

Sajid Javid removed as UK chancellor as Johnson readies offensive against working class

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Conservative Prime Minister Boris Johnson's Cabinet reshuffle Thursday ended with the resignation of his chancellor, Sajid Javid.

Javid had only been in the position for seven months and was understood not to be under threat in a reshuffle that had been trailed as a low-key affair. His position was seen as being particularly secure given that Johnson's spring budget, the first since his landslide December general election victory, is just weeks away.

Johnson sacked five cabinet ministers: Northern Ireland secretary Julian Smith, business secretary Andrea Leadsom, Environment Secretary Theresa Villiers and Attorney General Geoffrey Cox. Then, in the afternoon, news broke that Javid had resigned.

Johnson made it impossible for him to stay in the role. Javid was instructed that he must sack all five of his advisers and replace them with ones recommended by Johnson and his arch-strategist Dominic Cummings. This was in order to create a joint unit between Johnson's office in 10 Downing Street and the Treasury team at Number 11.

Javid quit, declaring that Johnson attached conditions to him staying on as chancellor which "no self-respecting minister would accept."

The *Huffington Post*'s Paul Waugh noted that no one at the Treasury foresaw Johnson's aim that his chief adviser Dominic Cummings would be "in charge of the new advisory team." But anyone slightly off message, including Smith, who had been generally praised in his role as Northern Ireland, as had Cox on Brexit issues, was discarded.

Javid's ignominious exit confirms the essential agenda of the Johnson government is one of escalating the class-war offensive against workers.

When Johnson took office the nominally liberal *Guardian*'s economics editor, Larry Elliott, asserted, "Johnson has shifted the Tories left on the economy." Instead, after Javid declared prior to the December election that the "page is turned" on a decade of austerity, within days of winning office he announced that all government departments had to come up with another 5 percent in savings.

The *Financial Times* commented that Javid and Johnson signed a joint letter to "ministers that budgets remain extremely tight, even after a decade of austerity in public services." Departments were instructed "to name 10 projects that could be scrapped in this autumn's comprehensive spending review led by the Treasury." Ministers would be required "to go through every line of departmental budgets assessing value for money..." and present "radical options" to cut spending.

Johnson's government is taking a hard line on Brexit against the European Union (EU) in its trade talks over the next 10 months. Accompanying this will be a massive stepping up of austerity in furtherance of trade war.

To impose such attacks, Johnson's office is accruing enormous powers to itself—including tearing up the much vaunted "semi-independent" status of Number 11 chancellors who "sign the cheques"—to ram through an agenda that will have explosive consequences, both internationally and nationally. Javid is political collateral damage.

Javid was replaced by Rishi Sunak, described by Johnson as his "favourite minister." During the election campaign, when Johnson refused to attend candidates' debates, Sunak stood in for him.

Following his education at prestigious private school,

Winchester College—the same institution attended by Labour leader Jeremy Corbyn’s Stalinist adviser Seamus Milne—Sunak graduated from Oxford university.

From there he obtained a degree in business administration from Stanford University in the United States. There he met his future wife Akshata, daughter of the billionaire co-founder of Indian outsourcing company Infosys, and India’s sixth-richest man, Narayana Murthy.

Sunak was employed at Goldman Sachs before moving to British hedge fund TCI. This had a “reputation for aggressive activism that helped trigger the sale of Dutch bank ABN Amro to the Royal Bank of Scotland during Mr Sunak’s time there,” noted the *Financial Times*. The WSWS noted previously of TCI’s modus operandi, “The fund buys into companies whose share price has fallen sharply, ensures that the yield and therefore the share price rises again by imposing mass layoffs and dismantling the entire concern, finally sucking out millions and billions of euros from the leftovers before moving on to look for new victims. What remains are tens of thousands of workers and their families who have been pushed into unemployment and poverty.”

Before making his way into politics, Sunak worked at another hedge fund, Theleme Partners, and was a director at Catamaran Ventures, the investment office of the Murthy family.

Sunak is also the main architect of the “Free Ports” policy that Johnson’s hard-Brexit wing of the Tory party have wanted in place for years. In 2016, he issued a report, “The Free Ports Opportunity,” calling for an “extensive and ambitious network of UK Free Ports ... These would not only provide domestic manufacturers with a wealth of tangible benefits, but also send a clear message to international markets that Britain’s new global role will be open, innovative, and outward looking.”

Free Ports, which can be based at any location in the UK—not simply at ports—are essential for setting the benchmark for ramping up the exploitation of the working class to ensure the competitiveness of the British capitalist class post-Brexit. Johnson is seeking to roll out around 10 free ports initially that offer lower levels of taxation, no VAT, and have few regulations.

Their creation is seen as imperative in attracting

global investment—at the expense of the EU and Britain’s main competitors. Another hard-Brexit, Simon Clarke, insisted, “In summary, we should not aim to establish the type of insipid freeport that one finds across the European continent. Instead, we should aspire to construct supercharged freeports like those found in China, the US and the Middle East.”

The pro-Brexit *Daily Telegraph* was clear as to the meaning of Javid’s ouster. In an editorial Friday, “New Chancellor has a chance to be radical,” it stated that although Javid was a “bright political talent” there were rumours that he was considering some popular measures in his next budget, including a “mansion tax.” It appeared that Javid “had been persuaded by civil servants to consider socialist measures that even the last Labour government would never have touched.”

The message to Sunak on his first budget was, “Let it be radical. The Tories have an historic opportunity to rethink the way Britain works. They could do what the Treasury prefers and keep all the old regulations, sticking close to Europe while the Government taxes and spends incautiously. Alternatively, Mr. Johnson and Mr. Sunak could plan for a smaller state, judicious investment and lower taxes, and thus build the free enterprise economy of a serious global competitor.”

On his first day in Cabinet, the *Guardian* reported that Downing Street told the media that Sunak “had reminded ministers of their need to find savings of 5 percent from their departmental budgets, to be ‘reprioritised’ for other purposes.”



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