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Corbyn and McDonnell's dark vision of a Venezuelan Britain

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Politicians regularly claim elections are crucial to the future of the country. Few are.

At times of consensus, as between 1945 and the 1970s, or 1997 and 2010, it probably did not make a huge difference who was in power.

But this Thursday, Britain faces a stark choice. On one hand, a continuity Conservative government keen to deliver Brexit. On the other, a Labour leadership determined to launch a pre-Thatcherite economic transformation of Britain.

Just a month ago, Labour seemed irrelevant. Economic liberals had the luxury of slamming Conservatives for their energy price caps and arbitrary migration targets. But now some polls show Labour within a few points of the Tories.

The prospect of Jeremy Corbyn as Prime Minister and John McDonnell as chancellor is real. The time for false equivalence is over – this Labour party would be calamitous for our economy.

Corbyn has publicly supported the government of Venezuela, a country destroyed by socialist economics and currently ravaged by mass protests, food shortages, spiralling violence and hyperinflation.

Meanwhile, McDonnell has talked of “fermenting the conditions to overthrow capitalism”, nationalising the entire banking system and forcing the Bank of England to overtly finance government spending. In other words, the economics of a banana republic.

This is important. After the publication of Labour’s manifesto, left-wing pundits swarmed to portray it as a moderate social democratic agenda.

But Corbyn and McDonnell’s comments above show the ideological star that guides them. The manifesto is the thin end of the wedge. Even then, the sum of its policies would slow growth and reverse the liberal economic order built up over three decades.

The tax burden would be raised to its highest level since the 1940s. Marginal tax rates for mobile high earners would be raised, even though the exchequer is dangerously dependent on them already. The government would go on an infrastructure spending binge, a recipe for cronyism and pork-barrel politics. Collective bargaining would return, bringing with it the industrial unrest

that brought the country to its knees in the 1970s, when rubbish went uncollected and bodies unburied.

Rent controls and huge council house building would destroy the private rental sector and trap people in areas of deprivation. European-style regulation of the labour market would result in continental European rates of unemployment. The long-term debt outlook would deeply worsen, as Labour commits to cancelling planned increases in the state pension age, and nationalises social care further.

That is to say nothing of the party's disdain for property rights. Football club owners will be forced to offer shares to supporters when selling. Bank branch closures would have to be approved by government and workers given first refusal to buy their company.

Corbyn has even talked before about granting a "right to buy" to renters and introducing a "maximum wage".

The combined damage of these ideas cannot be downplayed. These policies led to the disastrous relative decline in productivity and living standards here in the post-war period. The results today would be no different.

We could expect lower private investment, higher government debt, a flight of talent and capital, higher levels of unemployment and the insider-outsider politics of conflict that built up slowly through the 60s and 70s.

Of course, some liberal-minded voters might be tempted by Corbyn's perceived ability to prevent a clean Brexit. But even this would be misguided.

Corbyn has for years opposed the EU on socialist grounds. He demanded Article 50 be invoked straight after the referendum. His manifesto says that Labour would keep the UK in the Single Market but also control migration – something the EU has said would be impossible.

And we know from his pronouncements that his vision of post-Brexit Britain would mean more protectionism under the guise of "raising standards" and "protecting jobs".

There is, quite simply, no economic or liberal case for Corbyn's Labour. They offer no coherence on Brexit, the biggest issue of the day. Instead they promise steps towards socialist populism, where the state does everything but let us be free and prosperous.

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