

Politics is now the feel-bad factor

Woe unto Britain's aspirational class, about to be crushed between the upper millstone of David Cameron's Tories and the nether millstone of Gordon Brown's Labour Party.

Start with the nether millstone, already grinding away at the general wellbeing (you remember general wellbeing, or GWB, Cameron's preferred alternative to GDP) of the broad middle classes. Brown is fond of warning that Britain's workers are increasingly subject to competition from low-paid Asian workers, producing many of the goods and some of the services that Britons once produced, and at a fraction of the cost. That keeps British wages from rising, a good thing if you worry about inflation, not so good if you are the affected wage-earner.

Brown is less fond of mentioning two other forces pressing down on wages. The first is the disincentive to work created by means-tested welfare schemes. Why work that extra hour to increase your income when the Government will snatch some 70 per cent of that extra money in higher taxes or lower benefits?

The second is the flood of immigrant labour pouring into Britain to work legally if possible, illegally if necessary, at jobs that Labour politicians like to say British workers won't take. What

they don't say is that in the absence of immigrants employers would have to bid up wages to levels that British workers would find acceptable – especially if those workers faced loss of benefits if they preferred daytime television to day- or night-time labour.

The mill set in motion by Brown also grinds away at disposable income. The Chancellor's multiple tax increases have accumulated to a point at which workers simply can't get ahead after rendering unto the Treasury that which the Treasury claims is its rightful share. One wonders at the reaction at Horse Guards Road when that old statist Jacques Chirac proposed cutting France's corporate earnings tax to 20 per cent, and when China's communist rulers decided to experiment with a flat corporate tax rate of 25 per cent. Britain is almost the only major country moving taxes up rather than down. Only the tone-deaf Tories can't hear the pips squeaking.

Then we have the upper stone of this grinding mill: Cameron's business-smiting, greener-than-green Tories, who have launched a programme to help consumers keep their living costs down. The incoherence is stunning. Cameron moans about mortgage payments that have risen 78 per cent since Labour came to power, and says this reflects "the trebling



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in house prices". It is hard to see what the problem is: mortgage payments up 78 per cent, the value of the houses underlying those mortgages up 300 per cent. Sounds a pretty good deal to me.

Never mind: numeracy is no longer the Tories' long suit.

Consider Cameron's plan to "keep the cost of living down" – by forcing hard-pressed consumers to pay more, not less, for most of the things they buy. Start with food. The Tory leader has attacked the supermarkets for – get this – paying too little for what they buy from farmers, no matter that these growers are already subsidised with the tax money of the consuming classes. Raising the prices retailers pay for agricultural goods hardly sounds entirely consistent with the Tories' new "Live Life for

Less" campaign. So we are to have lower food costs by forcing supermarkets' costs up, and – another Cameron suggestion – shopping in farmers' markets, where prices are generally higher than in supermarkets. Finally, we are to buy British, even if that is more costly, so that we can lower our carbon footprint by not having foods produced more efficiently elsewhere travel from, say, the fields of poor African farmers (so much for the war on poverty) to grace our tables.

So Cameron's ever-expanding list of hateful companies now includes supermarkets. Only a few more and he will have attacked every member of the Footsie 100, the companies that create much of Britain's wealth and provide many of its jobs. Rarely has a conservative party managed an agenda so hostile to the institutions that provide so many with their incomes. Little wonder that the City sees Brown, high taxes, regulations and all, as a safer pair of hands than Cameron.

Cameron is also intent on destroying much of the wealth created for Middle England by the recent appreciation in house prices. He wants to make homes more "affordable", which, translated, means bring down the value of the homes in which two-thirds of British families live. How might this massive redistribution of wealth from

owners to non-owners be accomplished? Higher interest rates mean lower house prices, but that lever is in the hands of the Bank of England, made independent by Brown.

A large increase in the supply of houses, along the lines favoured by John Prescott, would also do the job. That might do wonders for the sale of rooftop windmills, if Cameron's architects have their way, but have a less favourable effect on this green and pleasant land.

Finally, the Tories have abandoned three programmes that would lower the cost of living of many middle-class families. They no longer promise to relieve families of the crushing burden of Brown's taxes; they have doomed parents to pay taxes that include the cost of state-provided education even if they make no use of that system; and they have dropped their call to allow patients to take their NHS payments with them if they look to the private sector for health care, forcing these families to pay twice for treatment.

So abandon hope all ye who are in what Tony Blair calls the aspirational class. Your champion has been invited by his party to leave the field, and will very soon. If Gordon Brown leaves you with any discretionary income, David Cameron will see to it that every pound buys fewer of the necessities of life.