

Class, not Brexit, is Britain's great divide

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This week's parliamentary battles over Brexit overshadowed a report by the Centre for Cities think tank that a decade of Conservative cuts means local councils have lost 60 pence in every pound of funding they previously got from central government.

The worst hit towns and cities are in the north of England. The top 10 cities facing the worst cuts are Barnsley (40 percent), Liverpool (32 percent), Doncaster (31 percent), Wakefield (30 percent), Blackburn (27 percent), Newcastle (26.6 percent), Gloucester (23.4 percent), Glasgow (23.3 percent), Hull/Slough (23.1 percent) and Huddersfield (23 percent).

Barnsley has suffered the greatest percentage cut in spending on services, while Liverpool has the deepest cuts per head, at £816.

Every possible spin has been placed on these figures, with commentators seizing on aspects of the report's findings for their own political ends.

The worst-hit areas are mainly, but not exclusively, areas that voted for Brexit—a fact highlighted by both sides of the raging conflict between the Remain and Leave factions of the ruling class—usually framed in the reactionary terms of a need for stiffer immigration controls.

They are also overwhelmingly Labour Party-controlled authorities, with Labour councils seeing an average fall of 28 percent, compared to 19 percent for Tory authorities—an average decrease of £115 per household in Tory areas and more than £500 in Labour councils. A new funding formula will direct yet more funding to the Tory shires.

What is being deliberately concealed is that this is all part of a war against the entire working class. The cuts have fallen on workers regardless of whether they voted to leave or remain in the European Union (EU), above all in the most deprived areas that have traditionally voted Labour.

Nine of the 10 most deprived UK councils have suffered cuts of almost three times the national average. The national average council spending cut is 14.3 percent, but cities that are home to 55 percent of the population account for 74 percent of this total—£386 per head, compared to a national average cut of £172.

London has suffered the biggest absolute cut—30 percent of all local government spending, despite having just 16 percent of the population.

In every working-class neighbourhood, people's lives are being torn apart. Local authority spending has fallen by half nationally since 2010, contributing to more than 1 million public sector job losses; the privatisation and gutting of social care; tragic evidence of homelessness and drug addiction on every major street; the closure of libraries, parks, swimming pools and youth clubs; public transport gutted and fares hiked to unaffordable levels; crumbling roads and infrastructure; and overflowing household bins.

With rising poverty and an aging population, nearly half of Britain's cities now spend more than half of their budget on social care. Barnsley spends 62 percent on looking after its vulnerable adults and children.

The Labourites now making anti-Tory noises are all guilty of imposing these cuts, with Labour leader Jeremy Corbyn and his shadow chancellor, John McDonnell, instructing councils to continue enforcing “legal budgets.” The trade unions have not defended a single job or service.

Labour has given the Tories a blank cheque to build on the massive transfer of wealth from the working class to the super-rich that began under Margaret Thatcher and continued under Tony Blair and Gordon Brown.

The government is now planning further cuts to corporation tax—from its extraordinarily low rate of 19 percent, to just 17 percent. It stood at 28 percent in 2010. Those companies deigning to pay their

taxes—Amazon’s UK tax bill fell to just £4.6 million last year on a turnover of £2 billion—will hand over £12 billion less by 2022. This comes on top of the £16.5 billion a year they have already saved since 2010 as a result of corporate tax cuts. The annual shortfall in the National Health Service budget is £20 billion.

To this must be added an estimated £1.7 billion annually in company tax avoidance. Fully 25 percent of FTSE 100 companies avoided taxation by locating subsidiaries to tax havens recognised by the UK—increasing to 98 percent of such companies if a stricter US definition is applied. In 2016, four of the top 10 FTSE companies paid no corporation tax at all.

The result is that United Nations special rapporteur Professor Philip Alston issued a report last November stating that austerity policies have left 14 million people in poverty, including 4.5 million children—with this situation “not just a disgrace, but a social calamity and an economic disaster.”

Yet when Parliament debated his report January 9, just 14 MPs turned up—one for every million poor—and the “debate” was over in a half hour. The contrast between this and the house packed with baying and jeering MPs during the interminable Brexit debates could not have been more grotesque.

Two things are clear:

- Neither the Brexiteers nor the Remainers have any interest in or concern for the working class. Their fight is over how best British capitalism can pursue a trade war for control of global markets and investment. And whether Britain leaves the EU or stays, class war austerity will continue and deepen in the name of making Britain “globally competitive.”

- A Labour government led by Corbyn would do nothing substantial to end the suffering inflicted on millions of working people, especially the most vulnerable. That would require a frontal political assault on the major banks and corporations, a struggle that is anathema to Corbyn and McDonnell, busy wooing the City of London and pledging to uphold the “national interest.”

Workers and young people must trust in themselves and adopt the methods of class struggle against the ruling elite and all its parties. The task is not to rebuild “national unity” across the Brexit divide under Labour, but the unification of the working class in Britain and across Europe against the capitalist class.

Workers must form their own organisations of struggle, independent from the Labour and trade union bureaucracy, to bring down the Tories and form a workers’ government pledged to socialist policies to meet public need, not private profit.

The allies the British working class needs for its own victory are already coming into struggle in a European and international movement against austerity and social inequality—of which the “yellow vest” protests in France, the strike wave in Portugal, strikes and protests by Hungarian and Mexican autoworkers, by millions of Indian workers and by US teachers are only the initial expression.

The Socialist Equality Party and our sister parties in the International Committee of the Fourth International’s European sections, the Parti de l’égalité socialiste (PES) in France and the Sozialistische Gleichheitspartei (SGP) in Germany, call for a unified struggle against the EU and its constituent governments for the United Socialist States of Europe.



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