

WILL THE NEXT PRIME MINISTER APPRECIATE MR JOHNSON'S DÉCOR?

The Johnson vaccine bounce has faded. His only success, vaccinations have been overtaken by the Delta variant he welcomed into the country through seeking to curry favour with Modi. In addition, the evidence of how bad Brexit is going to be politically and economically is now unmissable. From here on it is downhill for Mr. Johnson, the worst prime minister since Walpole.

How the wheel has turned. Johnson had a head start in the vaccine wars. Like the classic race between the tortoise and golden hare or is it hare, the tortoise has won. Last week on average, Britain had more daily infections than the combined tally for France, Italy, Spain and Germany (although the Delta variant has not had its final say in the EU). How else could it be with such an incompetent at the helm here. Incompetents when they get lucky, do so only once, and that once has come and gone for Johnson.

The Chesham and Amersham by-election defeat last week, really a hiding, showed Johnson's days are numbered. According to Lib Dem canvassers in the constituency, traditional Tory voters on the door were continuously rubbishing Johnson as an unfit prime minister. Of course Number 10 tried to deflect saying it was all about anger at new planning regulations. It was much more than that.

Some of the more astute commentators in the media got it partially right when they said Johnson faced an impossible task trying to reconcile the differences in outlook between the blue wall and red wall constituencies. It sure is hard to be a one nation party when there are such glaring class divides. But there is much more to this divide than meets the eye. Much of his blue wall voters supported Remain while his red wall voters supported Leave.

Here lies the predicament. His blue wall voters are increasingly recognizing that Brexit is turning into an economic disaster which is beginning to impact their economic self-interest. The South-East, which is the traditional Tory heartland revolves around the City of London and to a lesser degree the M40 corridor, both of which are imperiled by Brexit. When it comes to the Shires, all railway lines point to London and the City. And many of the trucks, now threatened by a lack of drivers because of Brexit, contain their luxury goods.

This week the ONS brought out the trade figures for the year up to April on June 11th. Exports to non-EU countries were down, contrary to trends in other major economies, so much for global Britain. In addition certain categories of exports to the EU were down by half. This was primarily processed foods. Thus farmers and food producers are facing problems exporting, while the indomitable Liz Truss, signed a deal that will see growing imports of Australian foodstuffs. Even readers of the Mail in the Shires know that free trade ports will not happen because they violate the new Pillar 1 Global Tax Agreement and worse, because most of them are royalists, the new Royal Yacht may not be built in Britain unless it is a military vessel, because the "Global Britain" geniuses in the Tory Party signed previous agreements which forces the government to allow international bids for its construction.

It was said that Britain had a shortage of international trade negotiators because they had previously relied on Brussels to execute trade deals. Today this shortage is glaringly obvious. It seems the hardened Australian negotiators were smirking behind their hands over the concessions they had wrung out of Britain. Not that you would hear this from the Prime Minister, his Trade Minister and the Tory Press. Seems the Prime Minister cannot fail to repeat the same mistake, sacrificing Brexiteers to squeeze in deals

before deadlines. In squeezing in the Australian deal before the G7, he sacrificed livestock farmers, just as he sacrificed the fisher(wo)men to get the Brexit deal done before midnight on the last day of 2020.

As the saying goes, first they came for the fisher(wo)men, then they came for the farmers and soon they will come for the workers. Earlier this year leaks appeared showing the Tories sought to tear up the 48-hour working week rule together with holiday and overtime rules. Clearly this was the tip of the iceberg. <https://www.mirror.co.uk/news/politics/workers-rights-protected-eu-law-23322348> The latest leak suggests that half the regulations inherited from the EU are in the firing line. A working party headed by Ian Duncan Smith, that friend of the worker, is looking into all regulations which hobble the competitiveness of the British economy. That is code for workers', consumers', environmental rights and protections, all of which adds to the cost price of capital. How they fooled the workers. Taking back control was never about reclaiming democracy from Brussels, if it were, we would not have the most undemocratic, opaque and duplicitous government in years. No taking back control was always about the bosses being able to directly exploit and oppress their workers. What a salutary lesson Brexiteers are about to learn. The cost of aligning yourself with the rich in an ugly popular front like Brexit is always painful.

In an article titled *Has Brexit Fatally Dented The City of London's Future*, Howard Davis an economist and former Deputy Director of the Bank of England gives his assessment of the City post-Brexit. He recognizes that Brexit has not damaged the City as much as Leavers had claimed at the time of the Referendum, but he also recognizes that the loss of business is accelerating. While European centers are expanding, the City is stagnating. In sum the City is losing its status as Europe's financial center, without the prospect of gains elsewhere given the rise of Shanghai, Singapore and of course the ever-present New York. <https://uk.newschant.com/business/has-brexit-fatally-dented-the-city-of-londons-future-howard-davies/>

There were two main bodies of Brexit supporters, the nostalgics and the hopefuls. The nostalgics were those living on the fumes of Empire and the hopefuls were those who believed that Brexit would breathe new life into the country. They were the majority. In turn they can be divided into two, those who were or thought they were, financially secure, and the bigger number who believed that Brexit would improve their lives, their job prospects and their communities. Most of the latter are to be found in the Red Wall areas of the country.

However, it is becoming patently clear that Brexit is not improving economic and social conditions in these areas. Job losses have mounted up. In the article below the reader can observe the scale of job losses prior to the pandemic and their location. In the end it is not whether the methodology contained in the article is right or wrong, it is the constant hemorrhaging of jobs that is sapping the optimism in Red Wall districts. Jobs are not going up, they are going down, and in the end that balance is decisive whatever the reason. <https://smallbusinessprices.co.uk/brexit-index/>

It is not only the avalanche of cuts that are coming, it is not only the loss of jobs, it is not only the loss of democracy, its' also about the breakup of the United Kingdom itself. The Royal family must be at their wits end as their "queendom" fragments. "One will simply have to sell off some castles it seems, especially those exquisite ones in Scotland". Heartbreaking. In Northern Ireland tensions are rising, and the DUP is reeling. Watching May and Johnson in parliament the other day was Monty Pythonesque. "Oh no I did not, oh yes you did". Johnson claimed he was unaware the Brexit deal would create these kinds of problems, only to be reprimanded by his predecessor Theresa May. Scolding him she declared that as her

foreign minister at the time, he had been briefed repeatedly on the problems this kind of deal would generate.

Johnson gets desperate.

Johnson knows that the loss of the by-election and events leading up to it was all about him. Why else should he be continuing to pile up more wild and unaffordable promises. Promises like the Royal Yacht which was made without consulting the Treasury. It is clear that the relationship between the Chancellor Sunak and Johnson has veered off course. Prime Minister's fight the Treasury at their peril. Johnson realises that tax rises blows his premiership apart, but they are unavoidable given the state of government finances and the demands on it such as social care.

Johnson is learning that financial prudence and populism do not fit together. It is one thing to be caught out lying time and again, it is another thing breaking your economic promises and backing away from your policies. Levelling up was always going to bedevil Johnson. It was always going to be the case that as soon as the country was vaccinated and the pandemic contained, the claw-back would begin. It was always going to be the case that the treasury would be forced to move from hidden cuts such as underfunding councils, schools, school meals, the £500 stay at home payment etc., to visible cuts to pensions and projects, breaking the Tory electoral compact with their voters.

Recent estimates have upped the GDP losses from Brexit to 5% while that from COVID has been held at 3%. Cumulative losses of 8% is a huge loss to bear and it does not make a good stage for a Populist to prance around on. More a case of levelling down than up, and that is fatal for Johnson. Johnson will learn that riding and trying to manage the injured capitalist beast is like riding an eight-foot porcupine on steroids. Painful and humiliating.

Labour are equal stupid.

The Labour Party under that tin can, Starmer, remain mesmerized by the Tories. In inverse proportion to the boldness with which they struck down the left wing in their party stands their electoral timidity. A leader who cannot see that the Tories are done for must be the most disorientated leader since 1906. What a pair he and Johnson make. Seems that Starman outclasses Johnson in only one respect, his incessant rearranging of officials without changing the vase, no doubt to protect himself. One wonders what he hopes to achieve, because colourless bureaucrats all look and behave the same.

Labour has become a lifeless and uninspiring party. This reflects its internal regime. A suffocating control by the center, suppression of debate and fear of expulsion. Starmer has not so much remade the Labour Party as he has mummified it. Exactly the opposite of a healthy workers' party run by the base, full of debate and talent, and inviting participation.

The effect of this can be seen in the forthcoming 1st July by election in Batley and Spen (Yorkshire). Fearing defeat the whole election is being stage managed. The left is not only being frozen out, but they are being kept on ice should Starmer need a scapegoat. Criticisms or suggestions from local activists are being suppressed. It seems the tepid, colourless, and uninspiring Labour Party is inviting its own poor result. And yet the Tories are ripe for the taking.

It is unlikely that Starmer will survive a trouncing in this by election, but such a trouncing is unlikely.

Conclusion.

Johnson is the penalty the capitalists are paying for upending Corbyn with their smears, slander and inuendo. Johnson has done far more damage to their economy and their interests than Corbyn could ever have done. This is not unique to Britain. The Koch brothers meddling has created an anti-Semitic monster, and Murdoch's children have watched in horror as their father's Fox news almost upended electoral democracy in the USA.

In the end the machinations of billionaires and moguls will have been for nought, because when workers discover, as they will, how they have been taken in and used by the Tories, particularly over Brexit, they will not go quietly into the night.

And as for Starmer, yet another one of their proteges, he has about as much appeal to workers as a fart in a lift. He is not someone who can win respect and reign in workers. It is likely we will soon see a clearing of the decks. Johnson will become the fall guy for everything that went wrong in the country - from the pandemic to Brexit - while Starmer will held accountable for everything that did not go right in the Labour Party. One wonders how long after he has been booted out of Number 10, will Johnson still be paying for the ostentatious and costly décor there.

There is a political storm coming driven by economic winds, but the capitalists' choice of current politicians, puts them on the back foot.

Brian Green, 21st June 2021.