

Economic Crisis: Austerity and Counter-Austerity in Britain

Social Protest Movements and Political Organizing On the Rise

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Britain is in the throes of a deepening class struggle prompted by attacks on social and democratic rights by the capitalist class. The economic elite is pressing forward with an austerity program of ever-deepening cuts to jobs and social services. A coalition government of Conservatives and Liberal-Democrats has been in power for the past two years and has cut billions of dollars from public services. With the country mired in economic stagnation, the two parties are aiming to cut billions more in government spending, most notably in the social sphere.

The leading force in the Coalition, the Conservative Party, says it wants to cut a further 10-billion pounds (\$15-billion) from welfare payments alone between now and 2015. Under consideration are denial of housing subsidies to people under 25 years of age and ending per-child welfare benefits to families that bear more than a yet-to-be announced fixed limit of children.

Wages of Britain's public service workers have been frozen since 2011. In March of this year, the UNISON union said the pay freeze and other attacks had reduced the purchasing power of health service workers by some 15 per cent. Further cuts are aimed at vacation benefits and family-friendly work schedules.

Previous Labour governments began the outsourcing of health services to private providers. The Conservatives have drawn up a list of 6,000 additional procedures to be outsourced. This is stoking tension with directors of the Nation Health Service. Its chief executive, Sir David Nicholson, recently warned against privatization "carpet bombing," saying it could easily end in "misery and failure."

As a result of government attacks, social protests in Britain are on a marked upswing. A [mass protest against austerity](#) has been called by the trade unions to take place in London and Glasgow October 20th. Students will follow that with a [national day of protest](#) on November 21 against rising tuition fees, cuts to student living assistance and other restrictions on access to education.

A Tripartite Assault

The deepening austerity assault is supported by all three parties in the British Parliament. At the annual party conference in September, Labour Party leaders questioned aspects of the social service cuts by the Coalition. Party leader Ed Miliband said the party opposes further privatization of health services and will subsidize the construction of 100,000 private

housing units. He wants companies to pay for training of its new workers, something he says will help reduce Britain's high rate of youth unemployment.

They also gave an appearance of challenging the ruling financial clique that brought Britain's financial system to its knees in 2008, with Miliband saying that a future Labour government will force the banks to separate their investment banking operations from commercial and consumer banking. That's hardly a radical position – it is shared by some bankers.

But Labour leaders are supporting the Coalition's freeze of public service wages (not withstanding the vote against it by conference delegates) as well as further privatizations of services (going so far as to support privatizing some policing services). Indeed, many of the Coalition policies are continuations of those begun by the Labour governments that ruled Britain from 1997 to 2010.

The political consensus also applies to Britain's military role in the world. Last year, the country spent £63-billion on its military. Two new-generation aircraft carriers are under construction, at a price tag of £5-billion each. The government plans to spend £2-billion in acquiring more drones over the next two years.

In his main address to the Labour Party conference, Miliband voiced the themes of Conservative parties past, including its "one nation" theme in the 2010 election. He concluded his main speech with a ringing call for, "One nation, a country for all, with everyone playing their part."

The speech was hailed as a triumph by party leaders. The daily *Scotsman* thought differently, headlining its report, "Labour looks to the future with 140-year old Tory ideology." That's a reference to the 19th century Conservative Party leader and prime minister Benjamin Disraeli whose career was marked by laments of the "two nations," rich and the poor, into which Britain had become divided during the Industrial Revolution.

At the party conference, leaders of larger affiliated unions, notably UNISON and UNITE, voiced criticism of the party's support to public sector wage freezes and other austerity policies. But in the end, they expressed support for Miliband's leadership.

Women Hit Especially Hard By Austerity

Women and girls are among the hardest hit by the anti working-class policies of the Coalition government. A report [published in The Guardian](#) earlier this year showed that rising taxes and cuts to social spending have hit women three times as hard as men. Women aged 50-64 have been [hit hardest by rising unemployment](#) since the Coalition came to power, up 31 per cent compared to an overall increase of 4.2 per cent in the country (to 2.6 million people).

The deeply sexist character of the British ruling class and its governing institutions has been revealed in several hugely reported cases of sexual abuse and assault of women and girls. Police are investigating dozens of accusations of sexual interference and assault against teenage girls by former BBC music program host Jimmy Savile. The entertainer died last year. The accusations go back decades.

Many of the assaults took place in the BBC television studios where Savile worked and in hospitals where he routinely visited on behalf of his widely acclaimed charity. As a result,

the BBC and the National Health Service and their managers are now being investigated for negligence or potential complicity, and possibly face legal action by victims.

As a result of the Savile revelations, Britain's large media outlets have come under the spotlight for failing to investigate or publish reports about his crimes over the years. Women media personalities have come forward to say that sexual groping by male colleagues or pressures from managers to perform sexual acts for career advancement have long been standard conduct in the industry. A study by Britain's Equal Opportunities Commission in 2000 found that 50 per cent of women suffer sexual harassment or worse in the workplace.

In parallel stories, police and social welfare authorities are accused of ignoring complaints about organized gangs preying on young girls in several communities in England. Some of the perpetrators have gone to jail following publicized trials, but the systemic and criminal neglect by police and social service authorities that allowed the crimes to be committed is now coming under public scrutiny.

Several political police agencies are facing legal action by women who were victims of sexual predation by undercover police during operations against environmental and other political movements.

Government ministers from the Conservative Party have chosen this moment to [open an attack](#) on abortion rights. Britain's Health Secretary says he wants abortion made illegal following the 12th week of pregnancy. Secretary for Women Maria Miller is chiming in that it should be 20 weeks.

Abortion has been legal in Britain since 1967, up to the 24th week of pregnancy. There are [compelling reasons](#) why an arbitrary cut-off timing of the service is dangerous for women, not to speak of a violation of their right to control their bodies.

An important exception to abortion availability is in the British enclave of Northern Ireland, where the law severely restricts access. A battle has begun there following the recent opening of the territory's first sexual reproductive clinic, to include abortion services. Protestant and Catholic church leaders have thundered against the clinic and hundreds of anti-abortion zealots have placed it under siege.

Scotland Independence

Miliband's "[One Nation](#)" theme fit the Labour-supported politics of austerity. But it was also aimed at the referendum on independence for Scotland that will take place in October 2014. British Prime Minister David Cameron has reluctantly agreed that it will go ahead.^[1] The referendum was a promise of the Scottish National Party (SNP) that won a majority in the Scottish Parliament in the 2011 election.

The first of a planned series of mass demonstrations in favour of independence leading up to the referendum took place in Edinburgh on September 22. Ten thousand people took part.

This will be the second referendum in recent history. In 1997, a Scotland referendum revived the Scottish Parliament abolished by the Act of Union of the British Parliament in 1707. The Scottish Parliament exercises powers over delivery of social services and cultural policies, but importantly has no power of income taxation nor any say in foreign policy.

Polls show that a strong majority of Scotland's population would favour "maximum devolution" of powers from the central government in London to Holyrood (seat of the Scottish Parliament, in Edinburgh), whereas support for independence sits at 30 per cent.

Labour Party leaders took the initiative last June to create a "[Better Together](#)" alliance with the Conservatives and Liberal Democrats to campaign for a "no." The party is positioning itself as the most reliable to fend off the independence challenge.

Anti-austerity sentiment is particularly deep in Scotland (population of 5.3 million, out of 63 million total in Great Britain – England, Wales, Scotland and Northern Ireland) and is interwoven with the politics of the rising movement for independence. Working-class struggles in past decades have won free and universal benefits throughout Britain, including for winter fuel heating and prescription drugs, bus travel and television licenses for the elderly. These have gone further in Scotland, notably with free university tuition.

Free, universal services account for about ten per cent of the costs of social services provided by the Scottish government. Echoing its parent party, the Labour Party in Scotland has touched off a firestorm of controversy by saying it wants a review of many of these programs with a view to restricting access to all but the poorest.

The SNP is claiming a moral high ground on the issue, saying it will not touch universal programs. But the party leadership is acquiescing to the reductions of funding for public services that the Coalition government in London has imposed (£2.1-billion in 2012-13 alone). The Labour Party points to recently reduced financial support to poor students by the SNP as well as rises in all kinds of fees charged by local governments facing freezes on local tax revenues decreed by London and accepted by Holyrood.

The SNP is a decades-old pro-capitalist party that favours maximum devolution or, failing that, outright independence. It would leave the United Kingdom in control of foreign affairs, including the armed forces, and central bank policy, and would recognize the British monarchy as titular head of government.

The party took a left turn during the 1990s, coming out against austerity, the NATO military alliance and the presence of nuclear weapons on Scottish soil. Party leaders are now pushing back against this. They just won a narrow vote at the party's conference to reverse opposition to membership of an independent Scotland in NATO. While the party postures as pro-environment, *The Guardian* recently reported that the party's ambition to expand the extraction of oil from the North Sea will far outstrip any plans to reduce greenhouse gas emissions with renewable energy projects or dubious "carbon capture and storage" schemes.

A vital pro-independence force in Scotland is the [Scottish Socialist Party](#). It criticizes the SNP for its pro-capitalist program and its timidity in not standing up to the policies of the Coalition. Writing in a recent issue of the party's biweekly newspaper, *Scottish Socialist Voice*, Ken Ferguson explains, "Our vision is of a Scottish republic pursuing socialist policies which place people before profit and break with the failures of neoliberalism and war backed by the Better Together parties of Labour, Liberals and Tories."

The party has begun to organize a series of public forums across Scotland to debate the issue of independence, including one held in Edinburgh on September 12 attended by 70 people (watch a video of the forum [here](#)). It hosted a forum at the SNP national conference

on October 19 and is participating in the recently launched Women For Independence.

Rising Social Protest

Conservative claims to be reliable managers of capitalism and the state budget – the bedrock of the party’s claim to political credibility – have taken serious hits in recent years. Following the financial collapse of 2008, the party and its Coalition government have demonstrably refused to punish or even curb the financial and media oligarchs responsible for the economic mess.

A centerpiece of Conservative policy dating back to the years of Margaret Thatcher (the 1980s) – the privatization of the passenger rail network – recently imploded over the renewal of the operating license on one of the country’s more lucrative lines. Rail privatization has been exposed as a cash grab, a form of taxation against users costing billions of pounds in increased fares and operating subsidies while providing handsome profits to operators. Rail unions have renewed calls for the renationalization of railway operations.[\[2\]](#)

The Coalition government is not as stable and strong as Tory bravado suggests. The weak partner in the arrangement, the Liberal Democrats, risks political annihilation in the next election as a result of its participation. It has lost 20 per cent of its members since 2010.

Anger against the decades-old privatization and austerity drive is prompting a scale of protest not seen in decades. Last November, two million public sector workers went on strike to defend pension benefits. Sectional strikes of public service and other workers have continued, including teachers and rail workers. Union branches and some national unions have voted in favour of a general strike against austerity.

Student mobilizations are renewing after [significant protests](#) involving tens of thousands of students across England in late 2010. Heightened police violence contributed to a dip in protest following the repression of the mass Millbank protest in November 2010 where students occupied the Conservative Party headquarters.

The toxic sexualization of culture and life has sparked the rise of a new and militant feminist movement. Kat Banyard, a founder in 2010 of [UK Feminista](#), explains in an [October 15 feature article in *The Guardian*](#):

“Throughout the 1990s and much of the 2000s, we were sold a lie on an almighty scale. That equality had been won, that the battle was over, and now was the time to enjoy our rights. I think what really helped contribute to that was how institutions and corporations who rely on sexism, who rely on women’s inequality, adapted and changed. And co-opted the language of feminism very, very cleverly.”

At a day-long conference of the [Counterfire](#) political group on October 13, Kate Connolly gave a hard-hitting overview of the challenges and opportunities for women’s rights advocates today. “We are seeing a wholesale assault on the rights of women that was entirely predictable when the Coalition government embarked on its austerity program,” she argued, and women and their supporters are fighting back.

A key front of struggle that is deepening is defense of the right to protest. Political protests are routinely harassed or broken up by police. Since 1990, 1500 people have died in police custody. But a fightback is deepening.

A day-long conference of the “[Defend the Right To Protest](#)” coalition took place on October 14. A leading force in it is the [Socialist Workers Party](#). The conference was marked by broad participation, including from trade union and student groups, Black rights organizations and activists from some of the main historical battles for civil rights in Britain. Speakers included MP John McDonnell, Sheila Coleman of the Hillsborough Justice Campaign and Janet Alder, sister of Christopher Alder, a former British soldier killed in police custody in 1998.



Today’s Conservatives carry on the same class warfare policies as during the years of Thatcher, but it’s a tough go. They don’t necessarily bring the same set of political skills. They showed some weakness during the 2010 election by presenting themselves as undergoing moderation in an effort to shuck their image as the ‘nasty party,’ though the recent party conference visibly put an end to that pretense. Most importantly, privatization and austerity programs now have a track record of failure to create economic and social progress for the majority of society.

All of a sudden, the working-class protests and political advances in the countries of southern Europe are looking less distant from the shores of Britain. The working-class has an opportunity to organize to give the fragile Coalition government the boot long before its 2015 electoral mandate is up.

Postscript: A Day of Anti-Austerity Protest in the UK

Some 200,000 people marched in London, Glasgow and Belfast on October 20 against the austerity programs of the UK government led by Prime Minister David Cameron. According to the trade unions that called the actions, the numbers of participants were: London 150,000, Glasgow 10,000 and Belfast 10,000. Marchers were of all ages and backgrounds – trade union members, students, families affected by cuts to health and social services, women’s rights advocates, etc. The [Socialist Worker](#) weekly has a string of reports on the day’s actions.

Some union leaders speaking at the London march voiced calls for a general strike against austerity. They included Mark Serwotka, general secretary of the biggest civil service union, the PCS, Bob Crow, general secretary of the RMT rail union, and Unite general secretary Len McCluskey. At the annual conference last month of the Trade Union Congress, delegates voted to conduct a consultation with members on a general strike. McCluskey asked marchers in Hyde Park if they were ready for a general strike and received huge cheering. “We won’t get what we want just by asking,” he said.

On March 26, 2011, as many as half a million people marched against austerity in London. The [Guardian reported](#) on that day’s action.

Amidst all this, the Cameron government’s woes are deepening. Its Chief Whip has been obliged to resign following a verbal altercation weeks ago with police in which he swore at them and called them “plebs.” Its finance minister, who has pleaded “we’re all in this together” as he carries out draconian cuts to social spending, has been outed in the “Great Train Snobbery.” During a train trip on October 19, he moved from a standard class to a first class coach without paying the additional fare, assuming the railway workers on board would turn a blind eye. A former Thatcher cabinet minister has written an open letter in *The Observer* saying, “This government has earned a bad name for being a government of toffs (privileged) who neither know, nor care, how the other half lives.” •

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Notes:

1. In contrast, Spain says a referendum on independence for Catalonia would be illegal, as would be a referendum in the Basque country should pro-independence forces win an upcoming election, as anticipated.

2. Track maintenance was also privatized by the Thatcherites, but it was such a fiasco that it was renationalized in 2001. Meanwhile, the privatization by Thatcherism of electricity generation has produced the irony that today, one of the major producers of electricity in Britain is the state-owned electrical utility in France, EDF. Natural gas and electricity prices to consumers have risen by 50 per cent since 2007.

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