

The *Financial Times* lays down the law to Labour's Corbyn

Thomas Scripps
11 September 2019

After running a series of articles under the general title “The Corbyn Revolution,” analyzing Jeremy Corbyn’s programme for a Labour government, the *Financial Times* (FT) has delivered its verdict.

The FT’s September 8 editorial describes “a hideous choice between a likely no-deal Brexit under Mr. Johnson’s Conservatives, or the revolutionary socialist project of Jeremy Corbyn’s Labour” in any upcoming election. It rejects both and instead calls for a “caretaker government” of the “Rebel Alliance” of pro-European Union (EU) MPs—comprising Blairites, Liberal Democrats, the Scottish National Party and two dozen recently expelled Conservatives. This would be “headed by a more trustworthy and less divisive figure than Mr Corbyn” to guarantee against a no-deal Brexit and then hand over power to a more stable government.

However, the FT is acutely aware that, given the absolute dysfunction of the ruling Conservatives and the hatred towards them among working people, there is a possibility of a Labour government coming to power, or at least being essential to the formation of a “government of national unity” made up of the pro-Remain parties. To meet this possibility, the FT series leaves no doubt about what is expected of the Corbynites.

Corbyn has been put on notice by his masters that he must either withdraw or renege on his election promises and do exactly as he is told by the financial elite, or he will be put out of office one way or another.

This is threatened despite the FT’s very sober assessment of Corbyn and Shadow Chancellor John McDonnell’s strictly limited economic programme. One FT article notes that Labour’s pledges on infrastructure spending will run up against the limit set by the party’s own “Fiscal Credibility Rule,” devised by McDonnell before the 2017 General Election.

Another points out that the tax rises promised in Labour’s 2017 manifesto—assuming they were actually implemented—would not be enough to fund the party’s current pledges, even while “ending austerity” on only the

most minimal of definition. Corbyn’s Labour would be no more “generous” to the National Health Service than the Tory party, notes the FT. Whereas Labour claimed it would raise £48 billion a year from tax increases, the Institute for Public Policy Research has suggested that more than £100 billion a year would be needed to end austerity and enable “prosperity and justice.”

Yet in the same series a quote from Terry Scuoler, former head of the manufacturer’s lobby Made UK, describes the prospect of a Labour government as “nightmarish.” A “senior Labour figure” claims that Corbyn and McDonnell “don’t give a f--k about the city of London” and the FT’s editors screech that Labour “would destroy investor confidence and usher in economic disaster.”

Another article in the series, headlined “UK’s Labour would seize £300bn of company shares,” deals with McDonnell’s proposed transfer of 10 percent of shares from all companies with more than 250 employees to their workers. Under the scheme, employees would be eligible to receive up to £500 a year in dividends, with the rest going to social funds controlled by the government.

The scheme would be gradually implemented over 10 years, with the FT and its sources noting that it would likely be held up in the courts and World Trade Organisation for even longer. It does nothing to touch the capitalist profit system, yet its impact is described in apocalyptic language. The FT notes that the Adam Smith Institute rails against “expropriation” and “the biggest raid on all of our nest eggs in living memory.” The FT gravely cites “longstanding Marxist” McDonnell’s comment of several years ago that “Change doesn’t come from people having tea at the Ritz. It comes from people storming the Ritz.”

The source of the contradiction between this furious reaction and Corbyn’s very timid programme is twofold.

Firstly, the standard set for any forthcoming government is not simply to preserve the power of the ruling class, but to respond to the demands of an unprecedented international capitalist crisis and cut-throat struggle for profitability and geostrategic advantage. A Corbyn government will be

required to deepen the vicious attacks on workplace and social conditions begun under Margaret Thatcher.

There is no difference whatsoever between the Leave and Remain factions of the ruling elite (Corbyn supports remaining in the EU) on the necessity to wage war on the working class.

In November 2016, Thatcher's former chancellor, Nigel Lawson, wrote that the Brexit project was the opportunity to "finish the Thatcher revolution." Now the FT, speaking for the pro-Remain sections of UK business, attacks Corbyn for threatening to "undo much of the Thatcherite revolution of the 1980s," which, "while often brutal, led to a necessary shift in the balance of power between labour and capital that helped deliver stronger economic growth ..."

Secondly, the relentless attacks made against the slavishly compliant figure of Corbyn serve as a coded message to the strategists in the ruling class. The social elite undoubtedly fear a "revolutionary socialist" development from below and "expropriation." However, they know that the threat doesn't come from Corbyn's warmed over reformist nostrums, but from the seething discontent in the working class after years of their living standards being decimated by successive governments of all political stripes.

The attacks on Corbyn are a warning to him, McDonnell et al that they must toe the line or they will be dispensed with. The FT states, "Mr. McDonnell's first task [in government] may be to say 'no' and disappoint many people on the radical left"—by which is meant, Labour's first task will be to attack the working class as brutally as the Tories.

In an interview with the FT, one of Corbyn's advisers claims French Socialist Party President of the 1980s Francois Mitterrand as a predecessor. Even given Mitterrand's own despicable record, this is an absurd comparison. The Socialist Party president came to power in 1981 in a period when crumbs could still be given to the working class.

A more accurate antecedent to a Corbyn-led Labour government is Alexis Tsipras's Syriza party in Greece. Elected in 2015 on an anti-austerity programme, Syriza instead carried out deeper cuts and more sweeping privatisations than its predecessors, backed by an army of riot police. This has resulted in the devastating impoverishment of Greek workers and their families.

Corbyn has maintained close relations with Syriza going back as far as 2012 and met Tsipras for discussions on several occasions as the Syriza leader was busy imposing austerity on the Greek population. At a conference of the Party of European Socialists in Brussels in October 2017 (after Syriza had been in power for nearly three years) Tsipras told Corbyn, "Nice to see you. We're very proud of what you have accomplished."

Corbyn responded, "We are following your example. I believe we will succeed soon."

Under today's conditions, the assault Corbyn would carry out against the British working class would make Syriza's record in office pale by comparison. Whereas Greece is a relatively small and uninfluential country on the periphery of Europe, Britain is one of the world's major imperialist powers—home to one of the most important centres of global finance, and a leading military partner of NATO. Not one inch can be given to the working class if British imperialism's world position is to be secured.

Under instruction from the ruling class, Corbyn's pledges to end austerity, nationalise utilities and railways, abolish tuition fees, and everything else would melt into thin air, to be replaced by a programme of deepening austerity, rampant militarism and attacks on democratic rights.

Since taking the Labour leadership four years ago, Corbyn's record is an uninterrupted line of conciliation, retreats and betrayals carried out in the name of serving the "national interest"—from working with the unions to ensure the isolation and defeats of strikes, to reversing his opposition to NATO and the EU, to allowing his supporters to be witch-hunted by the Blairites out of the party on bogus charges of anti-Semitism. If Corbyn was not able to fight a few hundred politically toxic Blairites and kick them out, despite having the backing of hundreds of thousands of Labour members and supporters, he will do whatever he is told when it comes to defending the interests of the predatory financial elite of the City of London and British imperialism internationally.

The author recommends:

Socialist Equality Party (UK) 2016 Third National Congress resolutions

Jeremy Corbyn and the Labour Party: The strategic lessons/For a new socialist movement against militarism, austerity and war



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact