

UK Labour competes with Conservatives over most business-friendly pro-austerity manifesto

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The Labour Party's general election manifesto proves only that virtually nothing of substance separates it from the other main party of the British ruling elite, the Conservatives.

Eschewing the glossy colour cover of its 2010 document of a family looking out towards a radiant sunrise, Labour declared its austerity agenda by opening its manifesto with a pledge to introduce a "Budget Responsibility Lock."

Labour is already committed to an initial £30 billion in cuts. In January it worked with the governing Conservative/Liberal Democrat coalition to push through the Budgetary Responsibility Bill, committing all future governments to permanent austerity—with only a handful of Labour MPs voting against.

Labour now pledges, "Our manifesto begins with the Budget Responsibility Lock", which is "the basis for all our plans in this manifesto" and is aimed at "securing our national finances."

The "Budget Responsibility Lock guarantees that: Every policy in this manifesto is paid for. Not one commitment requires additional borrowing", the manifesto states, boasting, "We are the first party to make that pledge and with this manifesto it is delivered. We will legislate to require all major parties to have their manifesto commitments independently audited by the Office for Budget Responsibility [OBR]."

It promises, "The first line of Labour's first Budget will be: 'This Budget cuts the deficit every year'." Labour will "only lay a Budget before the House of Commons that cuts the deficit every year, which the OBR will independently verify. We will get national debt falling and a surplus on the current budget as soon as possible in the next parliament."

With this Labour vows to continue the mass austerity it

introduced following the collapse of Britain's banks during the 2008 global financial crash. The savage austerity programme of the 2010 Conservative/Liberal Democrats continued the cuts initially carried by Labour, in order to pay for the £1 trillion bailout of the banks.

Launching the manifesto in Manchester, Labour leader Ed Miliband said the Conservatives were a "party of sums that do not add up and commitments that will not be kept."

So right-wing is Labour's programme that the *Economist* commented that "the Labour leader, sounded like a fiscally hawkish Conservative."

As is now the norm, Labour's "plan to balance the books" is said to mean "making tough, but fairer choices."

There is nothing remotely "fair" about it. The manifesto declares, "We will live within our means. We have no proposals for any new spending paid for by additional borrowing."

Under Labour the richest in society will face an increase in income tax of just 5 pence to 50p in order that they "contribute a little more to help get the deficit down."

Meanwhile companies will still be able to exploit "the most competitive rate of Corporation Tax in the G7."

In a declaration of their intent to complete the bailout of the bankers, the manifesto states, "All proceeds from the sale of our stakes in Lloyds and RBS [banks that had to be partly nationalised after they collapsed in the crash] will be used to repay the national debt."

Everyone else will face savage attacks. Massive welfare cuts will continue, with Labour committing to capping "structural social security expenditure in each spending review so that it is properly controlled."

Among the cuts outlined is a cap on child benefit payment rises for two years.

The manifesto commits a Labour government to supporting the US-led NATO threats against Russia, which poses the danger of an armed conflict between nuclear powers. Labour “will continue to uphold our key alliances” and these “include the United States”, it declares. “The crisis in Ukraine over the past year has demonstrated the importance of NATO and the EU standing up to external threats in Europe’s eastern, and southern neighbourhoods.”

Labour warns ominously that it must “maintain the best Armed Forces in the world, capable of responding to changing threats in an unpredictable security landscape.”

The manifesto maintains that “The rise of ISIL [Islamic State], an aggressive Russia threatening its neighbours in eastern Europe, and continuing economic uncertainty in the Eurozone, are each a challenge to our national security.”

Launching the Conservative Party manifesto, party leader David Cameron also assured the capitalist class that austerity will continue and his party would “finish the job.”

So intertwined are Britain’s political elite with big business that the Tories’ manifesto was assembled by Jo Johnson, a Conservative minister and former journalist for the newspaper which articulates policy on behalf of finance capital, the *Financial Times*. The manifesto calls for “the most competitive taxes of any major economy” and the cutting of £10 billion of “red tape” over the next parliament.

The Tories plan a further £12 billion in welfare cuts, with a freeze on working age benefits for two years from April 2016 and a lowering of the benefit payments cap from £26,000 to £23,000 listed in the document.

Jobseeker’s Allowance for 18-21 year-olds is to be replaced with a Youth Allowance time limited to six months. Young people will then be forced onto slave-labour apprenticeship paying less than £3 an hour, traineeship or do community work to claim benefits.

In a further attack on workers’ rights, the manifesto proposes legislation requiring 40 percent of those entitled to take part in strike ballots to vote for a strike before industrial action can proceed.

Labour has done everything to convince big business that it can be trusted to continue the transfer of wealth from the poorest to the richest. As he launched the manifesto, Miliband criticised a last-minute policy announcement by the Tories to give an additional further £8 billion to the National Health Service—a desperate attempt to draw on popular support for public health

provision—as a “panic” pledge. He said, “You can’t fund the NHS with an IOU. Every promise we make is paid for, that is the difference between the Conservative party and the Labour party.”

Since then Labour has continually shifted the pro-business agenda its manifesto outlines further rightwards.

On Saturday, in a move seen as soliciting support from the right-wing layers orbiting around the Tories and the United Kingdom Independence Party (UKIP), Miliband said all new immigrants to Britain should be able to speak English. He told the *Guardian*, “I want to reach out to Tory voters, to Liberal Democrat voters, to Ukip voters, to non-voters.”

Addressing Labour’s policy of a 5 pence tax increase to 50p for the wealthiest, Chuka Umunna, the shadow business secretary, said, “I wouldn’t want to do it permanently because ... I would like to see the tax burden as low as possible. I don’t believe that you tax for the sake of taxing: you tax to fund public services and, currently, to reduce our deficit and our debt.” He continued, “Ed Balls [the shadow chancellor] and I say it all the time to business audiences because we believe it.”

Big business was generally approving towards the policies of both parties, cautioning that any retreat from austerity was not an option. Simon Walker, director-general of the Institute of Directors, said Labour was “to be commended for recognising that deficit reduction is now a centre-ground issue, and an issue of paramount importance for our economic security.”

Adam Marshall, executive director of the British Chambers of Commerce, said, “It’s always good to see any political party talk about fiscal responsibility because that is of huge importance to business.”

He warned, “The litmus test is whether the next government actually delivers on those promises of responsibility, and I think it’s fair to say for all of the parties the jury’s still out on that.”

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