

A BUNCH OF BANKERS

George Osborne has implemented billions of pounds of cuts in an attempt to reduce the budget deficit. Tens of thousands of students will be denied places at university this year – and future students may face debts of up to £80,000 - government support for some industries has been removed, putting thousands of jobs at risk, and local government services are being slashed. Many workers are facing pay cuts or freezes. Core public services like the Post Office face privatisation.

And this is just the start. The government wishes to slash public spending by 25% or more, which will put about a million on the dole and risks bringing about the feared 'double-dip' recession.

Why is this happening? Firstly, several of Britain's largest banks were on the edge of collapse. Hundreds of billions of pounds were given to them to avoid this. Secondly, these banks refused to lend to companies, so the state had to step in to provide loans to keep them solvent. Thirdly, hedge funds and private equity companies have made a killing through takeovers financed by loading huge debts on to previously viable companies, many of which then faced difficulties. And fourthly, these same financiers often pay next to nothing in taxes.

It is time to end the rule of these people, whose jobs in good times are virtually a license to print money and in the bad times get bailed out by the taxpayer at a cost of hundreds of billions of pounds.

Why do the politicians go along with it? Surely keeping these people in champagne and caviar loses, rather than wins, votes. The problem is that the Tories, Liberal Democrats and New Labour alike have been bought by these financiers.

George Osborne is very popular among bankers. Serena Rothschild has given him a donation of £190,000 and another large donation came from Jeremy Isaacs, CEO of Lehman Brothers' operations in Europe and Asia.

Days after Osborne attacked bankers' bonuses, the Tories were happy to receive another £31,500 from another Lehman Brothers executive. This is nothing compared

to donations received from tax dodging banker Lord Ashcroft, who has given the party millions over the last few years.

Some Liberal Democrat politicians have similar background and backers. Disgraced Liberal Democrat ex-minister **David Laws** made millions in the City, becoming a Vice President of JP Morgan in his twenties.

And New Labour are the same. The former Minister Paul Myners, a director of the hedge fund GLG, gave **Gordon Brown's** leadership campaign £12,700. Private equity tycoon Sir Ronald Cohen has given Labour at least £2 million in recent years. **Tony Blair** (remember him) is being paid between £50,000 and £170,000 per lecture for a series of four presentations at Landsdowne Partners, the private equity company which profited from 'short-selling' shares in UK and Irish banks which had to be rescued by the taxpayer. **The chairman of Landsdowne Partners has also given the Conservatives over £400,000.**

The problem is that the top bankers and top politicians inhabit a universe far removed from the way that other people live their lives. Most members of David Cameron's Cabinet are already millionaires, with Dave 'worth' £3.2 million and George £4.3 million. The way in which, as even mainstream economists demonstrate, bankers effectively create 'money out of nothing' (see <http://www.prosperityuk.com/prosperity/articles/howbcm.html> for details) has led them to see themselves as infallible 'masters of the universe'.

What we need are measures to prevent the financiers holding the country to ransom. Banks need to be regulated, broken up, made liable for irresponsible lending, nationalised and ultimately turned into the servants rather than the masters of the people. The proposals by UNISON and the PCS trade unions for tax justice (closing loopholes exploited by the rich) would bring in an extra £100 billion – enough to pay off the deficit and increase public spending. We need to implement a 'green new deal' in the interests of society and the planet alike. And we need a political alternative to stand up for the interests of the majority rather than the millionaires.



Wealden Progressive Movement

wealdenprogressivemovement.googlepages.com