

LEVELLING UP WITHOUT COUGHING UP.

What was predicted has come to pass. The worst British Prime Minister in history is in free fall, his parachute now reduced to shredded lies. Below, waiting to meet him are millions of angry workers forced to pay for the pandemic with wage freezes. Fellow MPs look on aghast as he makes an awkward landing with his feet in his mouth.

Last week Boris Johnson gave his long-awaited “Levelling Up” speech to coincide with “Freedom Day”. Here are some of his choicest phrases. *“there is every prospect that this country is poised to recover like a coiled spring...we need now work double hard to overturn those inequalities so that as far as possible that everyone everywhere feels the benefits of that recovery and that we build back better across the whole of the UK...and so levelling up is not a jam-spreading operation, it’s not robbing Peter to pay Paul, its not zero sum it’s win win for the whole United Kingdom and so here is the plan for levelling up. the most important factor in levelling up, the yeast that lifts the whole mattress of dough, the magic sauce – the ketchup of catch-up and that is leadership.”* So what is needed is saucy leadership to take advantage of this soiled spring. But what was missing was the money tree. The only levelling up fund was £50 million to pay for football pitches, ah so that’s what he means by levelling up - level playing fields. <https://www.gov.uk/government/speeches/the-prime-ministers-levelling-up-speech-15-july-2021>

Johnson’s popularity is declining in inverse proportion to the rise in Covid infections. His speech was received with stupefaction. MPs are jittery as it begins to dawn on them how big a liability Johnson has become. The demented populist wing of the party led by Johnson is arm wrestling the fiscally prudent forward-looking wing of the party led by Sunak. A state of paralysis and decay surrounds the party as the bad news builds up and they do not know how to deal with it or how to sell it to the public. Even the gutter press that did the dirty on Corbyn now wonder if they bet on the wrong horse or rather wrecking ball.

Above all the popularity of the Prime Minister is blinking on and off like hazard lights. More of the electorate now recognize that they have been duped and all Johnson has done is to put the Con back into the Conservative Party. The bumbling, stumbling politician is actually a menace. All around, people wear masks feeling threatened by Freedom Day rather than embracing it. Not that the tin can Starmer has noticed because he is more concerned with dismembering the Labour Party without sedation.

At the same time Johnson was babbling on, the Institute for Fiscal Studies predicted that next year there will be an additional \$17 billion in cuts coming. These are additional cuts on top of those already penned in prior to the outbreak of the pandemic. It is clear there will be not enough money for the things most workers care about, which is not trunk roads, R&D spending or subsidizing giga battery factories etc., but health, education, social care, social housing, adequate social security and so on. All the supports which were missing, and which made so much of the population vulnerable to the virus. <https://ifs.org.uk/publications/15541>

In the meantime pay freezes are the order of the day. The BBC calculates the pay freezes for teachers will mean they have suffered a total cut of 8% over 12 years. This 8% figure is an underestimate because the basket of price rises which affect lower paid workers is always underestimated. Even the 3% pay rise for nurses will have to be partially funded by the NHS, that is to say by patients. And as for the police, they have just passed a vote of no-confidence in the Home Secretary after she imposed a pay freeze. Imagine, reimposing austerity while pissing off the police. And all these pay freezes will turn into pay cuts when

National Insurance is raised to pay for social care, because dammit we are told, there are not enough rich people to tax.

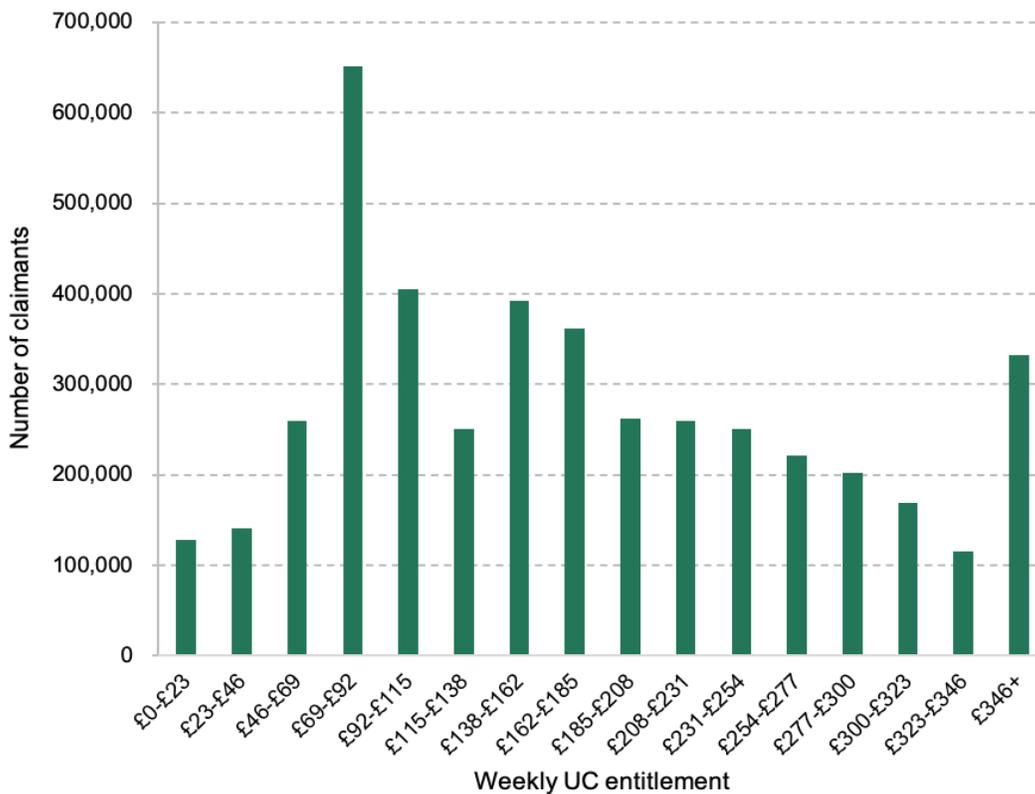
Even that rogue Dominique Cummins, who is trying to rehabilitate himself at the expense of Johnson has conceded that Brexit may have been a mistake. The only enjoyable form of cage fighting is political cage fighting between professional paid liars like Cummings and Johnson. He knows that the day of reckoning is coming closer. Really, it appears the whole political establishment is crumbling just as the class war is about to kick off. But that is the way all significant historical events unfold.

The most painful cut of all.

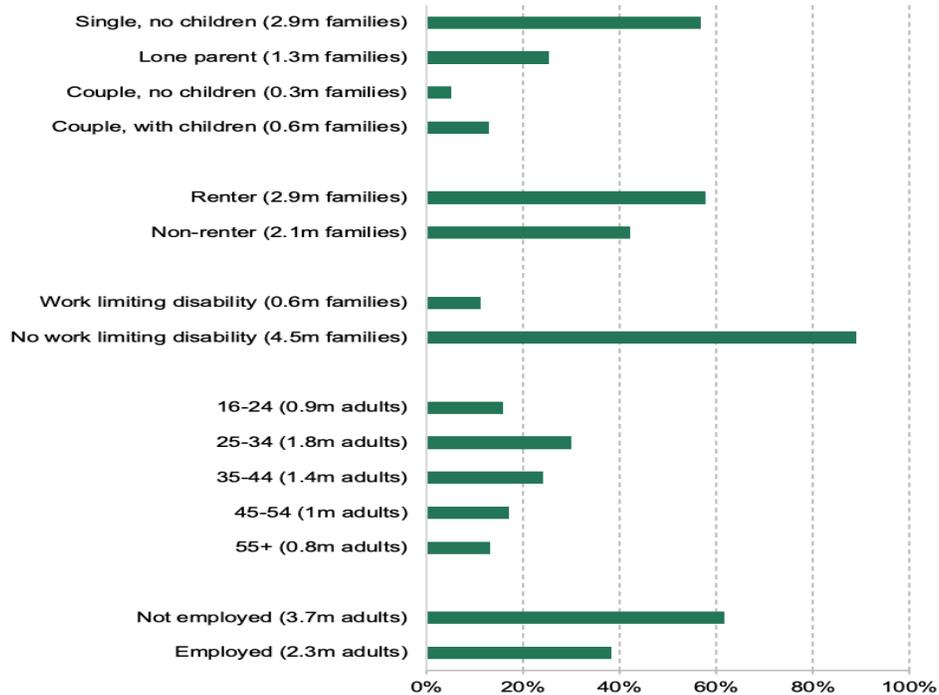
Johnson has confirmed that the £20 uplift to Universal Credit will be scrapped by the end of September. Asked how claimants will survive, he answered they will have to find work. This is a cruel, ugly and cowardly attack on the most isolated and vulnerable section of society. It amounts to starving workers back to work, except there is no work even low paid work.

The IFS data below, in graph form, gives a profile of those in receipt of UC. The data is based on February 2021 figures.

Graph 1.



Graph 2.



<https://ifs.org.uk/publications/15528>

The IFS data relates to February when the claimant count totaled 5 million. The latest reports by the DWP shows that the number of claimants has increased by a million to 5.965 million, of whom 58% are subject to conditionalities which include potential sanctions, while 53% of claimants are women. <https://dwp-stats.maps.arcgis.com/apps/MapSeries/index.html?appid=f90fb305d8da4eb3970812b3199cf489>

To put this data in perspective by extrapolating the IFS data, there are currently 1.5 million single parent families on UC (never mind EAS). This represents 50% of all single parent families in this country amounting to 2.9 million as counted by the ONS in March of this year. In terms of all families, the number of family claimants represent 31% of the total of 19.4 million families, some of whom are over pension age. Thus UC now affects a significant share of the population. In addition, as of August 2020, there were 0.34 million JSA (Job Seekers Allowance) claimants and 1.9 million ESA (Employment and Support Allowance) claimants. Altogether there are between 10 and 11 million claimants. (Note 1) <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2020>

It is worth adding that because of the £20 pw uplift many claimants moved from legacy benefits to UC to take advantage of this uplift because the £20 was limited to UC. However, once a claimant has moved over to UC they cannot move back or over to any other form of benefit. UC is a life sentence or at least it is until retirement age. Many of those who moved across to take advantage of the £20 uplift now rue the day they took this step.

The Government saw the £20 uplift as killing two birds with one stone. Firstly, it was financial support at a time of a national emergency and secondly it was used to rehabilitate Universal Credit which had been under universal pressure for it to be scrapped. Clearly the government now feels that Universal Credit has

sufficient support to ride out the wave of anger that will erupt with the claw back of the £20. They are wrong. History will record that not only did the Tories underestimate the virus they also underestimated the virulent anger of workers.

What will this loss of £20 pw mean to claimants? All the data below is based on annual payments which translates the £20 pw into £1040 p.a. They represent current benefits.

Table 1.

| Age with or without children | Annual Benefit | UC Uplift | Percentage loss |
|------------------------------|----------------|-----------|-----------------|
| Under 25 | £4128 | £1040 | -25.2% |
| Over 25 | £4938 | £1040 | -21.0% |
| Couple under 25* | £5087 | £1040 | -20.4% |
| Couple over 25 | £7159 | £1040 | -14.5% |
| With 2 children** | £12200 | £1040 | -8.5% |

<https://www.gov.uk/universal-credit/what-youll-get> *per couple not individual. **Average for under and over 25.

Now it is important to note that these losses do not include inflation. Inflation is likely to be around 6% for claimants because of soaring food prices and later on in the year, the removal of the cap on gas and electricity. So the real loss ranges from over 15% to 30%. This is what the mealy-mouthed IFS has to say in its report. *“It is worth noting that the UC expansion represents the first significant real terms increase in entitlements for out-of-work claimants without children in half a century, despite the fact that earnings have doubled in that time (and therefore financial incentives to work have been substantially strengthened over this period). This lack of real increases has also left the safety net for those without children unusually thin by international standards, well below the average among developed countries.”*

Revolutionaries on the other hand have to speak truth to the situation. These cuts will kill and if they do not kill, they will stunt the growth of children. Struggling claimants will be forced to beg and steal to stay alive and feed their children unless we organise them.

At the beginning of the pandemic, a panicked Prime Minister standing before a rising tide of death, said “never again”. The pandemic, he claimed had taught him and his government of the need to build a resilient society, not one made sick and vulnerable because of poverty, poor food and poor housing. Building back better became the mantra. Fifteen months later, the vaccines have given Bojo back his Mojo. Its back to profit and loss, the cold hard calculations made by every exploiter which so damages the working class. Once more the nanoscale civilized veneer is stripped away to reveal the putrid heart of capital. Once more Johnson’s promises have turned into radioactive ash.

Defend and extend the £20.

The city I live in has a proud record of fighting for the rights and needs of claimants. Eight years ago the local claimants’ union began a campaign to stop supermarkets throwing away food instead of giving it away. You see it made economic sense at the time to throw away food because it was a tax right off. That’s capitalism for you? After a 14-month noisy campaign we won, by first convincing Marks and Spencer to change their policy, and once they did, the rest followed. Since then millions of tons of food has gone into stomachs rather than land fill.

To build the campaign we set up a weekly fruit bank outside a few job centers to engage with and win the support of claimants for the campaign. We provided a bag of fruit and vegetables chosen to either require

minimal cooking or no cooking at all such as bananas, tomatoes, apples, carrots, because some of the claimants could not afford gas for cooking. Our slogans were “*providing the assistance while organizing the resistance*” and “*solidarity not charity*”. Slogans which came to be adopted throughout the country. I raise this because of the importance of doing systematic work over time without which nothing can be achieved.

Five years ago, many of the activists who were now in Unite the union, recognised that holiday hunger was going to become a burning issue, which it did. We set up one of the few union led projects to provide school meals during holidays while campaigning to “*extend and expand school meals*”. By extend we meant into the holidays and by expand we meant expanding entitlement so that more children could receive these meals. We lobbied in the union movement for funding and received many generous donations. In the end the number of meals and hampers we provided were measured in the tens of thousands. We won the support of local schools and parents, and with Unite’s lobbying efforts, the support of Jeremy Corbyn’s Labour Party just before the elections. Had Labour won, school meals would have become a right not hand-outs provided by charities.

Again the principle governing the project was to provide solidarity not charity, to show that the unions could help their communities and not leave the field clear for Thatcher’s children - charity workers and volunteers. That was the central message when we spoke at branch meetings raising money. We pointed to the danger that if the organised working class did not defend and support the unemployed, they could be turned against the union movement.

I have filled in all this background data because this is the kind of campaign we need to build to “*Defend and Extend the £20*”, and to proclaim: “*We Will Not Starve In Silence*”. Just as we identified Holiday Hunger to be a burning issue, so we have identified the £20 issue as probably the biggest issue that will face the government in the Autumn. Sections of the Tory Party also recognise this. Six former welfare ministers have written a joint letter criticizing this decision and “red wall” MPs are worried by its effect on their constituencies.

Prior to the pandemic, and using the authority of the holiday hunger project, we convinced the TUC to call a national conference on Universal Credit around the theme “Universal credit invades the workplace, how should the unions respond.” The urgency was the millions of workers in work receiving benefits including tax credits which were now being rolled up into Universal Credit. (The IFS data shows that by February already 2.3 million claimants were in work. See Graph 2.) (DWP data for 2020 puts the total number claiming housing benefit at just below 3 million, many of whom are in work.)

Anyone in work working less than 35 hours at the minimum wage is subject to conditionality. Anyone in work who has a material change in circumstance is changed over to Universal Credit automatically. Thus more and more workers on minimum hours or in receipt of benefits were being corralled by UC.

With this £20 campaign we have the opportunity of uniting the employed and unemployed in a common struggle. We need to tie this £20 campaign to the struggles by the unions against the pay freezes. It is the same issue, the same struggle. Writing to Labour MP s will not cut it. Under Starmer the Labour Party is more concerned about biting off its own tail.

The period ahead is filled with turbulence and therefore opportunity. Anything and everything is possible. Workers in their millions know that the rich have benefited from the pandemic, that their fortunes have

grown. That it's workers once again who are being forced to pay for the economic fall-out from the pandemic with freezes, cuts and taxes. There is anger everywhere, and the capitalist class knows this. Worse for them the Labour Party is handicapped by Starmer and singularly misplaced to reign in any anger.

Everywhere the populist right wither and droop off the electoral branches. Their slogans bleached dry by the light. Instead of being suckered into building back better, our slogan must be, build back the movement stronger, the organised movement of the working class. That is the way forward.

Note 1. The whole terminology around benefits has changed. Gone is the word social security which implied the right to support while off work. The word allowance has replaced the word right. Like lucky children, workers are now given an allowance. In the 1930s the Bosses agreed to some form of unemployment scheme provided it was conditional. The fraudsters, scammers, thieves and tax dodgers decided that only they were allowed to abuse the system. Workers could not. Unfortunately the trade union bureaucracy to this day has swallowed the line that if there were no conditions and therefore penalties, workers would rather claim than work.

Today's benefit system kills, it is an act of terror against the working class, designed to intimidate and force workers to accept any job. It helps tilt the balance further in favour of the bosses and it must end. It needs to be replaced by an unconditional claimants income that is sufficiently high so as to not only satisfy the needs of the unemployed but to also force up wages ending this regime of low pay. As long as we have a brutal benefit-system we will have low pay. That understanding fuses the interest of the employed and the unemployed.

Brian Green, 25th July 2021