

I've Thought Long And Hard About This – And The Answer Is...

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Wherever you look in the UK today you can't help but notice the litany of chickens coming home to roost as the post-Brexit neo-Thatcherite experiment pursued by our Government is now unravelling in the face of an unprecedented cocktail of crises. Some of these are due to factors beyond our immediate control, such as the war in Ukraine, the ongoing impact of Covid-19 across the world and the cumulatively worsening impacts of climate change.

However, others – notably the sham that is Brexit (witness the 5% hit on GDP that this has already resulted in, according to the Centre for European Reform^[1]), and the impact of 12 years of Tory austerity, are very much travesties that have been self-inflicted. That is to say, there is something very much wrong with the nature of capitalism in the UK.

To take but one example, the failure that has been privatising water utilities. Why are we putting up with a set-up that allows water companies to borrow astronomical sums of money (£50 billion) and then pay out shareholders yet more astronomical sums of money in the form of dividends (£72 billion since privatisation) and chief executives in the 12 largest water companies were paid £58 million over the recent past 3 years.

This all the while failing to adequately invest in water infrastructure, so that more than 3 billion litres of water leak every day from our decaying pipeline network^[2] whilst hose pipe bans are contemplated.

To add insult to injury, the said same water companies get away with pumping raw sewage into our rivers and onto our beaches, due to weak regulatory oversight. One can literally say here that the system STINKS.

I wonder if our aspirant prime minister, Liz Truss, contemplated this when she oversaw (i.e., was responsible for) some £235 million of cuts to the enforcement capacity of the Environment Agency? Notably, sewage discharges into our waterways have doubled – “from 14.7 per overflow in 2016 to 29.3 in 2021”, when Truss was the Environment Minister.^[3]

Anywhere else you look, the consequences of cutting back on public provision over the past 12 years are all too apparent; the ongoing squeeze on the NHS, with waiting times ballooning out, hours for an ambulance to arrive; the collapse of the justice system with trials that can take years to get to court^[4]; the crisis in social care; and a benefits system so punitive and miserly that recipients have literally starved to death as a result.^[5]

When all is said and done, the trend to light-touch/effectively unregulated market capitalism and consequent hollowing out of the state's protective and enforcement capacities is the problem; and these problems are most acute in countries such as the UK, which are trying to push the “free market” line to the extreme (though not extreme enough for the Brexiter brigade propping up the likes of Liz Truss).

In this context, Brexit was just a fig leaf to provide cover for a bunch of free-market fundamentalists^[6] to try and escape EU regulatory oversight (by blaming foreigners) and recast the UK in their image. Shit on our beaches is just but one consequence of their light-touch approach.

Hence, the basic consequences of the drive to unregulated capitalism – rampant inequality and the production of externalities such as pollution, which is so badly degrading our physical environment

that it is jeopardising our future on this planet – have to be knocked on the head. “Enough is Enough”, to coin a phrase.^[7]

And the answer has to be some form of socialism; that is, an economic system that enables a “just transition” (so that the costs of net zero don’t land on the shoulders of the poor), brings about a “just society” and thereby fulfils the dictum popularised by Marx of “from each according to their ability, to each according to their need”.^[8]

That recent polling indicates that Labour’s lead over the Conservatives is back into double figures^[9], even with the odium of Johnson receding, suggests that voters are becoming increasingly alarmed about the Government’s approach.

As the cost of living crisis continues to bite and millions more face the prospect of being cast into abject poverty this coming winter (with half of UK households predicted to be in fuel poverty by January)^[10], as opposed to the tax cuts proposed by Truss that disproportionately benefit large corporations and the well-off, the pressures for genuine redistributive change will only grow.

^[1] <https://www.thelondoneconomic.com/news/watch-should-be-front-page-news-research-shows-catastrophic-impact-of-brexit-on-uk-economy-325763/>

^[2] <https://www.theguardian.com/commentisfree/2022/aug/20/water-company-ceos-industry-political-failure>

^[3] <https://www.thelondoneconomic.com/news/liz-truss-235m-cut-to-environment-agency-doubled-sewage-discharge-332850/>

^[4] <https://www.bbc.co.uk/news/uk-wales-54957734>

^[5] <https://www.theguardian.com/society/2014/feb/28/man-starved-to-death-after-benefits-cut> Furthermore, in 2015 for example, the Department of Work and Pensions (DWP) admitted that one in five benefit-related deaths involved sanctions. See <https://www.disabilitynewsservice.com/one-in-five-benefit-related-deaths-involved-sanctions-admits-dwp/>

^[6] The “philosophy” of this approach is on record in a book co-authored in 2012 by Liz Truss, Kwasi Kwarteng (current Business Secretary and likely Chancellor of the Exchequer under a Truss Government) and Priti Patel amongst others; *Britannia Unchained: Global Lessons for Growth and Prosperity* – where they claim that British workers are amongst “the worst idlers” in the world.

^[7] <https://wesayenough.co.uk/>

^[8] <https://theconversation.com/from-each-according-to-ability-to-each-according-to-need-tracing-the-biblical-roots-of-socialisms-enduring-slogan-138365>

^[9] <https://www.politico.eu/europe-poll-of-polls/united-kingdom/#97380>

^[10] <https://www.theguardian.com/business/2022/aug/23/uk-customers-face-catastrophic-winter-as-energy-costs-soar-says-edf-retail-boss>