

Labour Affairs

Incorporating the Labour and Trade Union Review

No. 273 December 2016 - January 2017

Price £2.00 (€ 3.00)

Corbyn: Could Do Better

Jeremy Corbyn's performance at Prime Minister's Questions has improved in the weeks since his re-election. He is more abrasive and aggressive, and carries a confident swagger. And yet, he continues to let Theresa May off the hook. Her false accusations about Labour and the NHS, the last Labour government's profligacy and its responsibility for the 2008 crisis, go unchallenged. But Corbyn is not helped to counter these accusations by his backbenchers who remain fixed to their seats with an air of indifference. One could suspect that they are more keen to defeat Corbyn than to weaken and eventually defeat the Tory government.

Open backbench opposition to Corbyn has subsided, although when confronted by the media some backbenchers confess their displeasure and are quick to stress their failure to support him in the leadership ballot. Big hitters such as Hilary Benn and Yvette Cooper now head key Commons committees on Brexit and Home Affairs, freeing them from potential Shadow Cabinet membership. Meanwhile Chuka Umunna, beaten by Cooper for the Home Affairs Committee chair, sulks in the background, when his obvious talents could be used in the service of Labour.

Opposition to Corbyn is now most vocal from former Prime Ministers Blair and Major. Blair's promise to "help millions of effectively homeless people" is code for hatred of the left. It rings hollow when millions were alienated by his support for the disastrous Iraq war and when Labour's membership collapsed under his leadership. Meanwhile Major has called for political centrists to unite against "extremes" and the "far left". To the cynic the simultaneous media reporting of Blair's and Major's comments suggest a conspiracy. Or to the naive, they suggest a mere coincidence.

One earlier media focus has now faded: the accusations of antisemitism within the Labour party. Too many Jews came forward to denounce it for it to have any credibility. Too much public debate might have convinced the public that it was sheer nonsense. But the House of Commons report on antisemitism in the UK, referred to in this issue of Labour Affairs, focused heavily on Labour's and Corbyn's "failure" to deal with abuse against Labour MPs. And yet a report that purports to have investigated antisemitism across

the UK, but has little to say about it. And the emphasis on Corbyn's supposed role in antisemitic abuse and pointing the guilty finger at his lack of leadership on this, has more than a whiff of a stitch up.

Brexit offers Labour an opportunity to challenge the Tories on the absence of a coherent, workable plan on leaving the European Union (EU). A clear majority of MPs on both sides of the House of Commons, being Remainers, are unhappy with the referendum result. But they accept that the will of the people must be respected and rule out a second referendum on whatever final terms are agreed by Theresa May and her Brexit ministers. However, those final terms must be placed before the House of Commons for scrutiny and, if necessary, amendment by its members. But as we do not know what the final terms will look like, it was unwise of Shadow Chancellor John McDonnell to imply that the UK could have a rosy future following its exit from the EU.

A number of factors influenced those who voted to leave, but two in particular stand out: 1) the overwhelming sense of neglect by the political establishment of their need for economic security, 2) the perception that immigration is out of control with damaging effects on their communities. Corbyn understands that the economy has not worked for those people but fails to identify how identity and culture influenced the way they voted. When people feel that cultural change is adversely affecting their identity they become angry. And the loss of identity, rather than any adverse economic effects, may have had a greater influence on how they voted. This is not an argument against immigration. The overall economic benefits of immigration, are well known and accepted by most people. This is true only in terms of growth in gross domestic product, and may look different in the labour market, especially at the lower end. Nevertheless, Corbyn and Labour need a more holistic view of immigration rather than a narrow focus on its economic impact.

Corbyn and Labour appear to lack a credible defence and foreign policy, or indeed any policy on these. Given Britain's history of military activity, which people, rightly or wrongly,

generally support, it is naive to expect them to accept Corbyn's apparent pacifism. Being in favour of peace and justice is an emotional aspiration. It is not a policy. His refusal, for example, to say if he would press the nuclear button was bad politics. He could have simply said he was opposed to a first strike option and left it at that. And he should remind the House that Britain's nuclear deterrent is not independent so it is therefore nonsense to believe that a British Prime Minister could press the button as she or he chooses.

A coherent case can be made against the renewal of Trident, and Corbyn has a right to make it. But it would not find favour with most Labour MPs and some of the big trade unions. Nor would support for a dialogue with Putin and Russia which Corbyn has called for. Although his recent remarks about Russian militarism suggests a move away from his earlier position. This magazine supports a dialogue with Russia and Corbyn should continue to press for it. Of course, dialogue didn't fit with former US Presidents who tried to weaken and isolate Russia on account of its effort to strengthen itself internally and pursue independent foreign policies.

On the domestic front Corbyn and Labour are launching an attack on austerity and the marginal changes to benefits announced in the Autumn statement. These will do little to improve the perilous plight of disabled and out-of-work benefit recipients and the working poor. Theresa May's 'just about managing' received no comfort from Chancellor Philip Hammond. May is high on flowery rhetoric and low on political delivery. Her government have persuaded people that the 'out of control' welfare budget is exploited by 'shirkers' and bogus claimants, even though fraud accounts

for a tiny proportion of the total cost. Welfare is a key component of a civilised society, not a political football to be kicked around by politicians, some of whom, not so long ago, were guilty of fraud themselves.

A little over two weeks ago Clive Lewis, Shadow Secretary for Business, Energy and Industrial Strategy, spoke to the Royal Society of Chemistry about Labour's plans for Britain. In his speech he referred to a "New Deal for business", a "contract between Government, business and workers", and "a proper role for our trade unions" within "a social contract" that can bridge the divide between the parties. These were fine words but they will butter no parsnips until Lewis and Labour spell out in some detail exactly what they will mean in practice. The apparent reluctance to admit that this could mean putting workers on company boards may have been influenced by the silence, and in some cases downright opposition, from the unions.

Labour also needs to break out of its silence. Corbyn should press Theresa May on her earlier promise to put workers on company boards, from which she is now retreating. And he should urge the unions, with whom he has a good relationship, to take industrial democracy seriously. The TUC have shown how industrial democracy can help to move us away from the short-term shareholder model of capitalism and in the direction of a long-term general stakeholder form which benefits shareholders, workers and customers. It is time for Labour and the unions to take up the challenge.

Labour Affairs

Contents

No. 273 Dec 16 - Jan 17 ISSN 2050-6031
ISSN 0953-3494

Corbyn: Could Do Better Editorial	1
Worker representation on company boards by the TUC	3
Don't Cryogenic Me (poem)	6
Richmond Park by-election	9
Destroying Industrial Britain	10
Home Affairs Committee Report on Antisemitism.	13
Free Speech On Israel	15
Debased Globalisation by Gwydion M. Williams	16

Regular Features

Parliament and World War One: the Russian Revolution by Dick Barry	3
Notes on the News by Gwydion M. Williams	7
Views from across the Channel by Froggy	12
Diary of a Corbyn foot soldier by Michael Murray	19
Parliament Notes by Dick Barry	20
Orecchiette	24

Labour Affairs

Published by the Ernest Bevin Society

Editorial Board

Dick Barry Christopher Winch
Jack Lane Madawc Williams

labouraffairs@btinternet.com

Website: <http://labouraffairsmagazine.com/>

Distribution

Dave Fennell

Editorial Address

No. 2 Newington Green Mansions
Green Lanes
London N16 9BT

Editorials and older articles at our website,
<http://labouraffairsmagazine.com/>

This also has old issues of Problems magazine.

Parliament And World War One

by Dick Barry

ABDICATION OF THE CZAR.

On 15 March 1917, Sir Henry Dalziel asked the Leader of the House Bonar Law to make a statement on the abdication of the Czar of Russia.

Sir HENRY DALZIEL

I intervene only for a moment in order to invite the Leader of the House to make a statement on a matter which is indirectly dealt with in this Vote and which, I am sure, is of considerable public interest. For many days there have been rumours, some of them very wild, about the condition of affairs in the country of one of our Allies, namely, Russia. I was hopeful this afternoon that as this Vote dealt with advances to our Allies the Leader of the House perhaps might have given us some information which I doubt not is already in the possession of the Government as to matters in Russia. No doubt from high public policy he refrained from mentioning the matter. But I think that, after all, the House of Commons is the place where important information should be conveyed to the nation. I am sure that no one would endorse that more than the Leader of the House himself. I want to ask the Leader of the House whether he can give us any information before we separate to-night as to the internal

condition in the country of our great Ally, Russia. Is it true that the Czar has abdicated? Is it the case that the Duma has refused to be dissolved and has placed under arrest the members of the Russian Cabinet? It is important not only to the Government but important to the country and, above all, to the success of the great War in which we are engaged, that the House of Commons should be taken as fully as possible into the confidence of His Majesty's Government.

For my part, so far as I have read the news that has come to hand, I think there is nothing to be alarmed at so far as this country is concerned. I would invite the Leader of the House, if he can, to give us a reassuring statement in regard to the situation. A revolution at any time is undoubtedly a disturbing factor, and more especially at the present time, but so far as the information which has reached this country is concerned—and there has, of course, been information for several days which has not been published—it points to the fact that those who have caused this revolution are not only sincere friends of this country, but that they are anxious to ally themselves with us to carry this War to a successful issue. In fact, I would invite the Leader of the House to say that this is no pro-German success, and that, so

far as we can judge from the result, it is really an anti-German movement. I hope, therefore, that in a matter of this importance, especially when we are passing money which I understand will probably reach our Allies, it is pertinent to ask the Government to make some statement, first of all, to allay the many wild rumours that are in progress; and, secondly, to give us a reassuring statement as to the general situation.

Mr. BONAR LAW I quite agree with my right hon. Friend that in a matter of this gravity it is the duty of the Government, if it is in their power, to give the House of Commons all the information which can be safely imparted to it; and I am strongly of the opinion with him that the House of Commons is the proper place in which information of that kind should first be communicated to the public. But I am sure the House will not be surprised that until to-night it has not been possible for me or the Government in any way to give any information as to what was happening in Russia. Revolution, as the right hon. Gentleman has said, is a serious thing at any time. It is very serious not only to the country affected, but to our Allies in a time of war. The first news we had of any serious trouble in Russia came by telegram on Friday night last. It was to the effect simply

ALL ABOARD - Making worker representation on company boards a reality Janet Williamson, Senior Policy Officer, TUC.

We publish below the Executive Summary from the above report. This was mistakenly omitted from the Labour Affairs November issue. The full report can be accessed on the TUC website www.tuc.org.uk

Executive summary

This report sets out the case for worker representation on boards, how it works in practice in other European economies, and how it could be put into practice in the UK.

The case for worker representation on boards

Enhancing the quality of board decision-making

Workers have an interest in the long-term success of their company; their participation would encourage boards to take a long-term approach to decisionmaking.

Worker board representation would bring people with a very different range of backgrounds and skills into the boardroom, which would help challenge 'groupthink'.

Workers would bring the perspective of an ordinary worker to bear on boardroom discussions and decisions; evidence from

countries with worker board representation shows that this is particularly valued by other board members.

Workforce relationships are central to company success, and worker board representation would help boards to manage these key stakeholder relationships more effectively.

The importance of voice

Workers' interests are affected by the priorities and decisions of company boards and it is therefore a matter of justice that they should be represented within those discussions.

Representation in practice

Evidence from Europe

Worker board representation is in place across most of Europe; the UK is one of a minority of European countries with no rights for workers' voice within corporate governance.

In 19 out of 28 EU Member States plus Norway (i.e. 19 out of 29 European countries) there is some provision for workers' representation on company boards, and in 13 of these countries the rights are extensive in that they apply across much of the private sector.

There is no one model of workers' board representation across Europe, and the way in which it operates varies from country to country

that there were disturbances in the streets. Since then we have had daily telegrams giving more or less authentic news—I mean it came from our Embassy, but they themselves had not all the possible means of obtaining accurate information in the circumstances which existed in Petrograd. But by degrees it became plain that Petrograd was becoming more or less under ordered rule, and that the rule was a rule over which the President of the Duma was exercising control. It was a fact also that almost from the outset the soldiers, and we are informed also the sailors, had taken the side of the Duma and the result has been, so far as information has reached us, that there has not been any serious loss of life. I am not sure that this is the case, but we have had no indication that there has been serious loss of life in Petrograd.

The reason I am able now to say something about it to the House of Commons is that only tonight a message was received from our Ambassador to the effect that a telegram had been received from the Duma announcing that the Czar had abdicated and that the Grand Duke Michael Alexandrovitch had been appointed Regent. I should be glad to give a reassuring statement. In what I have said there is a measure of comfort to us, who are the Allies of Russia, in the comparative tranquillity with which this change has been conducted. There is also this comfort, and a real comfort, that all our information leads us to believe that the movement is not in any sense directed towards an effort to secure peace, but, on the contrary, the discontent—this is the substance of all our information—is not against the Government for carrying on the war, but against it for not carrying on the war with efficiency and with that energy which the people expect. I have told the House all I know in this matter. They will understand that it is not possible for me to say more, but I can assure them that if any authentic information reaches us at any time I shall at once communicate it to the House of Commons.

Mr. H. SAMUEL I am sure the House will have heard with thankfulness that the great events which have taken place in Russia have passed off so far as the Government is aware without serious loss of life, and the House, I am quite certain, will rejoice at the statement of the Leader of the House that these changes are not likely in any way, so far as the Government is informed, to impair the solidarity of the great alliance between ourselves and the other Powers engaged in this war, and is likely, if it has any result upon the war at

all, to secure that it shall be prosecuted with even greater vigour and energy than hitherto.

Mr. DEVLIN The House is grateful to my right hon. Friend for his promptitude in calling forth the announcement of the Chancellor of the Exchequer. I am sure to those of us who believe in the triumphant vindication of democratic principles and democratic authority in all countries in Europe we must rejoice at what we believe to be a successful blow for democratic government in Russia. I am very glad to hear too from the right hon. Gentleman that the attitude of those who have taken part in this revolution has been an attitude which will tend to a further strengthening of all those in Russia who are associated with the Allies in the successful prosecution of the War. While we all rejoice, as I certainly do, at this vindication of the authority of the democratic power in Russia, we ought to draw a moral from it in this House.

We have witnessed to-day a House of Commons engaged in the task of carrying a Vote of Credit of £60,000,000, and it has been somewhat of a humiliation to find that in a matter so vitally affecting the nation and the Empire the Ministerial Benches have been practically empty, notwithstanding that on those benches we have Ministers, Under-Secretaries, and Sub-secretaries, and the secretariat outside the House, which is the latest form of political wisdom that has been created. It is, in my judgment, a regrettable incident in the history of our political institutions that so little interest should be manifested in this question by those who constitute the Government, and those who hide behind the tails of the Government. We have had two counts. My colleagues and I prevented the House from being counted out twice. I should like to know where all those Gentlemen were. They are not all engaged in the successful prosecution of the War. They are not in the War Cabinet. They are not Cabinet Ministers, they are Secretaries, and the least we can expect in respect and justice to the House of Commons is that these Gentlemen would be in their places to keep a House for the right hon. Gentleman (Mr. Bonar Law). I understand that the Secretarial Staff which sits behind the Cabinet Ministers were engaged to-day in looking for each other at the request of the Chancellor of the Exchequer. I know anything I say here would have no effect upon them, but at all events they ought to take an example from the right hon. Gentleman himself. I know he wants no compliments from me, but I

will offer this opinion, that no Leader of the House has ever shown a greater example of performance of duty, at all cost, with all due attention to the House and respect for its dignity.

When my right hon. Friend (Sir H. Dalziel) intervened we had just heard a very interesting speech. The hon. and gallant Gentleman (Major Hamilton) told us a number of most amusing incidents in connection with the comedy that is carried on at the St. Ermin's Hotel. I do not think he is a lawyer. I think he is a soldier. It is a curious commentary on the conduct of British affairs that you are always getting soldiers to do civilian work, and you are always getting civilians to do soldiers' work.

Major HAMILTON I think my hon. Friend is a little unfair. I am a soldier since the War. I joined the Army in September 1914. Unfortunately, after having made four efforts to get abroad, I have never been allowed to go abroad. I feel now that any use I might have been in the Army in instructing recruits is passed. There are plenty of other officers who can instruct them. I have, therefore, taken up civilian duties. I am now in civilian clothes, and I hope I shall be out of the Army in a week.

Mr. DEVLIN I make no complaint. I am quite sure that in the Army—and I believe it is true—he has played a very heroic part, and I am sure that he is willing to continue. I am not commenting on him as an individual, I am dealing with the system. I did not know of his official existence at all until he gave us a character sketch. He told us that he spent his time answering questions put to him by the lord mayors and mayors of cities and towns in this country. He is not a lawyer, and I think it is a considerable waste of time on the part of a gentleman who might be engaged in some more useful occupation. The reason I refer to it is that the lord mayors and mayors in England are much more fortunate in their relationship to the National Service authorities than those who are representatives in this House.

When this Bill was on Report stage Member after Member rose from these Benches to ask a germane question with regard to the future administration of the National Service Act in Ireland, but we could not get a single answer from the Minister. We asked him who was to be the Director-General, but he remained as silent as a tomb. If that was such a great State secret, we asked who would be the Under-Secretaries to the Director-General,

but he was equally reticent. We could get no information whatever as to who was to conduct the National Service scheme in Ireland under this voluntary system. The reason why we were rising, Member after Member, from these Benches on this point was because, in regard to the National Service scheme, if it is to be successfully carried out, we do not want the same mistakes and blunders made that were made in connection with voluntary recruiting for the Army. We wanted to know whether men of influence, authority, and efficiency were to carry out this work in Ireland. We did not get a single answer. I would respectfully suggest to the Leader of the House that the Chief Secretary for Ireland should be invited to allow the hon. Gentleman opposite to come down to this House, and having successfully answered the questions of forty-nine lord mayors and mayors of England, to answer the representatives of Ireland on the question of National Service.

I believe that in these times when everything is subordinated to war issues, and when we are asked to make the tremendous sacrifices that these Islands are making for the prosecution of the War, we ought not to forget the fundamental principles that lie at the root of our constitutional system, for the greatness of this nation depends upon the respect that is due to the House of Commons as the exponent of the nation's will. If a stranger is brought to this House, as I have brought many New Zealanders, Australians, and Canadians, and he finds that on a great financial issue of this character, when sixty millions of public money are being Voted, there is an empty House of Commons and, still worse, empty Government Benches, and a vast staff behind the Ministers, let those of us who still cling to the ancient and now despised doctrine that public will does count in the determination of public affairs—let us remember that the House of Commons is the last thing left to us for the preservation of the liberties of these Islands.

Mr. BONARLAW I have just received another communication which I would like to read, but before doing so I may say one or two words. I have listened with pleasure to the speech of the hon. Member who has just sat down. He made one suggestion to my hon. Friend that, instead of answering lord mayors and provosts, he should come here and answer questions. Judging by my experience in the House of Commons, I may say that I would rather be heckled by a thousand lord mayors than by my

hon. Friend.

Mr. FLAVIN Why do you not solve the Irish question?

Mr. BONARLAW I am now beginning to think myself not an old Parliamentary hand, but nearly an old Member of Parliament, and I have heard Governments attacked on many grounds, but I think that even the hon. Gentleman who spoke last will agree with me that this is the first time a Government has been attacked on the ground that it is neglecting its business because a sufficient number of Members of the House were not present to form a quorum. But, though I venture to say this in passing, I should like to add that I am personally grateful to the hon. Gentleman for what he said about myself. What is more important, I am greatly pleased by what he said as indicating, I hope, the feeling of himself and his friends, as well as to the desire which he feels for the successful production of the War. The telegram to which I have referred does not give much news, but, so far as it goes, it is reassuring. It is to this effect: "A telegram just received from Paris states that the Naval Attaché of the Russian Embassy there reports that railways and public services are working again." If I might, I should like to make an appeal to the House. It does not matter to the Government, because we shall not take any other business, but, after all, this is a very serious incident in the history of the War, and I think it would be to the advantage of the House of Commons if we did not continue to discuss it, and I would, therefore, suggest that the Motion should now be carried.

Question put, and agreed to.

REVOLUTION IN RUSSIA.

On 16 March 1917, Bonar Law made a further statement on Russia.

Mr. HERBERT SAMUEL At Question Time to-day, in answer to my right hon. Friend the Member for East Fife (Mr. Asquith), the Leader of the House said that if further information were received from Russia he would be glad to communicate it to the House in answer to a question at the time of adjournment. I beg now, on behalf of my right hon. Friend, to ask if the right hon. Gentleman has any statement on the subject to make?

Mr. BONAR LAW It will be remembered that, in the message which I read to the House last night on the abdication of the Czar and the establishment of a Regency, I was careful to read the exact words of the telegram, which were that the message had been received at the Embassy from the

Duma. I noticed at the time, to my regret, it did not say it was from the President of the Duma, and of course I was well aware that the impression on the House would be that it was an accomplished fact. Since then we have received the following message: What was stated in my previous telegram does not appear to be quite accurate. The Emperor's abdication and the appointment of the Grand Duke Michael as Regent have not as yet been carried into effect, although decided upon by the Executive Committee. I have only to add that we have received another telegram to the effect that it is not known where the Czar is. That is all the information we have received on the subject. I am sure that the House will feel that in these circumstances our knowledge is so meagre that it is impossible to formulate an accurate estimate of what has taken place.

PROVISIONAL GOVERNMENT

On 19 March 1917, Prime Minister Lloyd George provided more information on the situation in Russia.

Mr. ASQUITH May I ask the Prime Minister whether he can give us any information as to the state of things in Russia?

The PRIME MINISTER (Mr. Lloyd George) The incidents in connection with what I believe will prove to be one of the landmarks in the history of the world have followed each other with such dramatic suddenness that it has not hitherto been possible, and it is not possible to-day, to give to the House of Commons a detailed account of what has actually occurred.

There has for some time been deep discontent in Russia, of which there have been several manifestations, due to the inefficiency of the Government in the conduct of the War. On Friday, the 9th, some riots, due to the scarcity of food, occurred in the streets of Petrograd. This was, however, the occasion rather than the cause of the Revolution which immediately followed.

The soldiers who were commanded to take action against the rioters refused to obey orders, and gave their support to a committee, of which the President of the Duma was the head, which had been suddenly formed for the purpose of preserving order, and the control of the Government passed largely into the hands of this committee. Subsequently a strong Provisional Government was formed, of which Prince Lvoff is the head, and the Proclamation of this Government, as well as that of the Czar announcing his abdication for himself

and his son, and that of the Grand Duke Michael, have appeared in the Press, and also the refusal of the latter, while placing his services at the disposal of the new Government, to accept the Throne unless called to it by the voice of the people, expressed in a constituent assembly.

So far as our information goes, the Revolution has been brought about with very little bloodshed, and the new Government is receiving the support both of the country as a whole and of the Army and Navy. Our information, however, does not enable us to say that all danger is over, but it is satisfactory to know that the new Government has been formed for the express purpose of carrying on the War with increased vigour.

I have only to add, on behalf of the Government, that they believe that the Russian people will find that liberty is compatible with order, even in revolutionary times, and that free peoples are the best defenders of their own honour and safety.

Mr. FLAVIN Why do you not practise what you preach?

The PRIME MINISTER They are confident that these events, marking as they do an epoch in the world and the first great triumph of the principle for which we entered the War, will result, not in any confusion or slackening in the conduct of the War, but in the even closer and more effective co-operation between the Russian people and its Allies in the cause of human freedom. I may say that the Government propose to put a Motion down on the subject.

Mr. SWIFT MacNEILL Has the Russian counterpart of Irish misgovernment fallen to the ground?

Commander WEDGWOOD May I ask the right hon. Gentleman whether he contemplates sending any message to the Russian Duma from this the Mother of Parliaments?

The PRIME MINISTER Yes; I propose on Thursday to move a Resolution.

Sir J. D. REES Can the right hon. Gentleman say anything of the present position or fate of the Emperor, whose patriotic and unselfish conduct has facilitated this Revolution?

Mr. DEVLIN Can the right hon. Gentleman say whether a Constituent Assembly will be established for Ireland?

Mr. PRINGLE Will the right hon. Gentleman say when we are to have a reform of the franchise in this country?

RUSSIAN RESIDENTS (UNITED KINGDOM).

On 19 March the Home Secretary Sir G Cave was asked about Russian residents in the UK and the treatment of Russian Jews.

Mr. KING asked the Home Secretary whether he is aware that many Russians of military age in this country are married men with children; whether the agreement now being negotiated with the Russian Government for the return of Russian subjects to Russia will include the transport of the wives and children of such men with them; and, if it will not so provide, whether separation allowances will be paid here in respect of wives and children left in this country by Russians sent to Russia to serve in the Russian Army or whether these wives and children will be allowed to become chargeable to the rates?

Sir G. CAVE Points of detail such as these will receive attention. They cannot profitably be dealt with by way of question and answer.

RUSSIAN JEWS.

Mr. KING asked the Home Secretary whether he is aware of the speeches made in the Duma recently concerning the injustices suffered by Russian Jews and the policy concerning them announced in the utterances of Mr. Miliukov, the new Foreign Minister of Russia; and whether, in view of recent changes in the Government of Russia, he will consult Mr. Miliukov before proceeding further with the elaboration of an agreement whereby Russian subjects are to be deported to Russia?

Sir G. CAVE The negotiations referred to in the question are in the hands of the Foreign Office.

Mr. W. THORNE Does not the right hon. Gentleman think now, in the face of the political amnesty in Russia, that all Russian and Polish Jews should either go back or enlist in the Army in this country?

Sir G. CAVE That is the view already announced by His Majesty's Government.

Commander WEDGWOOD Have any steps been taken in this country to get into touch with free Russia?

Sir G. CAVE That is hardly a question I can answer.

Mr. KING Is the right hon. Gentleman aware that a question on this subject was addressed to the Foreign Office, and they asked me to address it to the Home Office; and when I addressed it to the Home Office, they asked me to address it to the Foreign Office?

DON'T CRYOGENIC ME, I NEVER LEFT YOU

Lying in a cryogenic tank
nothing changes,
nothing moves,
life drunk,
chemicals smelling of booze.
After that demo attack
they passed the hat,
so to Michigan,
and now back.
So many years passed.
A hospital repair,
life re-cast
in the private wing
but all wings are private now.
Time to ask questions,
how?
Industrial democracy,
no?
Elimination of drug addiction
so slow,
social housing didn't win over private,
what a blow,
the celebration of war
or its implementation,
does it still occur?
Calm down!
Another medical check-up,
then meet people
of renown.
Through Whitehall-
What is that, driver?
The Cenotaph,
can't you recall -
poppies and wreaths and
only our dead.
Quick, they want your autograph.
So many,
now my arm is lead.
What year is it?
Now now, no time, time for your
knighthood!
What year?
It's always Year Brit,
soon you'll meet the Queen.
A new one?
No, the same one, only older.
She's been!
The Establishment,
all of them,
and they came out
even bolder.
All of them have been
in the tank?
Some need to go back,
let's hope it's not you,
to be frank.
Then nothing's changed
or ever will.
Sometimes in Parliament
there can be a Bill.
But why me a total
nonentity?
You are the first of many,
a new people
against change,
against propensity.

Wilson John Haire.

Notes on the News

By Gwydion M. Williams

Has Trump Killed Neo-Liberalism?

Both Blair and Bill Clinton decided that Neo-Liberalism was here to stay. Economic dominance by the rich should not be challenged – better to join them. For them as individuals, it worked. For their parties, it has been a long-term disaster: “This race was for Hillary to lose and she lost it... Trump’s total votes are roughly in the same ballpark as Romney in 2012 and McCain in 2008. Clinton did win the popular vote, but Democrat turn-out collapsed compared to Obama’s numbers. How could the mighty Clinton machine lose against an entirely unqualified racist, sexist and populist? There seems to be a larger trend at play. US Democrats are reliving the trauma of the Dixie exodus, when they lost the South for a generation. Today, the exodus of the white working class reflects a trend which reshapes the electoral landscapes in all Western countries. Like no other, the name Clinton stands for the Third Way which has alienated centre-left parties from their historical roots.”¹

Trump’s message was ‘back to the 1950s’. He won declining regions and declining white voters. Those who voted Obama for a false promise of change did not vote for Hilary, who offered nothing much. She wanted Callous Globalisation to carry on. People had had enough. Trump appealed to the lost privileges of the White Race and Male Gender. But he also defended the right to a decent living for the USA’s working mainstream. The rights everyone should have as a citizen. Saunders defended those same people as a democratic socialist. He would have won the election if he had been the candidate. But the USA hangs on to the old-fashioned system of first-past-the-post, which makes it enormously difficult for new political parties to emerge.

Also obsolete is the Electoral College. It was designed by the Founding Fathers to prevent the sort of populism that Trump represents. But they were over-keen to minimise bad influences: they created an elected body with no job at all apart from electing the President. So it was soon subverted by candidates pledged to a candidate. The system also favours small states,

mostly Republican. The Democrats won the popular vote for both the Presidency and the Senate, yet the Republicans now control both. Hilary got over two million more votes: 64.3 million against Trump’s 62.3. Similar strange accidents have a way of favouring right-wing parties. In 1951, the British Labour Party got its highest vote ever, but Churchill won. Labour had 220,000 more votes, but the Tories had 26 more seats and an absolute majority.

Symptoms of US decline

“The failure of the American Dream, as we are told repeatedly, has produced a populist revolt of volcanic proportions... Between 1948 and 1973, productivity rose by 96.7 per cent and real wages by 91.3 per cent, almost exactly in step. Those were the days of plentiful hard-hat jobs in steel and the auto industry when workers could afford to send their children to college and see them rise into the middle class. But from 1973 to 2015 – the era of globalisation, when many of those jobs vanished abroad – productivity rose 73.4 per cent while wages rose by only 11.1 per cent. Trump argued that this was caused by unrestricted illegal immigration and the off-shoring of jobs, though these were only partial causes: the erosion of trade unions probably accounts for 25 to 30 per cent of the net loss in earning power. The 11 million unauthorised immigrants in the US form only part of the vast mass of non-unionised labour competing for jobs.”²

There was also the unbalanced fear of state power by 1960s radicalism. They had cause for discontent: state power was often technocratic, distant administrators deciding what was best for ordinary people. And quite often corrupt. But it was also a highly successful system that defended working-class interests within existing politics. In an imperfect world, the real choice has been between dirty politics dominated by politicians and public institutions, or dirty politics dominated by private corporations and the rich. Media owned by corporations and the rich give priority to exposing the faults of public institutions. They target politicians not sufficiently obedient to

them. And 1960s radicals as they gained power often fell for this:

“Antiwar liberal reformers realized that the key to power in Congress was through the committee system; being the chairman of a powerful committee meant having control over the flow of legislation. The problem was: Chairmen were selected based on their length of service. So liberal reformers already in office, buttressed by the Watergate Babies’ votes, demanded that the committee chairmen be picked by a full Democratic-caucus vote instead.”

“Ironically, as chairman of the Banking Committee, Patman had been the first Democrat to investigate the Watergate scandal. But he was vulnerable to the new crowd he had helped usher in. He was old; they were young. He had supported segregation in the past and the war in Vietnam; they were vehemently against both. Patman had never gone to college and had been a crusading economic populist during the Great Depression; the Watergate Babies were weaned on campus politics, television, and affluence...”

“The Watergate Babies provided the numbers needed to eject him, it was actually Patman’s Banking Committee colleagues who orchestrated his ouster. For more than a decade, Patman had represented a Democratic political tradition stretching back to Thomas Jefferson, an alliance of the agrarian South and the West against Northeastern capital. For decades, Patman had sought to hold financial power in check, investigating corporate monopolies, high interest rates, the Federal Reserve, and big banks. And the banking allies on the committee had had enough of Patman’s hostility to Wall Street...”

“Not all on the left were swayed. Barbara Jordan, the renowned representative from Texas, spoke eloquently in Patman’s defense. Ralph Nader raged at the betrayal of a warrior against corporate power. And California’s Henry Waxman, one of the few populist Watergate Babies, broke with his class, puzzled by all the liberals who opposed Patman’s chairmanship. Still, Patman was crushed. Of the three chairmen who fell, Patman lost by the biggest margin. A week later, the bank-friendly

members of the committee completed their takeover...”

“In 1974, young liberals did not perceive financial power as a threat, having grown up in a world where banks and big business were largely kept under control. It was the government—through Vietnam, Nixon, and executive power—that organized the political spectrum...Over the next 40 years, this Democratic generation fundamentally altered American politics. They restructured ‘campaign finance, party nominations, government transparency, and congressional organization.’ They took on domestic violence, homophobia, discrimination against the disabled, and sexual harassment. They jettisoned many racially and culturally authoritarian traditions. They produced Bill Clinton’s presidency directly, and in many ways, they shaped President Barack Obama’s.”

“The result today is a paradox. At the same time that the nation has achieved perhaps the most tolerant culture in U.S. history, the destruction of the anti-monopoly and anti-bank tradition in the Democratic Party has also cleared the way for the greatest concentration of economic power in a century. This is not what the Watergate Babies intended when they dethroned Patman as chairman of the Banking Committee. But it helped lead them down that path.” (*How Democrats Killed Their Populist Soul*,³)

Populist Ignorance in the USA

Too many poor under-educated US citizens distrust all elite except the rich. They can imagine themselves being rich. They know they will never be part of elites based on cleverness and education. And the media and entertainments industry feeds this foolishness.

“There is a cult of ignorance in the United States, and there always has been. The strain of anti-intellectualism has been a constant thread winding its way through our political and cultural life, nurtured by the false notion that democracy means that ‘my ignorance is just as good as your knowledge.’”⁴

Trump himself is ignorant but clever. He’s not the brilliant businessman he has sold himself as. His father was the brilliant businessman: little Donald inherited gigantic wealth and was able to play games with it. He may be refusing to release his tax returns because they’d show he has wasted a fair chunk of his inheritance. But he is smart when it comes to manipulating the ignorant. What he can’t do is give them what they want.

Trump can’t seriously move against China while the USA depends on China buying the USA’s treasury bonds. Trump did once mention this in passing, and said he wanted to fix it. But that would mean cutting the deficit, which Bill Clinton

managed, but no recent Republican has been able to do. Bush Junior recreated the deficit. Trump has promised both tax cuts and big spending on infrastructure – and that appears to amount to yet more tax cuts. So expect him to fix nothing.

Is It All the Deep State?

Some leftists claim that the USA has a Deep State that runs things, whoever gets elected. I don’t believe it. A Deep State would not have thrown away the enormously strong position the USA had when the Soviet Union collapsed. Obama and Bush Junior both tapped into discontent, and didn’t meet expectations. But this was down to genuine False Beliefs. A belief-system that the business class have pushed since the 1980s, but not an ideology that lets a whole society flourish in the real world.

Rich people are often fools on matters outside of their own experience. I found immense foolishness in Sir James Goldsmith, who gave dire warnings of the Soviet menace shortly before their abrupt collapse. I found total shallowness in Bill Gates, though many of his shallow impulses are generous and useful. Steve Jobs showed brilliance in creating Apple Computers, but then failed to get conventional medical treatment in time to stop the cancer that killed him at age 56. I see no one who might be operating a Deep State.

The USA has been deeply incompetent since the Soviet collapse. They allowed chaos and theft in Russia, alienating a country that at the time wanted to be their friend. And blew their chances of winning over China, where Russia’s humiliation is seen as a terrible warning. They also went round knocking over dictators who were broadly pro-Western, often without having a realistic hope of getting replacements more to their taste. They got what they wanted in Romania and Indonesia. Created chaos in Zaire / Congo and Former Yugoslavia. Laid the foundations for a very dangerous extremism within Sunni Islam by their incoherent moves against Saddam, who could have been conciliated by easing his debts. Boosted Iran also, since it should have been obvious that Iraqi democracy would mean power for Religious Shia.

For Former Yugoslavia, a pro-Croat policy pleased Germany at a time when Thatcher wanted concessions within the European Union. It led to pointless destruction and a warning against any tolerance for Separatism.

Things are now slipping out of Establishment control. Right-wing populists are doing damage to business interests. And their version of Globalisation looks increasingly foolish. That’s not to say the state is a passive instrument awaiting the

choice of the voters. A largely manufactured story drew fresh attention to Hillary Clinton’s carelessness with secure e-mails. It gave Trump a boost in the polls when he was fading. Probably gave him victory.

If people within the FBI decided to sabotage Hillary Clinton, they maybe had good reasons. Sabotaged her as someone unstable and unable to drop failed policies. Trump is dangerous, but Hillary Clinton was more so. Trump wants to end the most dangerous confrontation of all, that with nuclear-armed Russia.

Russia Aggressively Defending Itself

After the Soviet collapse, Russia retreated all the way back to its own borders. NATO chose to follow them and build a ring of hostile states around Russia. Encouraged anti-Russian elements in Ukraine, including actual Fascists. Then called it Russian Aggression when Russia refused to be pushed around.

Putin was put into office to save Russia, after Yeltsin finally realised that he had wrecked the society by following Western advice. Putin defended the status quo against Western aggression. When the West encouraged pro-Western forces in Ukraine to treat everything pro-Russian as criminal, he moved to secure Russia’s vital navel base in Crimea. He also had solid support within Crimea, which had elected regional politicians friendly to Russia. They had already been seeking to reverse Khrushchev’s eccentric 1954 decision to lump them in with Ukraine, where historically they had never been.

What I found worrying about Hillary Clinton was her belief that US interventions were working, and that Russia was a menace that must be faced. I am less scared of liars than of fantasists. Blair was both: a liar and a fantasist. He knew his 15 minute claim was dishonest, but he was also unable to foresee the predictable results of his war on Iraq. Hilary is as bad. Trump I see as just a clever liar: a man who repeats Ronald Reagan’s ingenious trick of sounding no smarter than the average elector. Now Russia is breaking the back of the Syrian opposition by helping the legal government recapture East Aleppo. It will be bloody and brutal, but it may bring peace.

Pet Nazis as Good Nazis

“UN General Assembly’s Third Committee passed a Russia-proposed resolution condemning attempts to glorify Nazi ideology and denial of German Nazi war crimes. The US, Canada and Ukraine were the only countries to vote against it. “The resolution was passed on Friday by the committee, which is tasked with tackling social and humanitarian issues and human rights abuses, by 115 votes against three,

with 55 nations abstaining, Tass news agency reported.”⁵

The nations of the European Union abstained. The Ukraine’s first Orange Revolution flopped, after it failed to fix anything. That led to the election of a President more sympathetic to Russia. The second Orange Revolution included outright Nazis, who achieved little and for the time have been shoved aside. But it did intentionally hype hostility to Russia. Showed strong sympathy for Ukraine’s historic Far Right:

“Amid a divisive debate in Ukraine on state honors for nationalists viewed as responsible for anti-Semitic pogroms, the country for the first time observed a minute of silence in memory of Symon Petliura, a 1920s statesman blamed for the murder of 50,000 Jewish compatriots. The minute was observed on May 25, the 90th anniversary of Petliura’s assassination in Paris. National television channels interrupted their programs and broadcast the image of a burning candle for 60 seconds, Ukraine’s Federal News Agency reported. A French court [in 1927] acquitted Sholom Schwartzbard, a Russia-born Jew, of the murder even though he admitted to it after the court found that Petliura had been involved in or knew of pogroms by members of his militia fighting for Ukrainian independence from Russia in the years 1917-1921. Fifteen of Schwartzbard’s relatives perished in the pogroms.”⁶

The people who made an enormous row about supposed antisemitism in the British Labour Party have let the matter be ignored in the West.

Wear Your Poppy In Praise of Senseless Bloodshed

Maybe one Briton in twenty wears the poppy. But 100% of those seen on British television wear them. At one time, I wore the poppy myself. I saw it as an expression of sorrow for a war that should not have happened. It has all been hyped since then. Part of a glorification of war that the establishment are pushing.

There were always some appalling sentiments. Such as:

“They shall grow not old as we that are left grow old.

“Age shall not weary them, nor the years condemn.

“At the going down of the sun and in the morning.

“We will remember them.”⁷

No, you fool, they are *dead*: and by now long decayed. Young men robbed of most of their lives, in a war that need not have been fought. They got no chance to mature and then grow old in peace. They were led off on a mad dance by politicians who saw a preventative war was the best way to deal with the rising German challenge to the British Empire. And probably speeded that Empire’s decline and fall.

Snippets

Some Left Successes:

In Bulgaria, the Presidential Election was won by the candidate of the left. A candidate who wants to repair relations with Russia. In Moldova, a left-wing and pro-Russian candidate has also won.

In Iceland, results were mixed. The centre-right Independents got the most votes and seats. The left-anarchic Pirates Party did well, but not as well as once expected. Slightly more votes were won by the Left-Green Movement, formed mostly from elements of the traditional left who rejected Blair-style politics. The Blairite Social Democratic Alliance suffered an ignominious defeat, losing two-thirds of their seats and are now marginal.

Castro

Outliving your enemies is a kind of victory. Fidel Castro helped change the world, though most beneficiaries don’t know it. And with Trump, he may have seen the start of US decline and fall.

Arctic Not Cold Enough

Climate change has never been as simple as overall warming. It has included cold snaps, and currently has been doing little in

Britain or the rest of Europe. But it is showing itself strongly in the most worrying place, the Far North. Gradual warming of the Arctic has been news for years, along with the loss of sea ice. But now it’s no longer gradual. Temperatures are 20 degrees out of line: around-5 degrees Celsius instead of the typical-25.

A dog’s life

“Dogs have been dining on human food scraps since the early days of their domestication, it appears. Our canine companions developed the ability to digest starchy foods during the farming revolution thousands of years ago, according to DNA evidence. Scientists think dogs may have been domesticated from wolves when they came into settlements, scrounging for food. Modern dogs can tolerate starch-rich diets, unlike their wolf cousins, which are strict carnivores.”⁸

Websites

Previous *Newsnotes* can be found at the Labour Affairs website, <http://labouraffairsmagazine.com/past-issues/>. And at my own website, <https://longrevolution.wordpress.com/newsnotes-historic/>.

References

- 1 <https://www.socialeurope.eu/2016/11/the-revolt-against-globalism/>
- 2 <http://www.lrb.co.uk/2016/11/14/rw-johnson/trump-some-numbers>
- 3 <http://www.theatlantic.com/politics/archive/2016/10/how-democrats-killed-their-populist-soul/504710/>
- 4 Isaac Asimov, Column in Newsweek (21 January 1980). <https://en.wikiquote.org/wiki/Anti-intellectualism>
- 5 <https://www.rt.com/news/207899-un-anti-nazism-resolution/>
- 6 <http://www.jta.org/2016/05/31/news-opinion/world/ukrainian-authorities-honor-nationalists-whose-troops-butched-Jews>
- 7 https://en.wikipedia.org/wiki/Ode_of_Remembrance
- 8 <http://www.bbc.co.uk/news/science-environment->

Warning Signs For The Tories?

The recent by-elections in David Cameron’s old seat in Witney on 20th October and the Richmond Park by-election on December 1st following Zac Goldsmith’s resignation have sent a clear warning shot across the bows of the Conservative party. Tory strategists will know only too well that they hold an overall majority in the House of Commons because they managed to win 27 seats from the Liberal Democrats in the South West in the 2015 General Election. The Tories had no net gain over Labour in 2015. Indeed the Labour vote went up by a higher percent than the Tory vote.

In Witney the Liberal Democrats increased their vote by 300%, while in Richmond Park they overturned a Conservative majority of over 23,000 to win the seat. Although those 27 seats in the South West are in an area that on balance voted for Brexit they are looking like increasingly uncertain holds for the Tories in any future General Election.

Jobs, Welfare and Austerity

How the destruction of industrial Britain casts a shadow over present-day public finances.

Christina Beatty and Steve Fothergill. Sheffield Hallam University. Centre for Regional and Social Research.

We publish below key points and concluding comments from the above report. The full report can be accessed at: www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/cresr30th-jobs-welfare-austerity

Key Points

UK manufacturing employment has fallen from 8.9 million to just 2.9 million over the last fifty years, and 500,000 jobs have disappeared from the coal industry. This has destroyed the economic base of many communities, especially in the North, Scotland and Wales.

The main effect of this job loss has been to divert vast numbers of men and women out of the labour market onto incapacity related benefits, these days Employment and Support Allowance (ESA) which accounts for almost 2.5 million adults of working age. The highest claimant rates – 10 per cent or more of all 16-64 year olds – are nearly all in older industrial areas.

ESA and the additional benefits received by ESA claimants – Housing Benefit and Disability Living Allowance for example – are a £30bn-plus annual claim on the Exchequer.

Low pay in former industrial areas depresses tax revenue and inflates spending on in-work benefits. Spending on Tax Credits, for example, exceeds £850 a year per adult of working age in much of older industrial Britain – double the level in parts of southern England.

The Treasury has misdiagnosed high welfare spending as the result of inadequate work incentives and has too often blamed individuals for their own predicament, whereas in fact a large part of the bill is rooted in job destruction extending back decades.

The welfare reforms implemented since 2010, and strengthened since the 2015 general election, hit the poorest places hardest. In effect, communities in older industrial Britain are being meted out punishment in the form of welfare cuts for the destruction wrought to their industrial base.

Across most of older industrial Britain the loss arising from welfare reform is expected to exceed £750 a year per working age adult by 2020-21.

There is an alternative – a genuine rebalancing of the economy in favour of industrial production and a revival of regional economic policy.

Policy makers need to take a long-term perspective, look at the differences between places, and stop thinking in silos.

Concluding comments

Is there is an alternative?

Our argument is that for many communities the pain caused in the past by industrial job loss and the pain suffered today as a result of welfare reform are inextricably linked. By taking a long view of economic change, and by drilling down to evidence at the local level, these connections are all too apparent. But if welfare cuts represent the orthodox Treasury-driven response to the budget deficit, is there an alternative? The re-creation of the past, or more specifically of the levels of industrial employment last seen in Britain two generations ago, is not really an option. Technology has moved on, so that even if Britain did produce vastly more cars, machinery, electronics or whatever, far fewer men and women would be employed in these industries than would once have been the case.

That in 2016 the new Prime Minister, Theresa May, has finally inserted 'Industrial Strategy' into the name of the Department for Business is perhaps a sign that all is no longer well with the Treasury orthodoxy, though critics might argue this is a case of too little, too late. But if the name change does indeed signal a change of direction the new way forward still remains to be defined. This is not the place to try to set out the details but two principles should perhaps be central to an alternative to the Treasury's traditional approach.

First, the rhetoric about rebalancing the economy needs to be turned into reality. In the wake of the 2008 financial crisis there was much talk of the need to move away from an over reliance on financial services towards an economy based more on exports and investment. The former Chancellor, George Osborne, called for "the march of the makers". This hasn't happened. If anything, the UK economy is now more imbalanced than before the financial crisis and if growth has returned – for the moment – it is because the old economic model based on debt and the housing market has been rekindled one more time.

A genuine revival in industrial production would be central to any rebalancing of the UK economy. This should not be regarded as impossible, even against the backdrop of competition from China. It is salutary to remember that in Germany, where labour costs are generally even higher than in the UK, the share of GDP accounted for by manufacturing is twice the level in the UK. In no small part as a result, Germany has a large trade surplus and a far smaller budget deficit. The UK

needs to become more like Germany. A rebalancing of the UK economy in favour of industry would be of direct benefit to much of older industrial Britain because, even after years of job loss, that is where so much of what remains of UK manufacturing is still located.

The other principle central to an alternative to the Treasury's welfare cuts is a revival of regional economic policy. The places where welfare claimants are concentrated, out-of work or on low wages, need to be grown fastest. This doesn't necessarily mean the creation of new administrative structures or adherence to any specific geographical scale of action – regional, sub-regional, city-region. Rather, what is important is that policies are in place to channel economic growth to the places that need it most, where in turn the welfare bill can be reduced most.

At the present time, the UK probably has its weakest regional economic policies since the Second World War. Indeed, what masquerades as regional policy is more often the promotion of competition between places, which in practice often widens the differences in economic well-being, or the devolution of powers to local authorities, which is really about governance and has the most tenuous connection to prosperity. The dominating position of London, in particular, has gone unchallenged even though the downsides of the capital's success – congestion and stratospheric property prices – are all too evident.

The starting point needs to be that the economies of older industrial Britain can be rebuilt. The prize is lower spending on welfare, higher tax revenue, and a reduction in the budget deficit that is not based upon hitting the poorest place hardest.

Lessons for analysis and policy

In conclusion, let us return to the theme at the very start of this paper: that the focus on the short term obscures longer term issues and trends. We have endeavoured to explain here how the destruction of industrial Britain in the 1980s still has profound repercussions for present-day public finances. What does this tell us about the way policy makers should go about understanding issues?

First and most obviously, it underlines the importance of a long-term perspective. Where we are now, as a society, is the product of long and still evolving economic processes. The financial crisis of 2008 is

Continued On Page 11

Froggy

News From Across The Channel



Another surprise

After Brexit and Trump, Fillon.

François Fillon was unexpectedly elected presidential candidate in the primaries of the Sarkozy party *Les Républicains*. He gathered 44% of the votes, Juppé 28% and Sarkozy 20%. Four million took part in the vote, and that included 15% 'left wingers.' There will be a second round on Sunday 27 November. What accounts for his election?

He is different from the other candidates in that he is not 'trendy'; he presents himself to the media with long speeches rather than soundbites. He has a slow and serious image. (Well 'slow' is not quite the right word, since his hobby is car racing. His grand-father was a car mechanic at Le Mans race course. This makes him not quite part of the upper classes. He also only attended university, not the prestige establishments like ENA, the Oxbridge of the French political class.) His private and financial affairs are in

order. He is not the mayor of a large city, like his rival Alain Juppé, mayor of Bordeaux. He was only mayor of a village, and could not win an MP seat where he lives in the provinces; he is now MP of a Paris *arrondissement*.

He is different in that he wants to distance France from the United States; he finds it intolerable that the US oversee all transactions made in dollars worldwide, and that Europe depends on the US for military security. He regrets France following the US in their interventions in the Middle East, and thus losing its reputation for independence. Being friends with the US does not mean being their vassals, he said.

Fillon wants a rapprochement with Russia. Sanctions do nothing for France but damage French agriculture, and France needs Russia as an ally against Islamic State. In December 2014 Froggy wrote:

"There is an important pro-Russian current among French politicians at

top level."

Le Monde newspaper is anti-Putin. As part of a series of articles entitled 'Putin's French networks' it listed politicians who support Putin and that included Fillon. Sarkozy himself addressed a public meeting in November 2014, saying France must deliver the Mistral helicopter-carriers Russia ordered in 2010. Both Fillon and Sarkozy met Putin personally and that seems to have made a big difference. The National Assembly has a Franco-Russian friendship society, with 66 members, 2/3 of which are UMP. [UMP is the previous name of *Les Républicains*.]

For Fillon Russia is part of Europe and it must be treated as such in order to strengthen the continent. Unlike Fillon, Juppé, his nearest rival, still wants Russia to surrender Crimea, still wants regime change in Syria, still wants to refuse to have friendly relations with Iran, because 'Iran supports Hezbollah which threatens Israel'.

As far as the EU is concerned, Fillon wants the Eurozone governed by a Directoire of the main states involved, working for fiscal harmonisation and overseeing the European Central Bank. He is a social 'reactionary'. He would reverse anti-family laws passed by the Socialists and reinstate universal child benefit and universal tax rebate for children (Socialists had made those means tested). He voted against same sex marriage, and made clear that, while he would not reverse the law, he would be vigilant that surrogacy/medically assisted procreation would be not available for same sex couples.

The economy

Fillon wants a French capitalism, that invests in France and for France. His solution is to make life more

Continued From Page 10

not the defining event in Britain's recent economic history, nor even the main cause of the present budget deficit. The source of many current problems lies much deeper in the destruction of Britain's industrial base in the 1980s and all that has flowed from it.

Second, it is hard to understand what is happening to the economy or society without looking at the differences between places. It is disturbing that the Treasury and most of the economics profession rarely if ever look beyond national data and national trends. They end up failing to grasp causality and misdiagnose problems. A good example is the rise in incapacity numbers and spending, which has been wrongly identified as an issue of work incentives, not as the consequence of job destruction in specific parts of the country.

Third, there is a pressing need to stop thinking in silos. Jobs, or the lack of them,

and public finances are profoundly interconnected. The Department for Work and Pensions cannot hope to create jobs for all merely by adjustments to benefit payment rates and conditions. Nor can the Treasury deliver full employment simply by eliminating the budget deficit. Where we are now is the result of astonishing negligence and short-sightedness. Allowing Britain's industrial base to wither so dramatically has not been costless and it has certainly not been absorbed by the smooth operation of market forces. It has resulted in persistent worklessness, low wages, an inflated welfare bill and an alarming trade deficit with the rest of the world

attractive for investors. He will cut the tax on wealth (*Impôt de Solidarité sur la Fortune*). He will have a fixed 30% tax on capital. He will increase the fiscal income of the State by putting VAT up 2 points, and will reduce public expenditure by putting a cap on unemployment benefit and reducing its amount over time; by cutting the number of public sector employees by 500,000 over 5 years by making them work longer hours and not replacing leavers (an 8% reduction over 5 years). In general, people will be asked to work 39 hours when they worked 35, for the same wage. (This last measure proves that the 35 hour week did successfully reduce unemployment, since increasing hours is going to reduce the overall number employed.)

In fact, under Fillon the Labour Code would not legislate on the length of the working week: the European maximum of 48 hours will be the only official limit. Management and employees will negotiate hours, and the status quo of 35 hours can be maintained. He will put retirement age at 65 for all, regardless of the nature of the job done; if the job is too heavy and onerous after 50, then a different post should be sought.

In case of disagreement between management and employees, a referendum will be organised at the place of work. Regarding youth unemployment, Fillon wants to cut subsidised youth jobs and replace them with improved apprenticeships. The minimum age for 'auto-entrepreneurs' will be lowered to 16. Generally Fillon wants a flexible labour force, with easier redundancies and more so-called 'self-employed'.

The French are better than they think they are.

Fillon, a Thatcherite, looks enviously across the Channel, at England's supposedly lower unemployment figures. He can see multinationals settling in London, attracted by lower corporate tax and easier sacking procedures, and able to poach productive talented French young people, educated and trained at the expense of the French taxpayer. But is this what he sees?

He does not see that the French have precious qualities which may not be

there forever. He does not see that his homegrown workers are productive, and appreciated in England, thanks to the French social and education system and the French labour protection laws. Since he admires the English, he should read Anthony Hilton in the *Evening Standard* (8Nov2016), who writes, under the headline: "Britain has a lamentable productivity record – the growth in value added per hour worked is one of the slowest and poorest among developed nations.": "There is a strong link between productivity, profit growth and the maintenance and development of workers' rights.

Research published last month by the Centre for Business Research in Cambridge and the Global Development Institute at Manchester University [more English science! Fr.] turns conventional wisdom on its head and reveals that improvements in labour rights can lead to increased productivity and employment, as well as greater equality in society, which is another source of economic growth. The research looks at changes in labour laws across 117 countries over 44 years, so it is comprehensive.

MPs [and Fillon] pressing for reduced labour rights might also take note of a speech three or so years ago by Andy Haldane, currently chief economist at the Bank of England. Focusing on the psychological state of employees and their efficiency, he made the point that employees who are worried about job security or whether they can make ends meet are not going to perform at their best. Employees on zero hours contracts or some other form of part-time work may feel so insecure they can't do the job properly. That being the case, the more you cut back on workers' rights in the short term, the more long-term damage you do to output and productivity.

Finally, those wishing to scrap our labour laws should note the recent private comment of an FTSE 100 chairman. He said our flexible labour laws make British managements lazy and unimaginative because they can respond to every setback by sacking people to cut costs. In Germany, they can't do that, so they have to devise ways to grow themselves out of trouble."

Fillon-Le Pen?

But Fillon is launching a liberal program, and is not going to listen to these words of advice. He wants to bypass the unions (by such measures as allowing non union members to stand as staff representatives) but may well become involved in big confrontations. Thatcher was able to bribe people into accepting her liberal agenda, with the sale of council houses and the lure of 'entrepreneurship'. This won't be available to Fillon. Indeed he is proposing 'a big effort' for the renewal of France.

If Fillon finds himself on the second round of the presidential elections in 2017 against Marine Le Pen, she will be able to attack him on two weak points. The first is that he is for Europe, and Europe is not popular, and the second is his liberal economic agenda; she will not have such a liberal anti-worker program. Not only are these liberal economic measures counterproductive, as they diminish worker productivity as outlined above, but they will make Fillon unpopular as a candidate, and give Marine Le Pen an edge over him.

Juppé warned Fillon that he was going too far too fast; losing 500,000 public sector workers over 5 years means no new nurses/police/teachers appointed in that time. Paying people for 35 hours while they work 39 is unacceptable. Fillon knows this, but he wants to 'casser la baraque', something like 'cause an explosion' as well as 'bring the house down.' It is perhaps this excessive attitude that explains his sudden popularity. A lot of people are in the mood for a big change.

The use of force alone is but temporary. It may subdue for a moment; but it does not remove the necessity of subduing again; and a nation is not governed, which is perpetually to be conquered.

Edmund Burke

The trade union movement represents the organized economic power of the workers... It is in reality the most potent and the most direct social insurance the workers can establish.

Samuel Gompers

House of Commons Home Affairs Committee Report : Antisemitism in the UK. Tenth Report of Session 2016-17.

In the last (November) issue of Labour Affairs we published a list of the members of the Home Affairs Select Committee which published the above report on 13 October. Below we publish the conclusions and recommendations of the report plus the paragraphs on political discourse and leadership and the list of verbal and written witnesses. It is noticeable that of the eleven paragraphs on political discourse and leadership, seven focus on Labour. Paragraphs 27 and 28 are of note here. The full report is available at: www.publications.parliament.uk/pa/cm201617/cmselect/cmhaff

Conclusions and recommendations Defining antisemitism

1. The Macpherson definition that, for recording purposes, a racist incident is one “perceived to be racist by the victim or any other person” is a good working definition, which provides a strong basis for investigation. As such, the perceptions of Jewish people—both collectively and individually, as an alleged victim—should be the starting point of any investigation into antisemitism. However, for an incident to be found to be antisemitic, or for a perpetrator to be prosecuted for a criminal offence that was motivated or aggravated by antisemitism, requires more than just the victim’s perception that it was antisemitic. It also requires evidence, and it requires that someone other than the victim makes an objective interpretation of that evidence. The difficulty of making such a determination in the face of conflicting interpretations underlines the importance of establishing an agreed definition of antisemitism. (Paragraph 22)

2. It is clear that where criticism of the Israeli Government is concerned, context is vital. Israel is an ally of the UK Government and is generally regarded as a liberal democracy, in which the actions of the Government are openly debated and critiqued by its citizens. Campaigners for Palestinian rights have informed us that they would expect similar standards of conduct from the Israeli Government as they would demand from

the UK Government. It is important that non-Israelis with knowledge and understanding of the region should not be excluded from criticising the Israeli Government, in common with the many citizens of Israel who are amongst its strongest critics, including human rights organisations in that country. (Paragraph 23)

3. We broadly accept the IHRA definition, but propose two additional clarifications to ensure that freedom of speech is maintained in the context of discourse about Israel and Palestine, without allowing antisemitism to permeate any debate. The definition should include the following statements:

- It is not antisemitic to criticise the Government of Israel, without additional evidence to suggest antisemitic intent.

- It is not antisemitic to hold the Israeli Government to the same standards as other liberal democracies, or to take a particular interest in the Israeli Government’s policies or actions, without additional evidence to suggest antisemitic intent. (Paragraph 24)

4. We recommend that the IHRA definition, with our additional caveats, should be formally adopted by the UK Government, law enforcement agencies and all political parties, to assist them in determining whether or not an incident or discourse can be regarded as antisemitic. (Paragraph 25)

5. ‘Zionism’ as a concept remains a valid topic for academic and political debate, both within and outside Israel. The word ‘Zionist’ (or worse, ‘Zio’) as a term of abuse, however, has no place in a civilised society. It has been tarnished by its repeated use in antisemitic and aggressive contexts. Antisemites frequently use the word ‘Zionist’ when they are in fact referring to Jews, whether in Israel or elsewhere. Those claiming to be “anti-Zionist, not antisemitic”, should do so in the knowledge that 59% of British Jewish people consider themselves to be Zionists. If these individuals genuinely mean only to criticise the policies of the Government of Israel, and have no intention to offend British Jewish people, they should criticise “the Israeli Government”,

and not “Zionists”. For the purposes of criminal or disciplinary investigations, use of the words ‘Zionist’ or ‘Zio’ in an accusatory or abusive context should be considered inflammatory and potentially antisemitic. This should be communicated by the Government and political parties to those responsible for determining whether or not an incident should be regarded as antisemitic.

Political discourse and leadership

20. While the Labour Leader has a proud record of campaigning against many types of racism, based on the evidence we have received, we are not persuaded that he fully appreciates the distinct nature of post-Second World War antisemitism. Unlike other forms of racism, antisemitic abuse often paints the victim as a malign and controlling force rather than as an inferior object of derision, making it perfectly possible for an ‘anti-racist campaigner’ to express antisemitic views. Jewish Labour MPs have been subject to appalling levels of abuse, including antisemitic death threats from individuals purporting to be supporters of Mr Corbyn. Clearly, the Labour Leader is not directly responsible for abuse committed in his name, but we believe that his lack of consistent leadership on this issue, and his reluctance to separate antisemitism from other forms of racism, has created what some have referred to as a ‘safe space’ for those with vile attitudes towards Jewish people. This situation has been further exacerbated by the Party’s demonstrable incompetence at dealing with members accused of antisemitism, as illustrated by the saga involving the suspension, re-admittance and re-suspension of Jackie Walker. The ongoing membership of Ken Livingstone, following his outbursts about Hitler and Zionism, should also have been dealt with more effectively. The result is that the Labour Party, with its proud history of fighting racism and promoting equal rights, is seen by some as an unwelcoming place for Jewish members and activists. (Paragraph 113)

21. The decision by the Leader of the Labour Party to commission an

independent inquiry into antisemitism was a welcome one, notwithstanding subsequent criticisms. The Chakrabarti report makes recommendations about creating a more robust disciplinary process within the Labour Party, but it is clearly lacking in many areas; particularly in its failure to differentiate explicitly between racism and antisemitism. The fact that the report describes occurrences of antisemitism merely as “unhappy incidents” also suggests that it fails to appreciate the full gravity of the comments that prompted the inquiry in the first place. These shortfalls, combined with Ms Chakrabarti decision to join the Labour Party in April and accept a peerage as a nominee of the Leader of that Party, and her subsequent appointment as Shadow Attorney General, have thrown into question her claims (and those of Mr Corbyn) that her inquiry was truly independent. Ms Chakrabarti has not been sufficiently open with the Committee about when she was offered her peerage, despite several attempts to clarify this issue with her. It is disappointing that she did not foresee that the timing of her elevation to the House of Lords, alongside a report absolving the Labour Leader of any responsibility for allegations of increased antisemitism within his Party, would completely undermine her efforts to address this issue. It is equally concerning that Mr Corbyn did not consider the damaging impression likely to be created by this sequence of events. (Paragraph 114)

22. The recommendations of the Chakrabarti report are further impaired by the fact that they are not accompanied by a clear definition of antisemitism, as we have recommended should be adopted by all political parties. We remain unconvinced of the robustness of the Labour Party’s code of conduct (and whether it will be effectively enforced), and the report does nothing to address a severe lack of transparency within the Party’s disciplinary process. There are examples of Labour members who have been accused of antisemitism, investigated by their Party, and then reinstated with no explanation of why their behaviour was not deemed to be antisemitic. The Labour Party, and all other political parties in the same circumstances, should publish a clear public statement alongside every reinstatement or expulsion of a member after any investigation into suspected antisemitism. (Paragraph 115)

23. We see no good reason for the Chakrabarti report’s proposed statute of limitations on antisemitic misdemeanours. Antisemitism is not a new concept: an abusive, antisemitic tweet sent in 2013 is no more defensible than one sent in 2016. If the Labour Party or any other organisation is to demonstrate that it is serious about

antisemitism, it should investigate all allegations with equal seriousness, regardless of when the behaviour is alleged to have taken place. (Paragraph 116)

24. In its determination to be inclusive of all forms of racism, some sections of the Chakrabarti report do not acknowledge Jewish concerns, including its recommendations on training, which make no mention of antisemitism. This has generated criticism among some observers that antisemitism may be excluded from future training programmes. The Labour Party and all political parties should ensure that their training on racism and inclusivity features substantial sections on antisemitism. This must be formulated in consultation with Jewish community representatives, and must acknowledge the unique nature of antisemitism. If antisemitism is subsumed into a generic approach to racism, its distinctive and dangerous characteristics will be overlooked. In addition, the Labour Party’s disciplinary process must acknowledge the fact that an individual’s demonstrated opposition to other forms of racism does not negate the possibility that they hold antisemitic beliefs; nor does it neutralise any expression of these beliefs. (Paragraph 117)

25. The Chakrabarti Report is ultimately compromised by its failure to deliver a comprehensive set of recommendations, to provide a definition of antisemitism, or to suggest effective ways of dealing with antisemitism. The failure of the Labour Party to deal consistently and effectively with antisemitic incidents in recent years risks lending force to allegations that elements of the Labour movement are institutionally antisemitic. (Paragraph 118)

26. The historical inaccuracy of Ken Livingstone’s remarks regarding Hitler and Zionism have been analysed elsewhere, and it is not the job of this Committee to deliver lessons in Nazi history, except to point out that Mr Livingstone has since admitted that it was “rubbish” to refer to Hitler as a Zionist. Regardless of academic rigour, his decision to invoke Hitler in a debate about antisemitism and Zionism—in defence of a Facebook post comparing Israel with the Nazis—was unwise, offensive and provocative. In light of previous incidents in which he has made comments that have been interpreted as antisemitic, or especially offensive to Jewish people, we believe it likely that he knew that his comments would cause similar offence. The fact that he continues to defend his position casts serious doubt on whether he has sufficient understanding of the nature of contemporary antisemitism. In the words of Mr Corbyn, who described himself as his friend, we hope that Mr Livingstone will “mend his ways” without delay. (Paragraph 119)

27. No party is immune to ‘bad apples’,

and it would be naïve to assume that tackling antisemitism in the Labour Party would eliminate it from political discourse altogether. Antisemitism is a problem of such gravity that no party can afford to be complacent. It is an issue that should transcend party loyalties and inter-party conflict. (Paragraph 128)

28. Other political parties must not assume that antisemitic political discourse is an issue affecting the Labour Party alone. The Liberal Democrats in particular should pay heed to the need to act swiftly and decisively to deal with antisemitism within their ranks. We were disappointed by the manner in which their Leader, Tim Farron, referred to disciplinary processes rather than explicitly condemning antisemitic remarks made by members of his Party, and we were surprised to learn that Cllr David Ward remains an elected representative of the Liberal Democrats, despite his repeated antisemitic comments. All of the main political parties should examine whether the reforms recommended in this report could be applied to their own processes for training and disciplining their members and activists. Political leaders should also make themselves responsible for taking swift investigatory or disciplinary action when a party member is identified by Twitter as being a perpetrator of abuse. (Paragraph 129)

29. The acts of governments abroad are no excuse for violence or abuse against people in the United Kingdom. We live in a democracy where people are free to criticise the British Government and foreign governments. But the actions of the Israeli Government provide no justification for abusing British Jews; just as the actions of the Saudi Arabian or Iranian governments provide no justification for abusing British Muslims. (Paragraph 130)

30. History shows that antisemitism is a virus that is too easily spread, through subtly pernicious discourse, ignorance and collusion. Political leaders must lead by example, oppose racism and religious hate in all its forms, and promote an atmosphere of tolerance, inclusion and understanding, as befits the UK’s status as a multi-cultural, multi-ethnic and multi-religious society.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee’s website.

Tuesday 14 June 2016

Jonathan Arkush, President, Board of Deputies of British Jews Q1–53

Rt Hon Angus Robertson MP, Leader, SNP Westminster Group Q54–80

Ken Livingstone Q81–224

Monday 4 July 2016

Rt Hon Jeremy Corbyn MP, Leader,

Labour Party Q225–396
Thursday 14 July 2016
Chief Rabbi Ephraim Mirvis, Chief Rabbi of the United Hebrew Congregations of the Commonwealth Q397–441
Sir Mick Davis, Chairman, Jewish Leadership Council, and Mark Gardner,
Director of Communications, Community Security Trust Q442–486
John Mann MP, Chair, All-Party Parliamentary Group Against Antisemitism Q487–509
Tuesday 11 October 2016
Tim Farron MP, Leader of the Liberal Democrats Q510–550
Rt Hon Sir Eric Pickles MP, UK Special Envoy for post-Holocaust issues and former Conservative Party Chairman Q551–567

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

SEM numbers are generated by the evidence processing system and so may not be complete.

1 Britain Israel Communications and Research Centre

(SEM0007)
2 Conservative Party (SEM0014)
3 Dr Ilan Zvi Baron, Dr Yulia Egorova and Dr Keith Kahn-Harris (SEM0001)
4 Elizabeth Morley (SEM0010)
5 Free Speech on Israel (SEM0004)
6 Gideon Falter, Campaign Against Antisemitism (SEM0018)
7 Holocaust Educational Trust (SEM0003)
8 Jewish Leadership Council (SEM0009)
9 John Mann MP (SEM0008)
10 Ken Livingstone (SEM0002)
11 Ken Livingstone supplementary (SEM0005)
12 National Police Chiefs' Council (SEM0017)
13 National Police Chiefs' Council supplementary (SEM0019)
14 National Union of Students (SEM0012)
15 Palestine Solidarity Campaign (SEM0016)
16 Patrick Darnes (SEM0011)
17 Shami Chakrabarti (SEM0013)

British Parliamentary Committee Report on Anti-Semitism directed against Jeremy Corbyn, Seeks to Silence Pro-Palestinian Voices By Free Speech On Israel. Global Research, October 16, 2016

Britain's House of Commons Home Affairs Select Committee today issued a Report on Antisemitism in the UK that, while correctly identifying the far Right as the source of most hate crime, shows such bias in its sources and assessment of evidence that it calls into question the committee's reputation and competence.

The Report, from a Tory dominated committee, takes up the weapons that have been used to try to unseat Jeremy Corbyn as Labour leader by smearing those he has attracted to the Party with charges of antisemitism. The apparent collusion of Labour committee members reflects the dirty war being waged against Corbyn's radical leadership by elements within the party.

Britain's House of Commons Home Affairs Committee Report:

Depends on evidence from almost exclusively pro-Israel, anti-Corbyn sources

Advocates re-defining antisemitism so as to intimidate and silence pro-Palestinian voices, including making it a punishable offence to use the word Zionist "in an accusatory context"

Dismisses the Chakrabarti Report's principled recommendations for fair and transparent disciplinary Labour Party procedures in cases of alleged antisemitism and other forms of racism, proposing draconian, politically motivated measures

instead

Prof Jonathan Rosenhead, from the Jewish-led campaign group Free Speech on Israel (FSOI), said the select committee had aligned itself with extreme pro-Israel advocates, by setting restrictive limits on what may and may not be said, threatening to close down free speech on Israel and Palestine.

"The dire record of antisemitism over the centuries and especially in the last one means that vigilance is essential," said Prof Rosenhead. "But antisemitism is not, currently, the major racist threat in this country; nor is it a significant problem in the Labour Party. This report loses all sense of proportion. It risks actually weakening the defences against true antisemitism ('hatred of Jews as Jews') by trying to extend its meaning to include many legitimate criticisms of Israel.

"For those of us who argue, along with many other Jews and Israelis, that the Zionist project has inflicted intolerable injustice on the Palestinians, the adjective 'Zionist' inevitably has an 'accusatory' aspect. But it is directed against the State of Israel and its founding ideology, not against Jews."

Url of this article: [http://www.global-research.ca/british-parliamentary-committee-report-on-anti-semitism-directed-against-jeremy-corby-seeks-to-silence-](http://www.global-research.ca/british-parliamentary-committee-report-on-anti-semitism-directed-against-jeremy-corby-seeks-to-silence-pro-palestinian-voices/5551352)

[pro-palestinian-voices/5551352](http://www.global-research.ca/british-parliamentary-committee-report-on-anti-semitism-directed-against-jeremy-corby-seeks-to-silence-pro-palestinian-voices/5551352)

Notes:

House of Commons Home Affairs Select Committee report on antisemitism <http://www.parliament.uk/business/committees/committees-a-z/commons-select/home-affairs-committee/inquiries/parliament-2015/inquiry2/publications/>

Free Speech on Israel is a network of labour, green and trade union activists in the UK, mainly Jewish, who came together in April 2016 to counter attempts by pro-Israel right wingers to brand the campaign for justice for Palestinians as antisemitic.

Prof Jonathan Rosenhead explores the workings of the campaign to discover antisemitism in every corner of Corbyn's Labour Party <https://opendemocracy.net/jonathan-rosenhead/jackie-walker-suspense-mystery>

Free Speech on Israel submission to the Chakrabarti Inquiry. <https://www.scribd.com/doc/315237906/Free-Speech-on-Israel-Submission-to-Chakrabarti-Submission>

Asa Winstanley exposes the fabrication of many antisemitism allegations <https://electronicintifada.net/content/how-israel-lobby-manufactured-uk-labour-partys-anti-semitism-crisis/16481>

Degraded Globalisation

by Gwydion M. Williams

The dream of the 1950s was of a utopian globalisation, based on tolerant technocratic values. In the 1960s, the youthful generation who might have implemented this vision opted instead for wider sexual and social freedoms. And had trouble realising them, so that in the 1980s they were shoved aside by the New Right. People who loudly declared that they would restore order and liberty by freeing market forces.

It was a false promise. In as far as there ever was a 'free market', it had self-destructed long before with the Wall Street Crash and Great Depression. It needed the New Deal in the USA to restore the economy to health. And the so-called Keynesian Era, better called the Extended New Deal, produced several remarkable Economic Miracles. France, West Germany, Italy and especially Japan. The West outgrew the Soviet Bloc, which was in decline from their grand successes they had under Stalin.

The notion of the miraculousness of market forces started within post-Stalin Leninism. But it was implemented as a pseudo-market that still suppressed Private Enterprise. They were not doomed to failure: China under Deng succeeded by moving towards a copy of the West's Extended New Deal. China allowed Private Enterprise in some areas, but never let the economy be dominated by a market or pseudo-market. But the Soviet Bloc failed, and we are still living with the consequences.

When the Soviet Union fell, New Right economists advised Yeltsin to do what they could not do at home: privatise everything. Reduce the state to a 'night-watchman' role that just guaranteed property rights. They returned to Victorian values: but Victorian values in what was already a modern and integrated economy were a disaster. The economy shrank, there was

great hardship, and most national wealth was grabbed by gangsters and fraudsters. The long result was Illiberal Democracy: governments with a right-wing populist attitude. Something that is now also breaking out in the West with UKIP, Donald Trump etc.

In the West, the New Right were kept under enough restraint not to actually shrink the economy. Gangsters and fraudsters remain marginal, with wealth flowing mostly to the existing privileged and partly to talented outsiders (always allowed and assimilated). This is known as the rise of the 1%.

Who are the 1%? By income, a childless couple would qualify with a before-tax income of £160,000 a year (*Inequality and the 1%*, page 2.¹) In the USA, \$394,000 (page 10). It used to be less, even allowing for the declining value of the currency. Shifts from the 1980s increased their privilege.

Was this a defeat for 1960s radicalism, or its fulfilment? A bit of both. A significant minority were left-wing and in favour of equality. But a majority were resentful of any sort of state control or social obligation. They wanted more sexual freedom, which has happened and is welcome. More freedom of drug-use was also desired, and was unwise. Worse, they were open to New Right arguments that the tax-and-spend state machine was their enemy and should be attacked. This caused a massive erosion of the economic equality and welfare that most of them would have supported in the abstract:

"Pay at the top rose far more slowly than pay at the bottom for the whole period from 1918 to 1978. Britain became more equal. In 1966 the Beatles famously complained about the tax man taking such a high proportion of their earnings, and spreading those monies – which had initially come from the thousands

of record-buying teenagers – back into society." (Ibid., page 17)

Money that funded a flourishing National Health Service, student grants, education with minimal fees and state help for industry that kept unemployment very low. I'm sure that the Beatles would not have said that it was better for money to be spent on their luxuries and vanity than spent on good social values. They just failed to think about it. Or else were sold the lie that small amounts of inefficiency, waste, fraud and corruption were more important than the vast success of the whole system.

The occasional sins of a Extended New Deal were used as a reason to attack it. The promise was that a 'free market' would somehow prevent sin. Or else prevent harmful sin even without good intent. This was the original promise of Adam Smith's *Wealth of Nations*: it was phony then and it remains phony. But in the anarchic mood of 1960s radicalism, the nonsense got accepted.

"High taxes did not appear to curtail the Beatles' success, but the pop stars' public anger at not being able to make even more money than they were doing was just the tip of the iceberg of private angst among some of the very richest people in British society, who were coming to believe that they were hard done by." (Ibid.)

If there had been a sane incomes policy, a popular musician would not be earning more than a doctor or an airline pilot. A sane incomes policy was part of the Labour Party's policy in the 1960s and 1970s. Left-wing militants took great pride in defeating it. They believed that capitalism would collapse if Labour were prevented from improving and propping it up. But the Extended New Deal was nothing like the capitalism that Marx or Lenin had denounced. It

was commonly called the Mixed Economy, and was different from and superior to the capitalism that the New Right wanted to restore.² It was in no danger of collapse. But when Hard Left checkmated Moderate Left, the Centre-Right triumphed.

The Centre-Right adopted a 'Feed the Rich' policy. Gains made for equality over the previous decades were seen as an aberration. Early on, we were promised 'trickle down': that people 'spending their own money' would produce a boost to wealth-creation. The poor would benefit from having a smaller slice of a larger pie. Total nonsense: not just the poor but at least 90% of the society got a smaller slice of a smaller pie. They'd have done better if the social equality aspects of the Extended New Deal had been maintained.

It is still the Extended New Deal. But with governments backed with the richest 1% and its fans, there was an Economic Miracle for the rich. Austerity for everyone else.

Interestingly, this has not happened everywhere. Nor have the rich recovered the degree of privilege they had before World War One. Sweden and the Netherlands are examples of countries that continue to do well without 'Feed the Rich': their richest 1% remain at the relatively low level of 6% or 7% of total income. Meantime in the USA and UK, it has soared to 20% and 15%. (Ibid., pages 18-19.) The poor are unhappy, but mostly blame the wrong people.

That's income. Wealth is much worse, particularly with vast chunks of social wealth privatised. The more-than-millionaire class that is the richest 1% has 53% of total personal tradable wealth in the UK.

How does it happen? For the blindingly simple reason that the rich have *power*. "Most of the very rich are people who have control over their own pay – not those whom the rest of us think of as very able, but often people who

are entrusted with large amounts of other people's money." (p51.)

When we talk about talents, the richest 10% would include most of those the rest of us think of as very able. The 9% just below the richest 1% get two or three times as much as the average worker (p58). The incomes of the richest 1% have soared: the 9% just below them have made small gains or no gains. If a society must reward its most talented or dedicated workers, which is the common view, it can be done without the obscene incomes of the richest 1%.

"The [2008] crash has widened the gap between the 1 per cent and the 99 per cent across most of Europe. The crisis created by the rich has been turned to their own advantage. However, in contrast to the 1970s and 1980s, when the rich took the rest of the top 10 per cent with them ... in the UK today – much as in India a few years ago – it is only the very richest who are really doing well (p153)."

Tax 'reforms' and benefit 'reforms' were also regressive. Plans by the Tory-Liberal coalition involved significant losses for the poorest 50% and gains only for the richest 10%, with the next richest 10% breaking even (p165). Things are even worse in the USA: the poor are constantly robbed but still see tax cuts as a great idea. Many of them worship Donald Trump, who promises more of the same.

I called the richest 1% a more-than-millionaire class, because that's just what it is. Don't let people think they are in a higher social category than they actually are. One survey showed that a fifth of US adults thought they were in the richest 1% - 25 times too many. Another fifth expected to get there eventually. But anyone can work out their chance of becoming a millionaire, in either dollars or pounds sterling. Work out that they won't get there – yet even millionaires may not quite qualify for the elite (p90). And the elite has its own elite, with the 0.1% pulling ahead

of the rest and the 0.01% doing still better.

Was it a defeat inflicted on the working class and middle class by this new rich class? *Not really*. A setback for the 90% in Europe and the USA; but a vast advance for ordinary people in Asia, especially China and India. Despite the obscene rise of the richest 1%, the main result was loss of Western and white privilege.

A genuinely globalising World Government would probably not have dared try to create equality so fast, had the 1960s crisis gone otherwise and some sort of hybrid of Western and Soviet systems resulted. Surprisingly, such a World Government was widely expected in the 1950s and 1960s, as the main alternative to a nuclear holocaust. You find it in the writings of Science Fiction author Arthur C. Clarke, among others. In the USA, there are Far-Right fools who still believe themselves lone champions against it. This despite the USA treating the UN as irrelevant when it fails to obey the USA.

A book called *Global Inequality* explains this wider picture.³ Written by leading economist Branko Milanovic, it fails to recognise our Globalisation as Degraded Globalisation. He talks a lot about long-term cycles called Kuznets Waves, which I don't believe to be real. But he correctly speaks of "the rise of what may be called the 'global middle class,' most of whom are located in China and other countries in 'resurgent Asia'" (page 3). He contrasts this with "the stagnation of groups in the rich world that are globally well-off but nationally middle- or lower-middle class" as well as "the emergence of a global plutocracy".

For me, the global plutocracy was always there. It just got bolder when the Soviet Union weakened. And *Global Inequality's* 'global middle class' is 'middle' in the sense of being a large chunk of the society between the poor and the

rich. All sorts of New Right fantasies are based on confusion between this and the very unusual middle class of north-west Europe and its colonies in the 19th century. That middle class was an oddity produced mostly by the Puritan version of Christianity. A well-off social stratum at odds with a land-owning and religiously lax aristocracy, it was a one-off. A strong belief in the merits of open competition by political parties within a Parliamentary system was one of its fixed ideas, but not a global ideal. Parliamentary government existed in Britain from 1688, but was not even loosely democratic before the 1880s.⁴ Arguably, it has not survived the rise of authentic mass democracy. Poor and ignorant voters can be persuaded to hate strangers and the educated. Or they back populist dictators who sometimes do give them real reforms and uplifts that Parliaments often can't deliver.

The centre-piece of the book is a graph for the years 1988 to 2008 on page 11. You see small gains in income for the poorest 10%. Much larger gains for the next 60%, the 2nd to 7th deciles (tenths of the whole). Then a dip for the 8th decile. The 9th decile, the 10% below the richest 10%, have near-stagnant income. Lastly the richest 10% are still rising, especially the top 1%.

The 90% whose losses are recorded in *Inequality and the 1%* are broadly the same as the 8th and 9th decile that has done badly from globalisation. A reworking of the graph by other authors shows much the same, though less drastic and with more gains for the very poorest.⁵ I got this from *The Economist*, who tucked it away in the specialist *Finance and Economics* section. They don't let it intrude on their editorial judgements.

Note that this is a *global* pattern, as *Global Inequality* explains on page 23. For individual countries, the norm since the 1980s has been that the more you have, the more you gain. The richest 1% in rich countries have been able to hog almost all of the benefits of globalisation, exploiting the 90%. As I see it, when manufacturing jobs were mostly in Europe and the USA, those workers

were strong and could get a fair share of any increased wealth. Could get a fair share for people like themselves, aided by friendly use of state power. With manufacturing moved to poorer countries, the balance of power shifted.

One interesting extra. A graph on page 131 confirms what I've said elsewhere⁶ – the rise of China began under Mao. Deng was building on top of existing success. You see China's wealth per head decline from 1800, fall sharply during the Japanese invasion and then move sharply upwards under Mao. You also see two blips caused by the failure of the Great Leap and the planned disruption of the Cultural Revolution. But no one could doubt Mao's broad success on the basis of this graph: that must be why the West's China experts carefully avoid all such data. Maybe author Branko Milanovic was thinking about other matters, because he certainly doesn't credit Mao with anything.

He does mention the failure of post-Soviet Russia: "Russia's per capita GDP went down by more than 40 percent between 1989 and 1998" (p165). He tries to lump it with the much milder failure of Latin America, where New Right influence was much weaker. He prefers technical explanations to politics. He notes (p177) that China's Gini coefficient (a measure of inequality) rose fast from 1978 to just past 2000 and then stabilised. He does not credit Hu Jintao, top leader from 2002 to 2012, who made equality a major aim.

Another point: his graph shows that average Chinese income in 2012 was nearly three times that for 2000. This explains why almost all Chinese are very content with Communist Party rule.

Global Inequality's main theme is the decline of Western groups it won't call working class. (The term is missing from the index, as is 'trade union'.) It defines middle-class as those between 25% under and 25% over the national median income. In Western countries, their numbers shrank between the early 1980s and 2010 (p196). Interestingly, there were always more of them in Europe than the USA: more than 40% in

Sweden and the Netherlands. The UK saw the biggest drop: from just under 40% to 33%. In the USA, a drop from 32% to 27%. So much for the USA's 'great middle class'!

You also see the vast gains made by the richest 5% in most of Europe (p198). Especially the USA and UK, where they already had an unusually large chunk of the wealth.

Mainstream economics is committed to seeing life as a burden on money. It can't accept that an unearned Economic Miracle for the rich in the West could be caused by Centre-Right boldness after Centre-Left failure in the 1970s. But as a record of facts, *Global Inequality* explains a great deal.

(E n d n o t e s)

1 Dorling, Danny. *Inequality and the 1%*. Verso 2015 2.

2 See <https://gwydionwilliams.com/48-economics/replacing-capitalism-by-capitalism-the-new-rights-muddled-ideas/>

3 Milanovic, Branko. *Global Inequality: A New Approach for the Age of Globalisation*. Harvard University Press 2016.

4 <https://gwydionwilliams.com/40-britain/665-2/>

5 <http://www.economist.com/news/finance-and-economics/21707219-charting-globalisations-discontents-shooting-elephant>

6 <https://gwydionwilliams.com/99-problems-magazine/mao-and-china/>

The Tories always hold the view that the state is an apparatus for the protection of the swag of the property owners... Christ drove the money changers out of the temple, but you inscribe their title deed on the alter cloth

Aneurin Bevan

The strength of a civilization is not measured by its ability to fight wars, but rather by its ability to prevent them.

Gene Roddenberry

Diary of a Corbyn foot soldier (No 7)

by Michael Murray

In this month's Diary:

1. "Oh come all ye faithful.."
2. "No room at the Inn.."
3. "All the complaints of the season.."

"Oh come all ye faithful"

Aah. That time of the year already: the Brownswood Labour Party social. I make my way to the first engagement of the season of goodwill. Our Secretary, Clare, called it a "Winter Party," more politically correct, perhaps. But the music and words of "Oh come all ye faithful (*Adeste Fideles*)" trickle through the neural pathways of that part of the brain where childhood memories of a Catholic atheist are hard-wired. "Bring a dish and a bottle," the Secretary emailed us. I've brought two dishes.

I once heard the Irish writer Edna O'Brien say in a radio interview, that cooking for people is a mix of ego and generosity: so true. Both dishes are dips: the first is "*Dukkah*," a crushed mixture of seeds, nuts and spices in which warmed bread, lightly soaked in olive oil, is dipped to form a nutritious and tasty crust. The second is "*Imam Bayildi*," a middle eastern staple, a dish of roasted garlic, tomatoes and aubergines. Both fit in nicely with other comrades' offerings, and, with the drinks brought along, provide a centrepiece for a very pleasant, sociable, evening. A tumultuous year in the life of the Brownswood Labour Party is brought to a harmonious end by the expedient: don't talk about the war.

I'm not going to talk about the war here, either. The February issue of Labour Affairs is the place for that, I think. And, with one whole year of "foot soldiering" behind me, since rejoining the Party, and after all that's happened at national as well as local level, it's time for a re-cap. The unreflected life is not worth living, etc.

On the foot-soldiering front, I'll mention only one thing: in the role of Ward Organiser, I've been joined

by another comrade, in the laudable local Labour Party practice of "job sharing" where possible, as a way of extending "active inclusiveness." So, in the midst of all the peace and goodwill of our social night, we drink to the idea of taking on the challenge of developing the Ward Organiser role. We see this being achieved by attempting to energize the largely passive membership through increasing the number of targeted policy campaigns with which we've already had local success. Beyond that, we feel there's scope for developing a cadre which could work with other Labour Parties in the marginal constituencies, where members are thinner on the ground, as happens now in a more informal way.

"No room at the Inn"

One of the positives of the internet is the growing accessibility of the likes of the archived videoed account of John McDonnell's fight in Parliament against the Tory legislation that led in large part to the tragedy so brilliantly captured by Ken Loach's film, "I, Daniel Blake." (*John McDonnell: Jobseekers (Back to Work Schemes) Bill, 2013, YouTube*). Both the film and the parliamentary video are a reminder of where the Corbyn-McDonnell leadership of the Labour Party came from and why it is so necessary to its survival. Loach's film is a fictional account of the experience of a 59 year old joiner attempting to access the Welfare State's support system, after being declared unfit for work due to a severe heart attack. A second, interconnected "sub-plot" introduces a young, single mother of two and her struggles to survive and pass on some sort of a life to her children.

Only 40-odd Labour Party members could bring themselves to vote against the 2013 Bill. Over a 100 Labour MPs abstained, effectively giving the Tory Bill a clear run through the House of Commons (though that wasn't the end of the story). At 13 minutes into the 18 minute video, Corbyn speaks in

support of John McDonnell.

Ed Balls later explained the PLP's refusal to vote the Bill down as due to a fear of loss of Labour "fiscal credibility" going into the 2015 election. Austerity was still official policy, part of, as George Osborne, Chancellor, said in his 2013 Autumn Statement, "a recovery plan for all." But to Kerry-Ann Mendoza it was "*..planned hunger, planned poverty and planned homelessness*," *Austerity, 2016 edition*. Krugman has written: "*Since the global turn to austerity in 2010, every country that introduced significant austerity has seen its economy suffer, with the depth of the suffering closely related to the harshness of the austerity*." Ken Loach calls austerity "conscious cruelty."

The Guardian reported, 15 November, 2016, that there were more than 7 million people in "precarious employment," that is, could lose their jobs at short, or no, notice. One of the most thought-provoking comments on Loach's film was in the "Ham and High." newspaper: "*Previously a middle class audience could watch a Ken Loach film with disgust at what was going on below them. Now they watch with a fear that one redundancy or rationalization could leave them in the same situation*." (Hampstead and Highgate Express, London, 21 October, 2016)

"All the complaints of the season..."

This was the Christmas message of worldly-wise trade union officials in Ireland: not "compliments" but "complaints." The same officials could tell you that, as during the summer, the flood of grievances seemed to reduce to a trickle, just as they increased after holiday periods. The same union officials might be heard saying, over their mince pies and hot toddies: "this would be a great union if it wasn't for the members." Like some people in the... No. I'm not going to talk about the war.

Parliament Notes



Dick Barry

National Health Service Funding

On 22 November, Jonathan Ashworth, Labour's Shadow Health Secretary, moved a motion on NHS funding. The motion was amended by the government. Below we publish Ashworth's speech with the motion, the government's amendment, and a speech by Dr Sarah Wollaston, a medical GP and Conservative member for Totnes. Labour's motion was defeated by 306 votes to 213. The motion as amended was therefore carried. There is no record in Hansard of which MPs voted.

Jonathan Ashworth (Leicester South) (Lab) I beg to move,

That this House notes with concern that the deficit in the budgets of NHS trusts and foundation trusts in England at the end of the 2015-16 financial year was £2.45 billion; further notes that members of the Health Committee wrote to the Chancellor of the Exchequer about their concerns that Government assertions on NHS funding were incorrect and risked giving a false impression; and calls on the Government to use the Autumn Statement to address the underfunding of the NHS and guarantee sustainable financing of the NHS.

I begin by reminding the House that, six years ago, the then Conservative leader promised to

“cut the deficit and not the NHS.” The previous Chancellor, the right hon. Member for Tatton (Mr Osborne), told us that he would “properly fund public services” and that “investment in public services would come before tax cuts.”—[*Official Report*, 27 November 2006; Vol. 453, c. 837.]

Robert Flello (Stoke-on-Trent South) (Lab) My hon. Friend is most generous. He might have missed something. Did the Chancellor not say that he would wipe out the deficit by 2015?

Jonathan Ashworth My hon. Friend is eagle-eyed, and I congratulate him on reminding us that the Government should have balanced the books

by 2015, and that they completely failed on that pledge. Then the new Prime Minister made this promise: “We will be looking to ensure that we provide the health service that is right for everyone in this country.”—[*Official Report*, 7 September 2016; Vol. 614, c. 333.]

Fine words, but it is by their deeds that they shall be known. What did we actually get? An NHS that is going through the largest financial squeeze in its history. Far from protecting the NHS through the years of this Tory Government, NHS spending will represent an average annual increase of just 0.9%—a decade of barely any increase in spending despite an ageing population with increasingly complex needs.

By 2017, NHS spending per head will level out, and, head for head, by 2018 NHS spending will be falling under this Conservative Government. Trusts ended last year in deficit for the second year running—they were £2.45 billion in deficit and they are reported to be heading for a deficit of around £670 million at the end of this financial year.

Helen Goodman (Bishop Auckland) (Lab) Is this the explanation for the secret plan in County Durham to cut the number of beds for frail elderly people by 20%?

Jonathan Ashworth My hon. Friend makes a very important point. I will be coming on to those secret plans as I develop my speech.

We will be spending less on the NHS as a proportion of GDP than our European neighbours such as Germany, France and the Netherlands. The NHS maintenance budgets have been repeatedly raided, with billions that had been allocated to capital routinely being switched to revenue to plug gaps.

The maintenance situation has got so bad that the NHS faces a backlog of £5 billion in repairs.

Public health budgets, which fund projects to tackle teenage pregnancy,

excessive alcohol consumption, sexually transmitted infections and substance misuse and to provide anti-smoking interventions, will have been cut by 9.7% by the end of this Parliament. That is a completely false economy leading to greater demands on the acute sector. As my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) so brilliantly outlined last week, the adult social care budget has been slashed.

Sir Simon Burns (Chelmsford) (Con) I am so grateful to the hon. Gentleman. The House would take him somewhat more seriously if he pointed out that, by 2019-20, the real-terms increase in spending on the health service will be £10 billion. During the last election, his party promised to increase spending in this Parliament by only a quarter of that—£2.5 billion.

Jonathan Ashworth The right hon. Gentleman was the Minister who took the Health and Social Care Act 2012 through this Parliament, and who wasted £3 billion on an unnecessary top-down reorganisation. He should be apologising to the House, not making those comments.

We are seeing unprecedented cuts to social care, which means that the number of people aged over 65 accessing publicly funded social care will fall by 26%. UK public spending on social care is set to fall to less than 1% of GDP by the end of this Parliament. Just yesterday, Baroness Altmann, the former Conservative pensions Minister who was appointed last year to great fanfare by David Cameron, said that we are “sleepwalking into a crisis” and that the NHS will not be able to pick up the pieces of a “broken system”.

Gloria De Piero (Ashfield) (Lab) Does my hon. Friend agree that when funding is cut, our hospitals seek to raise cash in other ways, such as the unacceptable level of car parking charges at our hospitals—charges which the Government promised before the last election to clamp down on?

Jonathan Ashworth My hon. Friend is running a brilliant campaign on that. I hope that when the Minister responds, he will reply to that point. The scale of the financial pressures engulfing the NHS are such that the chief executive of NHS Providers, Chris Hopson, said recently: “The gap between what the NHS is being asked to deliver and the funding it has available is too big and is growing rapidly.”

The King’s Fund said, with respect to the NHS deficit, that “it signifies a health system buckling under the strain of huge financial and operational pressures.” In the most damning assessment of the Government’s handling of the NHS, the National Audit Office concluded today that financial problems in the NHS “are endemic and this is not sustainable.” Even the former Health Secretary, Andrew Lansley, said that “in 2010 we knew we had to implement a tight budget squeeze for five years, but we never thought it would last for ten.”

David T. C. Davies (Monmouth) (Con) Surely the hon. Gentleman has seen the report from the Nuffield Trust on the four health systems of the United Kingdom, which shows very clearly that there is only one part of the United Kingdom that has seen a real-terms cut in NHS expenditure, and that is Wales under a Labour Government.

Jonathan Ashworth There will be a cash injection in Wales in 2017, whereas spending per head in the English NHS will be levelling out and then falling in 2018.

Joan Ryan (Enfield North) (Lab) In Enfield we are short of 84 GPs going forward and we have just had a hospital crisis at the North Middlesex hospital, where there were not enough doctors for our A&E to be safe for patients, yet the only thing we hear about is the sustainability and transformation plan locally which, as far as we can see, is not only secret but about taking £22 billion out of the NHS.

Jonathan Ashworth My right hon. Friend is right and she is a brilliant campaigner for the health service in Enfield. The points that she makes about the staffing crisis in the NHS are well made. I hope that the Secretary of State will respond to her.

Things are so bad for the Health Secretary that even the NHS chief executive told the Health Committee that “2018-19 will be the most pressurised year for us... will have negative per-person NHS funding growth.” Those were the chief executive’s words. Will the Health Secretary sit up and

listen, and respond to the chief executive, or will we get what we saw in the Sunday newspapers—briefing against him. We heard that the Government are “gunning for” Mr Stevens and are going to “fix” him. I hope the Secretary of State will repudiate that briefing when he responds to the debate and distance himself from it.

The only people who do not appear to accept the need for more money for the NHS are the Prime Minister and Secretary of State. We anticipate what the Secretary of State will tell us from the Dispatch Box. The right hon. Member for Chelmsford (Sir Simon Burns) alluded to it and I will now answer his question. The Secretary of State will not only tell us that we have a generous, munificent Conservative Government who have given the NHS the money it asked for, but persist with the fiction that the NHS is receiving an extra £10 billion. However, we all know—and I suspect that the Secretary of State knows, because he now distances himself from the figure when he does interviews—thanks to the Health Committee and others that this £10 billion claim is bogus. It is a claim universally derided and discredited, apart from in the drawing room of 10 Downing Street.

Michael Gove (Surrey Heath) (Con) The chief executive of the NHS, whom the hon. Gentleman has just mentioned, welcomed that additional £10 billion and said that it gives the NHS the extra headroom we need. Will the hon. Gentleman repudiate his criticism now and make it clear that he associates himself with the chief executive of the NHS in welcoming that £10 billion of extra funding?

Jonathan Ashworth The chief executive’s comments to the Select Committee speak for themselves. Talking of repudiation, when are we going to get £350 million a week, or were the Tories typically saying one thing before the people voted and something completely different after they had had their say? That is what the ex-Education Secretary should be telling us.

Let me remind the House what the Health Committee said. I see the hon. Member for Totnes (Dr Wollaston) in her place, and she said: “The continued use of the figure of £10 billion for the additional health spending up to 2020-21 is not only incorrect but risks giving a false impression that the NHS is awash with cash.” She is sitting only a little further down from the right hon. Member for Surrey Heath (Michael Gove). Perhaps he can have a word with her if he disagrees.

The Secretary of State hopes we do not notice that he is stretching the timeframe over which he presents this funding allocation. He hopes we do not notice that NHS spending has been redefined by the most recent spending review. He hopes we do not spot that he is cutting billions from public health budgets and other Department of Health funding streams—a £3 billion cut. But we have noticed.

We have spotted the Secretary of State’s conjuring act because we have seen this Tory trick before—robbing Peter to pay Paul. The result of this trick is cuts and underfunding, more pressures flowing through to the frontline, and, as the NAO said, “Financial stress...harming patient care”. In all our constituencies we see ever-lengthening queues of the elderly and the sick waiting for treatment. Across the board, we see the worst performance data since records began.

The Secretary of State for Health (Mr Jeremy Hunt) Nonsense.

Jonathan Ashworth What world is the Secretary of State living in? Half a million patients have waited for four hours or more in A&E in the past three months—the worst performance for this time of year for more than a decade—and he says it is nonsense. Some 350,000 of our constituents are waiting longer than the promised time for elective treatment—some have been waiting more than a year—and he says it is nonsense. Delayed discharges from hospitals are at record levels, and he says it is nonsense. The number of people waiting for 12 hours or more on trolleys has increased by over 700% since 2011-12.

Anna Soubry (Broxtowe) (Con) Will the hon. Gentleman tell the House why it is that, after 12 minutes, he has yet to praise all our hard-working doctors, nurses and other health professionals? Why is he constantly talking down our great NHS, including the hospitals in Leicester?

Jonathan Ashworth I praise the hard-working staff in the NHS every day of the week, but I rather suspect that staff in the NHS will have more sympathy with the position I am outlining than with the right hon. Lady’s position, not least when, according to surveys, 88% of NHS staff think that the NHS is under the most pressure they can remember, and 77% think that there is less access to resources, putting the quality of patient care and clinical standards at risk. That, I say to her, is what NHS staff are saying.

Mr Jackson ??? Perhaps I can just allow the hon. Gentleman to break off

from reading his press release. I think we are moving towards a consensus on this issue, in that we do need to integrate acute clinical care and adult social care, and I understand that. In that vein, why was it that, in 13 years, when there was significant demographic change, the Labour Government failed to bring forward a better care fund or a precept for social care?

Jonathan Ashworth It beggars belief! We tripled investment in the NHS, and the hon. Gentleman and his hon. Friends voted against every penny piece. When we left office, we had the best waiting times and the highest satisfaction levels on record. That is the difference between a Labour Government and a Conservative Government on the NHS.

Henry Smith (Crawley) (Con) Can the hon. Gentleman explain, then, why the Labour Government closed the maternity and accident and emergency departments at Crawley hospital?

Jonathan Ashworth Well, reconfigurations are always going ahead. [Interruption.] If Conservative Members are so concerned, I look forward to the hon. Gentleman campaigning against the STPs for his area, when they are published in a few weeks.

We have seen what the reality of six years of Tory underfunding and cuts in our NHS are all about, and there are more stealth cuts to come, which will add further pressures. For example—these are small things, but they all add up—cuts to the Care Quality Commission mean that it will increase its fees for NHS hospitals, other trusts and other providers. Some trusts will have to pay over £100,000 as a result of these cuts. Reductions in education and training tariffs will put more pressures on trusts and on the frontline. In the House the other week, we debated how cuts to community pharmacies will lead to increased demands on the NHS.

Only last week, news slipped out about the privatisation of NHS Professionals. A body that makes a profit for the NHS and ploughs that back into the NHS is going to be privatised, and that profit will presumably go to private companies.

The combination of all these cuts and privatisations, the utter failure to deal with the crisis in adult social care, and the lack of planning for an ageing population with complex needs will directly lead to greater demands on the NHS, bigger cuts, and deficits across the board. It is in this context that the NHS is also expected to find £22 billion of so-called efficiencies and to redesign services across England

completely as part of the sustainability and transformation process.

Where sustainability and transformation plans are about transforming services in the interests of patient care, reversing fragmentation and ensuring more collaboration in geographical areas, we will consider them carefully. We will want to look at every single STP to see whether those plans are genuinely jointly owned, and whether they tackle the crisis in social care, guarantee better access to care for the long term, and are transparent and financially viable. What we know so far, though, is far from reassuring, because we can see from the 19 or so STPs that have been published that the ground has shifted. It has become obvious that what began as a project to transform services for patients and build up community services is now more about closing the financial gap:

“Of course, the driving force behind STPs is the emergence in the last two financial years of substantial deficits.”

Those are not my words, but those of Andrew Lansley just a few weeks ago. The STP areas that we have seen so far have been racking up shortfalls of about £10 billion that can be filled only by cuts to hundreds of beds, closing hospitals, downgrading A&Es, downgrading maternity wings and withdrawing treatments.

Helen Jones (Warrington North) (Lab) Does my hon. Friend agree that proposals to downgrade A&E in an area such as Warrington, which is surrounded by motorways as well as containing many people who suffer from health deprivation, is a recipe for disaster? If people have to travel further for emergency care, that will not improve their care in any way.

Jonathan Ashworth My hon. Friend is extremely knowledgeable about the health service and has been campaigning vigorously on the STPs. She is completely right. We will see hospitals merged in the Merseyside area and in London, hospitals lost in Durham, and efficiencies found by changing staffing levels. In fact, the STP for Cheshire and Merseyside, the area that she represents, talks enticingly of “Exploration of a Factory Model”. Doesn’t that sound nice?

With cuts to services and rock-bottom staff morale, we have the Sports Direct approach to the NHS, with the Secretary of State playing the part of Mike Ashley. The public deserve better than this bargain basement approach. Scaling back the acute sector while not investing in the community sector simply does not work. The Prime Minister might have ruled out

extra funding—

Michael Gove I have listened with great interest to the hon. Gentleman. He has spoken eloquently of his concerns about the NHS, but has not, in the course of 18 minutes, put forward a single positive policy or explained where a single penny of additional funding would come from. He has secured the time for this debate, so would he at least put forward a positive policy for the NHS, or a suggestion as to where the money should come from?

Jonathan Ashworth The right hon. Gentleman really does have a brass neck. We still do not know when we are going to get the £350 million from him, but next time he intervenes perhaps he will tell us.

Michael Gove Answer the question.

Rosie Cooper (West Lancashire) (Lab) Perhaps the right hon. Member for Surrey Heath (Michael Gove) would like to tell me how cutting the A&E at Southport and Ormskirk hospital and giving local community and acute services to Virgin Care can be a positive story for the NHS.

Jonathan Ashworth This is exactly the sort of point that we are making; my hon. Friend is absolutely correct. That is why we need to look carefully at all these STPs. Of course, we do not know much about them at the moment, because all we see is glossy brochures that tell us that everything is going to be all right and not to worry. We want transparency. The Secretary of State should insist that every single STP is published and that we have the details of the cuts that will be made in our communities.

Dame Rosie Winterton (Doncaster Central) (Lab) Is not one of the problems with local planning the recruitment of GPs and the lack of GPs locally? Would it not help if we were to amend the Health and Social Care Act 2012 so that clinical commissioning groups and NHS England could provide directly salaried GPs instead of being prevented from being doing so, as is the case at the moment? That is a practical example of something that would save money and increase the local provision of GP services.

Jonathan Ashworth My right hon. Friend is absolutely right. Morale among GPs is at an all-time low. She identifies another problem that has emerged because of the 2012 Act. I hope that the Minister will respond to her important point.

Helen Jones Is my hon. Friend aware that the Cheshire and Merseyside group has not only refused to publish details

about the STP, but refused my Freedom of Information Act request for information about the meetings that were held on the STP and who was present at them? Does that not simply give rise to suspicion that this whole process is being driven by cuts rather than the need to improve care?

Jonathan Ashworth My hon. Friend is absolutely right. The Chancellor should respond tomorrow to the growing body of evidence that the NHS has not been given the money that it needs. Tomorrow, we need an end to the scandal of crumbling hospitals. Tomorrow, the Chancellor must put right the Government's greatest betrayal on adult social care. Tomorrow, the Government must deliver the long-overdue investment that our NHS needs.

Michael Gove Where is the money coming from?

Jonathan Ashworth What sense does it make to carry on cutting inheritance tax, capital gains tax and corporation tax, at a cost of billions to the Exchequer, while at the same time failing to fund our national health service or to give social care the money it demands? The Prime Minister lets the CBI know that she is prepared to give away billions extra in corporation tax, but she tells us that there is no more money for the NHS. The Chancellor will be prevented from acting tomorrow not by financial constraints, but by the ideological constraints that the Government have placed on themselves. It is time to give the NHS the funding that it needs. I commend the motion to the House.

The Secretary of State for Health (Mr Jeremy Hunt) I beg to move an amendment, to leave out from "House" to the end of the Question and add

"welcomes the Government's investment, on the back of a strong economy, of significant additional funding and resources each year for the NHS during the 2015 Parliament; notes that this settlement was frontloaded at the specific request of the NHS in NHS England's own plan to deliver an improved and more sustainable service, the Five Year Forward View; and further notes that the NHS will receive a real terms increase in funding in each year of the Spending Review period, while the Labour Party's Manifesto at the last election committed to only an extra £2.5 billion a year by 2020, far less than the NHS requested."

Dr Sarah Wollaston (Totnes) (Con) I want to touch briefly on the importance of clear data, the current financial position, and the need to agree on a settlement for the future in this House rather than continuing to have such confrontational debates.

I can see how the £10 billion figure has

been arrived at: by adding an extra year, starting from 2014-15, and by transferring budgets to NHS England. When the Secretary of State refers to the NHS, he is actually referring to NHS England. He is not including public health. He is not, for example, including Health Education England. However, it is crucial that they are considered. As my hon. Friend the Member for Central Ayrshire said, when we talk about transferring money from public health to the NHS England budget, we are cutting off our ability to control the increase in future demand. We face significant challenges, which we will not address unless we invest in those future services.

We sometimes talk about public health as if it were not front-line care, but it is. We are talking about, for instance, services to help people with addictions and sexual health services—really important costs for the NHS. There is also the challenge of the reduction in Health Education England's £5 billion budget, £3.5 billion of which is spent directly on the wages of health service doctors who are undergoing training, but also delivering front-line services. Cuts to Health Education England cut us off from future sustainability, because that is the budget that trains, retains and sustains our existing workforce. This is all crucial to front-line services.

The other way in which the £10 billion figure has been arrived at is by changing the baseline from which we calculate real-terms increases. I would say that it has never been more important than it is now for the public to have confidence in the data that we use. Trying to return us to talking about total health spending is not trying to be awkward; it is trying to be honest with the public. It is difficult to argue that more funding for health and social care is necessary if a £10 billion increase has been claimed. It is important that we continue to use the same consistent baselines that have been used in the past, so that the public can see what has happened to total health spending.

I welcome the front-loading of the settlement, and I welcome the fact that the NHS has been relatively protected in comparison with other departments, but the scale of the increase in demand is extraordinary. When Simon Stevens talked about welcoming the increase that had been granted, he made it clear that it was dependent on a fair settlement for social care and a radical upgrade in public health, and those two aspects are lacking.

I think that both sides are correct. I can see how the Secretary of State has arrived at the £10 billion figure, but whenever

that figure is used we should also present a figure that refers to total health spending in the way in which it has always been referred to in the past. I think that that would help to build the Secretary of State's case for an increase in funding as we go forward.

Like others, I hope that we shall see an uplift for social care in the autumn statement, because the impact of social care on the NHS is now profound. There cannot be a Member in the House to whom it has not been made clear by people who come to his or her surgery that the state of the care system is in collapse and providers are in retreat. Even those who can afford to pay are finding it difficult to gain access to care.

Helen Goodman (Bishop Auckland) (Lab) In my constituency there are some villages where no social care is available because none of the private providers can afford to deliver it. Does the hon. Lady, in her role as Select Committee Chair, know whether that applies in other parts of the country as well?

Dr Wollaston We know it does, and the CQC report describes social care as being at a tipping-point; it is in a very fragile state and we owe it to all our constituents to try to come together to agree where we go from here. Many have proposed a royal commission to look at future sustainability, but we have had commissions: the Barker commission set out the options, and the House of Lords is looking at future sustainability and the range of options.

I urge colleagues across the House to try to agree, rather than having this continual confrontational debate. The best way forward would be for all parties in this House to agree that this is an enormous challenge. My personal belief is that we should stick with our current very equitable system of state funding of our NHS, look at the various options and agree between us that we need to address this. We cannot keep ducking it; we owe it to all our constituents to adopt a much more constructive tone to our debate.

We know that the current position is unsustainable, and that was reiterated in today's National Audit Office report. We can continue to shout across the Chamber about how much is spent, but we know this will be a challenge whoever is in power, and I urge all colleagues to focus instead on a different approach. Yes, more can be done within the NHS, but I am afraid that the elastic is stretched far too tight for social care to make any more efficiencies. We now need to work together to see how we can fund this going forward.

Listening to Italy

by Orecchiette

THE REFERENDUM ON MATTEO RENZI

Italy has recently confronted three large and seemingly insoluble issues. The first is the earthquake that has cost lives and money. Tremors continue to frighten people and destroy infrastructure. The second, which threatens to make an enormous impact in the wider Europe, is the continuing arrival of migrants. Italians are working to assimilate them, while the EU and other separate European countries are either unable or unwilling to assist. This is causing anti-EU feeling and increasing unease within Italy itself. The third was the 4 December referendum on constitutional changes called by Prime Minister Matteo Renzi.

Secure in the thought that he would win a *YES* vote, he said he would resign if the vote went against him. As time went on he sensed that this was not likely to be in his favour and the date slid back more than once. Renzi's over confident way of playing politics has irritated Italians of all political shades. It has also particularly alienated the many voters and groups that should be his centre-left party's natural constituency. For example, his "Jobs Act" – he used the English words – reduced employment rights and gave employers more freedom to hire and fire. Teachers, who naturally lean towards his centre left Partito Democratico (Pd), also had the terms of their employment changed against their stiff opposition.

Renzi is energetic and he worked hard to turn the referendum in his favour, zipping around the country making many speeches to support the *YES* vote. At the same time other political groups were pressing Italians to vote *NO*.

Beppe Grillo's *Movimento Cinque Stelle* (the Five Star, *M5S*) was the most vocal opponent. Currently the largest Italian political group, they have everything to play for when they rubbish Renzi. And in the post-Trump world the hurling of hyperbolic statements probably isn't as counterproductive as it once would have been, and wild taunts were thrown at Renzi. Luigi De Maio, part of the hierarchy of *M5S* and Vice President of the Chamber of Deputies (the lower house of parliament) called him a dictator, comparing him unfavourably with Pinochet; at least you knew where you were with Pinochet. Beppe Grillo stoked up his case with: "the serial killers of the lives of our children... (Renzi's) reforms are full of bullshit".

The implications of the referendum vote

for Italy and also Europe are enormous. This article goes to print as the vote takes place, so Orecchiette can only speculate by saying that Renzi would be *extremely* lucky if he managed to get a *YES* vote. Indeed so lucky, that his tactical blunder in calling what became a personal confidence vote, would effectively undermine his position. He did retract his threat, or promise, to resign at one point, but he went ahead with the 4 December date.

A *NO* vote will throw the country into turmoil and give President Sergio Mattarella many dilemmas. Renzi's government, a continuation of Mario Monti and Enrico Letta's administrations, was ruled to be unconstitutional in law. (In essence this was because the powers of citizens to have an effective voice had been limited). These governments' primary task had been to develop a new electoral system that could be used for future elections. A further constitutional anomaly is that the current unconstitutional government had confirmed Mattarella as President when Georgio Napolitano decided, reasonably, to retire just before his 90th birthday. Obviously the EU has to pretend not to notice the status of the Italian government.

President Mattarella has only one real option - to appoint another caretaker government. However, *M5S* have said that they will immediately, and insistently, demand an election. Grillo believes that he just needs the chance of an election to bring his Movement to triumph and power - like Donald Trump. He congratulated Trump on his successful election and made enormous capital about what he sees as their similarities in content and style. But Grillo was unable to resist saying that he was first to champion the underdog against the corrupt self-serving establishment. Trump just had the luck to be elected first. It is also unsurprising to note that Nigel Farage and *M5S* are in the same *Europe of Freedom and Direct Democracy* group in the European Parliament.

M5S is a Company, not a conventional party, and it conducts its internal business via members' votes using the internet. The Movement aspires to make a people's democracy by extending this mechanism to all Italian voters. Although Grillo is the leader he is unable to take a seat in the Parliament because of a manslaughter conviction following a road accident. The Movement states strongly that it is against corruption. But because it operates in the real Italian world it has been as prone as any conventional Italian party to pressure

and temptation. In fact it is embroiled in scandals in Palermo and Bologna over false signatures on candidates' registration forms. The *M5S* is also against Europe, corruption, the press and the establishment and Grillo is personally against gay marriage.

The views of *The Economist* and *FT* on the referendum were widely reported in the Italian press. *The Economist* wobbled but eventually recommended "a reluctant *NO*". The *FT* recommended a *YES*. *The Economist* based its decision on their contention that the majority of Italian businesses and industries are inefficient and need to invest in technology to compete internationally. Several of the banks (actually the smaller ones) have a large number of unsecured loans and are technically insolvent. Plus, the judicial system is cumbersome and so painfully slow that the accused frequently pass the statute of limitations before they reach the point of a possible conviction.

The Economist doesn't explain the obvious paradox behind its recommendations. If there is a *NO* vote how will Italian economic and structural inefficiencies be solved by a period of political turmoil? A change of government might compound the instability by making an Ital-exit. It would if it were controlled by *M5S* who are Eurosceptic, and the resurgent 80 year old Silvio Berlusconi favours coming out of the Euro.

In his pre-vote November desperation Renzi turned his attention to persuading the significant number of Italian ex-pat voters to vote *YES*. He sent a letter to them all, in his own name. He refuted critics who might see the country as politically unstable or weak and stressed that the constitutional changes would make for a stronger Italy. There was criticism in the Italian press about who paid for this and also how personal addresses could be used for this kind of very partial mailing. A *Il Fatto Quotidiano* cartoon showed Santa struggling to cope with all this extra mail.

Rather unfortunately for Renzi, the letter's website address contained a typo and so was incorrect. A member of Silvio Berlusconi's party spotted the mistake and bought the domain address for €10. So, any recipient of the letter who searched for more arguments in favour of *YES*, would instead have found a lot of reasons for voting *NO*.