

Britain: Austerity 2.0

Tuesday 4 October 2022, by [PEARSON Simon](#) (Date first published: 2 October 2022).

Simon Pearson on broken resolutions that have taken us to the brink.

Contents

- [We Cut; You Pay](#)
- [A Cruel Policy](#)
- [Promises Made Promises Broken](#)
- [Past its sell-by date](#)

The [Resolution Foundation](#) estimates that cuts to welfare, infrastructure projects, and departmental spending of up to £47 billion are necessary to bring the national debt under control, after this Conservative government's disastrous mini-budget. Cuts of this size are on par with the brutal austerity measures enacted by then-Tory Chancellor George Osborne during the 2008 financial crisis. Today (Saturday 01/10), Simon Clarke, the levelling-up secretary (a tory oxymoron) and a key supporter of Prime Minister Liz Truss was working to lay the groundwork for the next severe wave of austerity measures. He was [quoted as saying in The Times](#) that Britain has been living in a "fools paradise" and that budget cuts are necessary to pay for the current government's £45 billion in tax cuts for the wealthy.

We Cut; You Pay.

As Patrick, a risk manager from Surrey, said to the Guardian, "I think it's excellent the Tories scrapped the top rate, It felt like Christmas". As Patrick looks to invest "most of it, spend some on the increased cost of living, and put the rest towards a new house." It will be a Dickensian Christmas for our society's most vulnerable members, who will continue to struggle and must choose between eating, and heating their homes.

It will be a Dickensian Christmas for our society's most vulnerable members, who will continue to struggle and must choose between eating, and heating their homes.

Already long forgotten is the 2019 Conservative manifesto commitment to improve society, the so-called levelling-up agenda, which was a major factor (along with getting Brexit done) in taking votes from Labour and Boris Johnson's election victory just three short years ago. Clarke has expressed his disapproval of what he refers to as an excessively large welfare state and has stated that all ministries will need to ["cut the fat."](#)

What does he mean by this?

Does Clarke not remember the pandemic?

COVID painfully demonstrated this Conservative government's years of underinvestment in public services.

A Cruel Policy

Since the first cuts linked with then-chancellor George Osborne's cruel "austerity" policy were introduced in 2010, local government in England has been systematically dismantled. All councils have had [reduced funding](#) for community services, such as libraries, parks, children's centres, bin collections, and road maintenance. This has been compounded by budget cuts and the rising cost of delivering social care. As the years of Tory rule have gone on, it has got harder for local government to keep up the same level of service efficiency that let them meet the community's needs in the first half of the decade. Even though local government budgets have continued to shrink, there has been a growing need to spend more and more on social care. The sums just do not add up.

The former Conservative Prime Minister, Boris Johnson, offered a levelling up plan that acknowledged the damage they had done to social infrastructure. It was estimated that a 1.25-percentage-point hike in national insurance rates would generate £13 billion to help pay for the COVID pandemic-related backlog in the NHS and the broken social care system. However, the Local Government Association (LGA) stated that an [immediate investment of £6 billion](#) is required to boost care worker wages, address demographic and inflationary pressures, and stabilise the provider market and that the remainder of the investment is required "urgently."

Promises Made Promises Broken

In her campaign to replace Mr. Johnson as head of the Conservative party, Ms Truss pledged to support a policy that is considered progressive by the party's opponents. But much like the value of the £ against the \$, this commitment went with her chancellor's banker's budget. Instead, the new Health Secretary, Theresa Coffey, has set up a £500 million social care discharge fund. Do we have a solution? Not quite, as she waits for further long-term social care proposals. It's little wonder the system is failing if experts say they require £6 billion but this Tory government only allocates £500 million. Since Ms. Truss and her Tory colleagues have delayed solving the problems in care for such a prolonged period of time, the public must consider this a low priority for the party. Promises are readily broken, particularly by this government.

But much like the value of the £ against the \$, this commitment went with her chancellor's banker's budget.

Those who work in social care are screaming out for help. "Care can't close, it can't economise any more than it already has, it needs to keep running, keep assisting people, and keep supporting the NHS," [said the Independent Care Group](#) in the north of the country. "We've reached a point where we can't keep going any longer." The escalating cost of living scandal is now likely to add £3.7 billion to the care sector's delivery costs. We can clearly see that the Conservatives' sticking plaster is no longer effective.

What will remain of our public services if this Conservative government slashes budgets to the bone? COVID has not vanished, and the probable flu/covid seasonal demand will overwhelm the NHS once more. Help will not come until we finally get rid of the Tories for good; it is possible; just look at the Liberals. The Brexit crisis, followed by the COVID tragedy, should demonstrate to everyone how

unsuitable the Conservatives are for power. It no longer adheres to the concept of fiscal responsibility and one-nation Toryism; instead, it has been radicalised by some of the nation's most destructive economic thinkers (see Jeremy Cliffe's excellent [article in the New Statesman](#)).

The market was reacting to Ms. Truss and Mr. Kwarteng's ineptitude, not to events.

This Conservative government wants you to believe that events dictate actions and that Russia's aggression in Ukraine is the sole reason for rising energy costs when the harm has been building for years. Remember, this government has had 12 years to do something different with energy supply; the fact that they haven't is their fault. The economy crashed because of £45 billion in unfunded tax cuts and the chancellor's delay in presenting nervous markets with an OBR financial statement. The market was reacting to Ms. Truss and Mr. Kwarteng's ineptitude, not to events.

Past its sell-by date

A 12-year-in-power government is responsible for everything that occurs between now and the next general election. Even with a change in leadership, the government does not start over with a blank slate. Everyone should be able to see that it is an ideologically worthless venture, more so now that it is floundering around looking for excuses for its own inadequacy. A political party that has lost its moral compass is a dangerous entity, and we can already see the adverse consequences of Conservative policy as it pushes the country to the brink.

We can't allow austerity 2.0. [Yesterday's protests](#) were a start, but the political spectacle that is currently taking place is being experienced by many people in our country, but they are not actively participating in it. This is quite discouraging for someone who believes in revolution. I'm having a hard time understanding what it is going to take for people to become so enraged that they take to the streets in their thousands. I hope this article makes you angry, and you can channel that rage into positive action.

Simon Pearson

P.S.

• Anti*Capitalist Resistance. 02 Oct 2022:
<https://anticapitalistresistance.org/austerity-2-0/>

• Simon Pearson is on the Editorial Board of the Anti*Capitalist Resistance and is a Midlands-based political activist.