Corbyn tells British industry executives: “It’s sometimes claimed that I’m anti-business. That is complete nonsense”

Robert Stevens
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Most of the time Labour Party leader Jeremy Corbyn and Shadow Chancellor John McDonnell speak before supportive audiences of workers, where they feel at liberty to employ left-sounding, anti-business rhetoric and from time to time even describe their policies as socialism.

But during the general election campaign, both must audition for office before the ruling elite and their banks and corporations. When occasion demands, all pretence at anything even remotely “radical” must be ditched in favour of professions of responsibility and support for British capitalism.

This was the case Monday when Corbyn appeared during the Confederation of British Industry’s (CBI) annual conference to outline Labour’s agenda—in competition with Conservative Party and Liberal Democrats leaders, Boris Johnson and Jo Swinson.

“It is right that party leaders come and set out our plans to you directly because this is an election that will shape our country for a generation,” Corbyn began. “And let me just address something right away. It’s sometimes claimed that I’m anti-business. That is complete nonsense.”

Corbyn pleaded with his audience to consider how the worst excesses of the corporations and financial parasites have massively discredited the capitalist profit system in the eyes of millions of workers. Asking them to accept certain minimal restraints, he insisted, “It’s not anti-business to say the largest corporations should pay their taxes just as smaller companies do… It’s not anti-business to want prosperity in every part of our country and not only the City of London.”

He pledged to the corporate executives that under his Brexit agenda, “You’re going to have the certainty of a customs union and access to the single market, as you’ve long advocated.”

Under conditions of escalating trade war, led by the US, a change in government was necessary for particular vulnerable industries: “Labour… will get Brexit sorted quickly and immediately end the uncertainty for business because we won’t be ripping up our main trading relationship because major British industries like steel will struggle to survive the Trump deal Brexit Johnson has planned.”

“You and your business have so much to gain from a Labour government,” he promised: “you’re going to see more investment than you ever dreamt of. You’re going to have the best educated workforce you’ve ever hoped for. You’re going to get the world-leading infrastructure, including full-fibre broadband you’ve long demanded. You’re going to enjoy the fast, reliable transport links you’ve always wanted.”

In addition, Business Rates would be reformed “because we know the damage they’re currently doing to our high streets and communities; and access to finance improved with a Businesses Development Agency as part of the new Post Bank.”

The run-up to Corbyn’s speech saw the Tories and the media denounce Labour’s plans to partially nationalise British Telecom and offer the population free broadband over a 10 year period, with Johnson describing it as “Broadband communism.”

The CBI issued a press release saying, “‘Fast reliable broadband is an absolute priority for people and firms and does need improving. But Labour’s plan is not the way to do it… all renationalisation will achieve is to slow down a process that needs speeding up.”

It warned that “blinkered ideologies must be left behind and replaced by forward-looking public-private partnerships that deliver rather than delay.”

CBI Chief UK Policy Director Matthew Fell concluded, “As the scope of Labour’s radical renationalisation plans expands almost daily, firms around the world lose confidence in the UK as a place to invest safely. Some will be asking if they are next… It’s time for all parties to work with business, not against it.”

Corbyn received the message loud and clear. Most of his

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speech could have been delivered by Tony Blair, with the word “capitalism,” let alone “socialism,” never mentioned. His policies, Corbyn insisted, were “not an attack on the foundations of a modern economy; it’s the very opposite. It’s the norm in many European countries.” They were required to take “the essential steps to build a genuinely mixed economy for the 21st century.”

He again begged his critics, “I understand you are cautious about some of our plans,” but “despite the impression sometimes given in parts of the press, Labour doesn’t believe the state can do that [modernise the economy] alone.”

Speaking in the capital city in one of the most socially polarised countries on the planet, Corbyn said his only goal was to bring everyone together for a “decent society” and “raise the platform on which our whole society stands so that businesses and individuals can build themselves up even higher and reach their dreams.” The “opportunities created for businesses under a Labour government will be immense.”

What did Corbyn ask for in return? “Labour will ask those at the top to pay their fair share in tax.”

What this “fair share” consists of was revealed by McDonnell in a speech last week, when he said that under Labour there would be a tax increase for “only the top five percent… We will reduce the threshold for 45p rates for £80,000 and reintroduce the 50p rate for £125,000.”

This was already Corbyn’s policy at the 2017 election, but was originally the policy of Blair’s chancellor, Gordon Brown, who imposed it in 2010.

In a speech Tuesday, McDonnell took over where Corbyn left off, declaring, “We pay tribute to all those businesses and enterprises that form the backbone of our economy and make their important contribution to our society.”

Citing the collapse of Carillion, BHS and Thomas Cook, he warned, “Too often corporate greed forcing short term profit-taking overrides good business sense… We want good businesses that make long term decisions and create good jobs.”

His belief was that “business should be a partnership between employees, customers, management and shareholders for the long-term success of the enterprise.” Labour’s commitment to “building a stakeholder economy” [a phrase taken directly from Blair] was vital as “There is evidence to show that this not only advances long term decision making but also boosts productivity.”

McDonnell took pains to explain that Labour’s proposal for companies to transfer a fraction of shares--one percent at a time--"into an employee fund until the fund owns 10 percent of the company,” wasn’t the slightest bit radical. It would only result in a “maximum of £500 per employee per year. I see in the USA that Bernie Sanders is proposing a 20 percent transfer.”

Outlining another policy, he said the pay of the “average FTSE 100 CEO has risen from 60 times their average employee to 150 times in 2017.” There would be no compulsion to reduce this from a Labour government, only the introduction of an “Excessive Pay Levy on companies.” Labour wanted to “bring in a 20:1 pay ratio between lowest and highest paid employees in the public sector.” This could mean “someone earning the living wage, just over £16,000 a year, would permit an executive to be earning nearly £350,000.”

Even as Corbyn and McDonnell were reassuring big business and paying tribute to the capitalist class, they said not one word about the continuing offensive by the corporate elite against the working class. Just days before Corbyn spoke, the High Court banned a strike ballot by 100,000 postal workers without Corbyn even issuing a tweet in response. On Saturday, guards on West Midland Trains struck to oppose plans to eliminate their role through Driver Only Operation trains. Most train drivers refused to cross the guards’ picket lines. On this too Corbyn said nothing.

As his comments prove, Corbyn heads a pro-capitalist party opposed to workers taking action against the employers’ onslaught. The Socialist Equality Party is standing candidates in the general election in opposition to every party of the ruling elite, including Labour, to mobilise workers and youth in a political struggle against big business, austerity, authoritarian rule, militarism and war.

The author also recommends:

Socialist Equality Party stands in UK general election: No to austerity, militarism and war! Free Julian Assange! For class struggle and socialist internationalism!

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