

Left- Horizons

Tories in Crisis: reflects British capitalism in crisis

It comes to something when the *Financial Times* runs an opinion piece questioning whether or not the Tories are still the party of big business. The editorials of that newspaper, probably the most serious-minded of all the capitalist newspapers, are full of the most strident invective against the current crop of Conservative political leaders.

In yesterday's *Financial Times*, a letter from the former chairman of Lloyds, was typical, in his scathing assessment of the Tories.

"Never in over 50 years of working life", he writes, "have I seen the UK facing such an abject future, caused by the complete failure of our political establishment to govern, to communicate clearly with the public and, most importantly, to be honest with the electorate." The writer clearly has people like Boris "fuck business" Johnson in mind, when he goes on to castigate the motives of such political leaders. *"We have many senior politicians who are seemingly consumed with their own ambition and vanity, with little regard for the best interests of the country"*.

According to Paul Drechsler, president of the CBI employers' group: *"There are more anti-business Conservatives in the party than at any time in recent history."* Fortunately, he adds, there have been enough in the cabinet, including the prime minister, *"to do just enough to prevent immense damage so far"*.

What is exercising the minds of powerful business people – and it is *their* class interests they have in mind, when they speak of "the country" – is the danger of the Tory government stumbling into a position where they are unable to come to a Brexit agreement with the EU. After Theresa May

appeared her hard-line Brexiteers and changed her own Chequers policy on Brexit, in order to get it through Parliament, it looks like the prospect of a no-deal Brexit is looming closer.

The *Financial Times*, in an editorial, warns soberly of what this would mean. One possible outcome, it suggested, would be for the UK to *"spill out"* of the EU on March 29 next year, *"guaranteeing chaos on all fronts"*. On the same day, ministers were talking about stockpiling supplies of food and medicines, in case they weren't to be available after that date. *"No competent government"*, the *Financial Times* argued, *"would contemplate such an option."*

But the second no-deal option would be as bad. *"As well as raising a hard border on the island of Ireland – a political land-mine – it would create enormous practical and legal uncertainties for businesses."* Trade would switch to World Trading Organisation rules, the FT, argues, *"raising customs checks and tariffs overnight."*

No-deal Brexit chaos

It is not much consolation to hear that the Government have contingency plans to park tens of thousands of lorries on motorways leading to the south coast. It is difficult at the best of times to "plan" for chaos and that is precisely what would follow a no-deal. *"Capital would flee the City of London,"* the FT editorial goes on, *"followed by a run on the pound. Food supplies would be at risk because of the uncertainty over certification and standards. The UK's ports and airports would be thrown into disarray. The list is endless, and no amount of wishful thinking can overcome this reality."*

It is only necessary to look at what a no-deal Brexit means, to understand that it has to be an unlikely outcome. Not impossible given the sheer incompetence of the Tory leadership, but unlikely. Before its amendment by Theresa May under pressure from the Brexiteers, the 'Chequers Brexit agreement' had positioned the government close to an alignment with the EU customs union and there were hints that further 'compromises' would be necessary. Despite May's desperate attempts to appease her own Brexiteers, she is also coming under enormous behind-the-scenes pressure from business to agree to a 'soft' Brexit.

It is still the most likely outcome that the May government will manoeuvre in negotiations with the EU towards a close alignment with the EU customs union and single market because that is the only way to avoid the kind of chaos against which the FT is warning. That is the reason for the reorganisation of the 'Department for Brexit' into part of the Cabinet Office.

Tory splits inevitable

The problem for the Tories is that this will inevitably lead, come the autumn and the re-convening of Parliament, in more splits than ever before.

Given the crisis in the Tory party, it is not surprising that there are new discussions about the formation of a new 'centre' party. Lib-Dem leader Vince Cable missed a key vote in the House of Commons last week because he was in a confidential meeting about the formation of such a new party. Without a doubt, these discussions will have included representatives of Labour's right-wing parliamentarians, most of whom have more in common with Cable than with the majority of Labour Party members, in both their lifestyles and their political outlook.

Returning to the question of whether or not the modern Tory Party is still the representative party of British big business, we have to say the answer to that is a resounding 'yes' because the crisis in the political leadership of British capitalism is a fitting representation of the crisis in British capitalism itself. If large parts of the Tory Party are incapable of seeing beyond next week, are consumed by their personal ambitions, even at the expense of what is in the best interests of their own class, it is no different to the outlook of large sections, and perhaps the majority, of British business boardrooms.

For decades the British capitalist class has been the least willing to invest, the most short-sighted and

most greedy, in comparison to their peers elsewhere around the globe. British manufacturing has gone into reverse, not because of the sweat of British workers, but because the owners of industry have been happy to squeeze out the maximum dividends for shareholders, while re-investing little. The Tory Party may have provided the legal and statutory framework for it, but it has been the greed, avarice and short-sightedness of big business that has pushed the economy towards being a low-skill, low-wage, low-productivity, low-welfare, low-pensions and impoverished rentier economy.

An analysis by the Labour Party in 2015 showed how nearly 50 percent of donations to the Conservatives were linked to big business in the City of London, effectively acting as an unofficial lobby group. Using the data from the *Sunday Times* "rich list", the Labour Party showed that half the Tory donations were from hedge-funds, the short-term, get-rich-quick representatives *par excellence* of British capitalism. So, yes, the Tories, crisis-ridden as they are, are truly representative of British business.

Labour also faces splits

It is one thing, however, to put the spotlight on the crisis in Toryism and another to do something about it. The Labour Party, too, will face a crisis of historic proportions in the coming years. Already, right-wing parliamentarians are abandoning ship in ones and twos. These 'stalwarts' – those who believe in emancipating the working class one by one starting with themselves – see no future in a party with an uppity mass membership and with a trajectory towards the left. Good riddance to them.

But the haemorrhage will not end there. There is a looming division in the Party between those whose outlook and philosophy rests on the free-market system – the majority of the current Parliamentary Labour Party – and those who look towards socialist ideas as a way out of the social crisis we face.

Whether inside the EU or outside, a market economy offers nothing to working class people. The Tories are in crisis because capitalism is in crisis. It is an economic system that is worn-out and long past its sell-by date and it offers nothing but unending austerity to the overwhelming majority of the population. The crisis in Toryism and in the system should give socialists the confidence and the impetus to fight inside the Labour Party and the trade unions for a radical break with the past and for socialist policies as the answer to the problems faced by workers.

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