that enabled the current situation.

Occupy Wall Street is the initial expression of an emerging leftward and internationalist movement opposed to capitalist exploitation. However, the slogan "anti-capitalist", in itself, is not a socialist one. Nor does it always denote a left-wing tendency. Right-wing movements have frequently had recourse to "anti-big capital" rhetoric and slogans as a means of corralling social discontent in a reactionary direction. Miliband's efforts are of this school.

The gap is not simply between the super-rich 1 percent and a poor 99 percent. There are very wealthy intermediate social layers on which the top 1 percent has been able to rely on, whose fervent hope is one day to be promoted to the super-rich Premier League—just like their former leader and political idol Tony Blair. This is why the trade union bureaucrats, with their big salaries and share accounts, betray every strike struggle waged by workers.

Figures on income inequality on the Poverty Site note that over the last decade, the poorest tenth of the population have, on average, seen a fall in their real incomes after deducting housing costs. In contrast, the richest tenth of the population have seen much bigger proportional rises in their incomes than any other group. Today, the poorest tenth of the population have, between them, 1.3 percent of the country's total income and the second-poorest tenth 4 percent. In contrast, the richest tenth have 31 percent and the second-richest tenth have 15 percent. The income of the richest tenth is more than the income of all those on below-average incomes (i.e., the bottom five tenths) combined.

This class gulf is reflected in the growing opposition building up to the major parties and is accountable for the mood against social inequality developing in the UK. Under conditions in which trade union bureaucrats have been able to sell out workers' strike struggles, this has mainly been expressed through protest campaigns such as the student demonstrations and the Occupy movement. But as the actual social gap between the trade union bosses and their membership has become ever wider, their grip over workers is tenuous.

Miliband is animated by the fear that, having broken out of the clutches of the Labour and TUC bosses, the working class would move into confrontation with the capitalist class. But he has very little with which to counter the disaffection from Labour among millions of people.

He admits that his view on reducing Britain's deficit only

differs from Prime Minister David Cameron over the speed with which it is paid off. "We want the deficit to be reduced," he writes. "A Labour government would be making measured spending cuts and tax rises."

Miliband's newfound oppositional pose to "predatory capitalism" is a cynical ploy, carried out in order to cover up his party's ever more rapid shift to the right. He complains that, "With unemployment at a 17-year high, there are not enough people in work to help pay down the deficit."

His answer is to get the one in five young unemployed into "new jobs.... Our welfare system needs change to reflect not just the compassion of our country, but also the values of hard work, contribution and getting something out when you put something in."

The aim of this is to drive the unemployed into low-paid and even unpaid work, so suppressing pay rates across the board while making huge profits for business. Deficit reduction has been transformed into something approaching a "moral duty".

"Business as usual is not an option. In every generation, there comes a moment when the existing way of doing things is challenged," Miliband declares. "We cannot leave it to the protesters to lead this debate."

He concluded with a pledge, "That is why in the months and years ahead Labour is determined to construct and to lead a coalition which includes business and civil society to make the case for a responsible economy, fairer society and a more just world."

Addressing the Social Market Foundation on Thursday, Miliband incorporated these points into a "five-point plan," which he described as "bang on pro-business". They include proposals for an employee to sit on companies' remuneration committees so as to restore "trust" on pay.

His proposed "coalition" is in fact an alliance of big business with sections of the upper-middle class, the trade union bureaucracy and overtly right-wing elements—as evidenced by Glasman's call for "engagement" with the fascist English Defence League. This is what he seeks to marshal against the working class.



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