

Neoliberalism and the War Economy in Britain: Force-Fed Austerity

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Global Research, April 11, 2013

Region: [Europe](#)

Theme: [Global Economy](#), [Poverty & Social Inequality](#)

Since 2008, America, Britain and other European nations force-fed austerity harshness. Neoliberal and imperial priorities take precedence.

Bankers, war profiteers, other corporate favorites, and privileged elites alone benefit. Ordinary people lose out entirely. Public needs go begging. Human misery grows. Things go from bad to worse. Nothing ahead looks promising.

Britain made things harder. Parliament imposed the largest welfare cuts in modern times. More on them below.

They come when Prime Minister David Cameron wants UK nuclear defenses upgraded. He wants billions of pounds spent doing so. He claims Britain faces threats that don't exist. An "ultimate weapon" is needed, he says.

His [Daily Telegraph](#) op-ed headlined "We need a nuclear deterrent more than ever," saying:

(A)s prime minister, with ultimate responsibility for the nation's security, I profoundly disagree with" naysayers. The "nuclear threat has not gone away."

"My judgment is that it would be foolish to leave Britain defenceless against a continuing, and growing, nuclear threat."

Saying so defies reason. Wanting billions of pounds spent on what's not needed reflects deception writ large. Britain's FY 2014 budget allocates 44.7 billion pounds for defense.

Billions go for nuclear deterrence. Cameron wants billions more. It's worth the cost, he says. No cheaper options exist, he claims.

He wants Brits to think wasteful spending will protect Britain from nuclear attacks. Estimates run up to 20 billion pounds. It reflects multi-year spending.

At the same time, he supports massive welfare cuts. They come when Queen Elizabeth got a five million pound pay increase. In FY 2013-14, she'll receive 36.1 million pounds (around \$54 million). It's up from 31 million last year.

She gets regular pay increases. They come from the Crown Estate. Its properties are worth eight billion pounds.

She'll now receive 15% of their profits. In 2011-12, they earned 240.2 million pounds.

The Queen claims she needs the money. Royal priorities aren't cheap. Annual expenses keep rising. She's having a hard time making ends meet.

She's dismissive about ordinary people's suffering. It's their problem, not hers. Let 'em eat cake doesn't wash. A former monarch learned the hard way.

Tough times keep getting tougher. Ordinary Brits struggle to get by. Britain's coalition government made things harder. On April 3, Russia Today headlined "UK govt imposes avalanche of cuts," saying:

Low-income and financially vulnerable families will be hit hardest. Opposition Labour MPs called new cuts announced "the beginning of 'Black April.'" It's hard imagining why. They're as neoliberal as Tories.

From June 2007 - May 2010, Gordon Brown was prime minister. Austerity began on his watch. Budget cuts hit ordinary Brits hardest. Brown said "Labour will cut costs, cut inefficiencies, cut unnecessary programmes, and cut lower priority budgets."

He targeted public sector worker wages, pensions and other benefits. At the same time, Britain spent 94% of its GDP on bank bailouts. It amounted to taxing every Brit about 30,000 pounds.

Labour and Tories conspire against ordinary people. Austerity is policy. So are harsh welfare cuts. Imposed them inflicts enormous hardships. Earlier amounts totaled tens of billions of pounds. In January, another 14.2 billion were announced.

New ones are toughest of all. Britain's Baptist Union called them "unjust (forcing) the most vulnerable (to) pay a disproportionate price."

Methodist Church Public Issues Policy Adviser Paul Morrison said they "make April fools of us all."

"We are witnessing what happens when we create a culture that blames poor people for their poverty."

"It is a lie to say that most people on benefits are lazy, that they have an easy life or that they are responsible for the nation's financial deficit."

"When people are willing to believe those lies, poor families pay the highest price."

At the same time, wealthy elites got a tax cut. In late March, Britain slashed its 50% top rate to 40%. Corporations got a 1% cut.

According to the Institute for Fiscal Studies, Chancellor of the Exchequer George Osborne's "granny tax" left around five million middle-class pensioners up to 323 pounds worse off. It's when they most need help. They face other harsh budget cutting measures.

Welfare benefits will be cut another 10 billion pounds by 2016. On average, around 18 million Brits will lose 500 pounds annually. Billions more welfare cuts were announced earlier. Where this ends who knows.

Cameron wants public spending cut 5.3%. Expect more cuts to follow. Since financial crisis conditions erupted in 2008, one in 10 Brits lost their jobs.

The latest measures are worst of all. They include a new “bedroom” tax. It’s on local council and housing association tenants. They get housing benefits.

Recipients claimed to have a “spare” bedroom face cuts totaling 14%. Those with two “spare” ones lose 25%. Britain calls the measure an “under-occupancy penalty.”

Imposing it seeks to encourage more efficient social housing use. It inflicts enormous harm on vulnerable households. Expect more ahead hitting them harder. It’s coming in waves. One measure leads to others. Like America, Britain’s heading for third world status.

Hundreds of thousands of people are affected. Many will become homeless. Britain’s Shadow Work and Pensions Secretary Liam Byrne said the new bedroom tax will “end up costing more than it saves as tenants are forced to go homeless or move into the expensive private renter sector.”

Around 90,000 households are affected. Less than 4,000 smaller homes can accommodate them. In April, “personal independence payments (PIPs)” replace disability living allowances.

Private consulting and information technology services firm ATOS will assess whether benefit claimants can work. It’ll be paid up to one billion pounds to do so. In the past, it claimed stroke victims were fit to work.

ATOS aims to remove another 500,000 claimants from benefit rolls. Doing so will throw many of them in the street. They’ll risk losing out entirely.

New Health and Social Care Act legislation affects them. Enactment reverses 1946 free, universal National Health Service care. Government no longer has a legal duty to provide it.

Newly created Clinical Commissioning Groups (CCGs) now have a “duty to arrange” what used to be mandated. Doing so shifts costs on the backs of vulnerable Brits least able to afford them. Commercializing healthcare lets predatory private profiteers take full advantage.

Combining austerity with welfare cuts heads Britain for third world status. Poverty and unemployment will rise further. So will public anger. On March 30, protesters targeted London’s Trafalgar Square.

Unionists joined anti-poverty campaigners, the disabled, homemakers and others.

Simultaneous gatherings were held in cities and towns nationwide. Thousands turned out in Glasgow. “Axe the bedroom tax,” signs read. One protestor spoke for others, saying:

“We won’t forget what they are doing to working class people.”

Another said:

“They have just shut the soup kitchen in Waltham Forest despite having a real problem with homelessness. I’m a working single parent. Now I’ve a tiny boxroom, and I’m faced with the

choice between food, heat or paying the 'bedroom tax.' ”

At issue are [numerous other cuts](#). Expect new ones to follow those announced. More recent ones began last October. Dozens of imposed changes were made. They include:

- cutting support for mortgage interest from 6.08% – 3.63%;
- scrapping the Child Trust Fund;
- reducing the Council Tax benefit;
- ending the Health in Pregnancy grant;
- abolishing the Disability Living Allowance;
- cutting legal aid;
- freezing the Child Benefit and Working Tax Credit for low-income workers; and
- much more implemented from October 10 through mid-April.

Making ordinary Brits bear burdens they can't afford is policy. Expect new imposed hardships ahead. Tories and Labour are in lockstep. It bears repeating. Britain's heading toward third world status. It's on a fast track toward getting there.

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