

Poll spotlights British economic insecurity

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A poll by the *Guardian*/ICM turned what the newspaper described as a “spotlight on the anxiety of a nation.” The poll underscored the economic insecurity experienced by many workers and youth.

In its survey of 2,014 adults aged 18 years and above, it found that while the majority (56 percent) accepted that an economic recovery is underway, just 18 percent of them said their families were benefiting.

Most significantly, asked whether this recovery would enable their “children’s generation” to do better than their own, just one in five agreed. Some 38 percent disagreed, with the remainder undecided.

The reason is not hard to find. The Conservative/Liberal Democrat coalition has seized upon recent figures showing that the UK economy had grown by 0.8 percent at the beginning of this year to claim that a recovery is underway. However, official statistics confirm that this is a “recovery” benefiting only the super-rich, and to the detriment of working people.

The vast majority of economic growth is accounted for by the financial and service sector, largely as an outcome of the government’s quantitative easing programme, based on pumping billions into the banks.

UK gross domestic product remains 0.6 percent below 2008, while construction and manufacturing are some 12 percent lower than at that time.

Government handouts to the super-rich have fuelled the rise in the number of billionaires. The UK now has the most billionaires per head of population in the world, while the wealth of the 1,000 richest individuals is equivalent to one third of total economic output, or £519 billion (US\$877 billion).

The top 1 percent, 600,000 people, possesses more wealth than the poorest 55 percent of the population, or 33 million people. Five of the richest families in the UK are wealthier than the bottom 20 percent—12.6 million people.

While the government has “socialised” the debts of the banks and super-rich, it has imposed stringent austerity against the majority of the population. Millions have lost their jobs—especially in the public sector—or have been subjected to wage cuts and freezes. More than 1 million people are employed on zero-hour contracts and a further 1 million young people aged 18 to 24 are unemployed.

The result is that pay growth for the majority of workers in the year leading up to February stood below inflation, at 1.4 percent. According to Paul Gregg, professor of economic and social policy at Bath University, who was cited in the *Guardian*, the situation is much worse. He calculates that pay for the average worker, adjusted for inflation, is down by 8 percent on 2008 and as much as 15 percent for those aged 25 and under.

One terrible result of this growing social inequality is the growth in food banks, which were responsible for feeding almost 1 million people last year.

A separate report by the High Pay Centre found that the poorest 20 percent of the UK population suffer levels of poverty akin to that in Eastern Europe.

The research, published in the *Financial Times*, is based on an analysis of data from the Organisation for Economic Co-operation and Development (OECD).

The authors conclude that “life is much worse here [the UK] than it is for the poorest fifth in virtually every other northwest European country.”

While the wealthiest 20 percent of households were the third richest in all European Union countries covered by the OECD, the situation was entirely different for the bottom 20 percent. The think tank calculated their average income at just \$9,530 compared to \$12,653 in France and \$13,381 in Germany. This means that “poor Britons” have a living standard “much closer to those of the poorest in countries such as Slovenia and the Czech Republic.”

The various polls and reports are a damning indictment of capitalism and its political representatives in the Conservative, Liberal Democrat and Labour parties. It is the impact on the bourgeois parties, and Labour in particular, that accounts for the *Guardian*'s poll and subsequent report. The newspaper has bemoaned the fact that in May's European Election, Labour and the Conservatives failed to attract half of those who bothered to turn out to vote. As just 33 percent of those eligible did so, it means support for the two main big business parties is confined to a minority.

Just as disturbing for the ruling elite is another *Guardian*/ICM poll that showed the personal popularity of Labour leader Ed Miliband falling to its lowest level ever in just the month from May to June, from minus 25 to minus 39.

Deputy Prime Minister and Liberal Democrat Nick Clegg's polling has fallen 16 percent in the same period, to minus 37. Prime Minister David Cameron's own ratings have also fallen, although not so far, from plus 2 to minus 5.

Nonetheless, as the *Guardian* noted, the combined share of the projected vote for the Conservatives and Labour stands at 63 percent, "its lowest ever recorded by ICM."

For the newspaper, the main issue is to try and shore up the Labour vote—in particular against the United Kingdom Independent Party (UKIP). The right-wing, anti-immigrant party won 27.5 percent of the vote in the European elections.

The *Guardian* editorialised, "This is a dangerous moment for politics. When voters feel that politicians do not share their worries about their jobs, their financial security or their children's futures, the politics of democracy itself becomes insecure."

That is why its poll on insecurity chose to highlight anxieties over immigration. The *Guardian* reported that 46 percent of those surveyed cited their primary economic fear as "immigrants undercutting British workers."

"The urgent priority," it editorialised, "is to talk credibly about immigration," calling on Labour to define a "progressive agenda". The same day, Labour leader Ed Miliband announced plans to remove welfare benefits from 18- to 21-year-olds if his party won the 2015 election.

All the main parties have adopted UKIP's anti-

immigrant rhetoric. Together with the media, they have played the lead role in fashioning the spurious claim that immigrants are responsible for the social crisis. But when those surveyed were asked about their own personal experiences, immigration was bottom of the agenda. Some 57 percent said their greatest worries are "wages that lag behind living costs," followed by "ruthless companies exploiting staff" and banks "that rip customers off and refuse to fund companies properly."

In addition to their deliberate promotion in the media, the extent to which UKIP, like the National Front in France, has been able to find a political resonance is because it exploits such social concerns from a right-wing direction.

The main bourgeois parties, especially Labour, have nothing to say on the economic insecurity faced by millions because they are the representatives of the financial oligarchy and their policies are shaped by its interests.

They have a vested interest in shutting down any discussion on social inequality. That is why the *Financial Times*, Britain's leading financial newspaper, has led the attack on Thomas Piketty and his book, *Capital in the Twenty-First Century*, which documents the rise in global social inequality over the last decades.

The objective of its assault on supposed inaccuracies in Piketty's data is, as the newspaper made clear, that they "undermine his thesis that capitalism has a natural tendency for wealth to become ever-more concentrated in the hands of the rich."

In a similar vein, last week it was reported that a Member of Parliament had demanded that Oxfam be investigated by the Charity Commission. This was over its advert, "The Perfect Storm," which indicted, in order, zero-hour contracts, high prices, benefit cuts, unemployment and childcare costs for rising poverty. The Charity Commission is currently assessing if the advert broke rules in criticising the government's austerity programme.



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