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‘British Values’ – A Trojan Horse?

A new terror now stalks the land. This is nothing less than the Islamist takeover of school governing bodies with the aim of turning schools into nurseries for jihadis. This is what is alleged to have happened in Birmingham, leading to the re-inspection of a number of schools which have allegedly fallen under Islamist sway. These schools have been condemned, in a somewhat arbitrary way, for failing to protect children from extremism.

The ‘Trojan Horse’ furore has been a disaster for education in Birmingham and for the children in the schools affected. This is a city whose educational performance has greatly improved in recent years. The fuss about ‘Islamist Extremism’ in some Birmingham schools is without foundation. Michael Gove has disgracefully leveraged some concerns about the role of some governors in Birmingham schools into a grand-standing political performance directed against British Muslims. As Peter Osborne, political correspondent for the *Daily Telegraph* remarked, at a recent public meeting in Birmingham on the issue:

“I think it is unacceptable that there are things that can be said publicly about Muslims which can be said about no other communities and religions, and there is something sick about that and it is something that does need to be fought.”

So what is all this fuss about, apart from providing an ambitious politician with an opportunity to demonise a section of the population who find it difficult to hit back? At the heart of the issue lies the way in which British education is governed. Prior to 1988, local education authorities had wide-ranging powers over the financing of schools and their curriculum. They were also able to intimidate teachers into adopting fashionable methods of teaching that most teachers themselves often thought were harmful. It was evident that they were incapable of using these powers constructively and the Education Reform Act removed many of them. This does not mean, however, that local

authorities should have no educational powers. The Birmingham case illustrates that they can be a force for good, even with very limited powers, by making use of local knowledge and mobilising local resources to bring about change.

As the powers of local authorities diminished, so that of school governors increased and in 1988 they gained substantial control over school budgets and the right to hire and fire teachers. Under Labour, Academy schools were set up. These, although funded by the public purse, are under the control of trusts who can appoint most of the governing body directly. They do not have to follow the National Curriculum. Most of the schools in the Birmingham row are academies. The key point to bear in mind is that the governors are lay officials, appointed by a trust, with wide-ranging powers to run schools and to determine their ethos. This was the set-up deliberately put in place by Labour and enthusiastically consolidated by the Coalition.

It is important to realise that the intention of the academy legislation was to remove schools from local authority control and to give it to whatever individual or clique was able to set themselves up as sponsors of schools. It is hardly surprising therefore that some of these cliques have a strong religious motivation. If the academy is situated in a religiously homogenous area and run by a trust with roots in the area, then it can be expected that some lay governors may wish to establish a religious ethos in the school, be it Muslim, Catholic, Jewish or whatever else. Indeed, it could be argued that this may be precisely one way in which to drive up academic standards, as appeared to have happened in the schools concerned. If, in the process, some teachers and heads found themselves out of sympathy with some of the policies promoted by some governors, then that is precisely what one would expect to happen in the academy school environment. It would hardly be anything to worry about if one supported the academy form of governance.

Gove however saw fit to turn this into a crisis of supposed extremism, where it was alleged (with no foundation whatsoever, apart from a forged anonymous letter) that a conservative Muslim ethos in some schools was tantamount to constituting a breeding ground for jihadis. Gove sent a security expert to Birmingham to look at the issue, to the dismay of the West Midlands police. In addition he has suborned the nominally independent school inspection body, OFSTED into providing the evidence that he requires to gain power over these schools and to start a campaign to ensure that 'British values' are taught in British schools. If he is consistent, he should be looking at all English schools with a predominance of religiously committed governors.

It should not be forgotten that the Academy legislation already gives the Secretary of State the power to appoint governors to academy school governing bodies, a power which was conspicuously not exercised in Birmingham.

Is there a convincing case for having governing bodies for schools? This is a moot point, but we are unlikely to see them abolished. In their favour it could be said that they provide a form of 'industrial democracy' in which the interested parties can form school policy and in which the workers in the school can have an important say. In addition, local authority, parental and community representation, when it is driven by individuals who wish to improve the quality of education, can have a galvanising effect on a culture of complacency and low expectations. However, the governing body structure that we now have is ill-equipped to do this. In particular, Academies have almost monolithic governance structures which makes it difficult for there to be genuine debate about school policy. The current crisis in Birmingham is in large part a reflection of dysfunctional academy governing bodies, where properly accountable decisions are not made.

The government's policy on school governance is inconsistent and opportunistic. On the one hand it wants to micro manage what happens in schools as in the case of

Birmingham. It also wants a highly intrusive and punitive control of schools and their performance through OFSTED. But it also wants freedom to innovate and to take risks and to let local communities have their head in education. While promoting a national curriculum for local authority schools, it allows academies and free schools to ignore it. If the national curriculum is a vehicle for high standards, consistency and fairness, it is hard to see why it should be compulsory for some and optional for others. While promoting good teaching, it has done its best to deprofessionalise the teaching force, even allowing academies and free schools to employ teachers who are not qualified. While promoting 'faith schools' they take fright when religious values they despise rear their head in community-based secular schools.

The whole affair may also signal the beginning of the end for OFSTED, the national educational inspection service for England. It is evident that it can be influenced by political rather than educational considerations and this was particularly blatant in the case of Birmingham. This perception will ultimately prove to be disastrous for OFSTED and we can expect that its decisions will be increasingly challenged and its verdicts will increasingly fail to command respect.

One final word about 'British Values'. Although they are said to consist of democracy, tolerance, freedom etc., the Trojan Horse affair demonstrates some very different values on the part of Michael Gove: political interference in supposedly non political organisations, contempt for Islam and a willingness to play the 'terror' card in order to win political points. Let us not forget that values are not something that one can change like one's clothes. We cannot expect people to adopt new values just because the government says they should. As Thomas Hobbes pointed out in the Seventeenth Century, the most we can do is to get subjects

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Parliament And World War One

by Dick Barry

Will Thorne, The War, And The Working Class

Will Thorne was born in Birmingham on 8 October, 1857. As a young man he worked in a variety of semi-skilled and unskilled jobs. In 1882, Thorne and his wife and their two children moved to London where he found work at the Beckton Gasworks. Shortly after arriving in London he joined the Canning Town branch of the Social Democratic Federation. He was soon appointed branch secretary and began to attend national meetings of the organisation. Eleanor Marx, a key SDF member, taught Thorne to read and write. In 1889 he helped to establish the National Union of Gasworkers and General Labourers, becoming its General Secretary after an election in which he defeated Ben Tillett. In 1894 he was elected to the Trades Union Congress Parliamentary Committee, a position he held until 1933. He became active in local politics in West Ham, serving as Councillor, Alderman and Mayor. After Keir Hardie lost his West Ham seat, Thorne became the Labour Party candidate. He was defeated in the 1900 General Election but won the right to represent the constituency in 1906. Thorne supported Britain's involvement in the First World War

and joined the West Ham Volunteer Force with the rank of Lieutenant-Colonel. His eldest son joined the army and was killed at Ypres in 1917. In the 1918 General Election Thorne was elected as Labour MP for Plaistow, holding the seat until his retirement in 1945. He died on 2 January 1946.

The following Motion was made, and Question proposed, on 1 March 1915:

“That a Supplementary sum, not exceeding £37,000,000, be granted to His Majesty, beyond the ordinary Grants of Parliament, towards defraying the Expenses which may be incurred during the year ending the 31st day of March, 1915, for all measures which may be taken for the Security of the Country; for the conduct of Naval and Military Operations; for assisting the Food Supply, and promoting the Continuance of Trade, Industry, Business, and Communications, whether by means of insurance or indemnity against risk, the financing of the purchase and resale of food-stuffs and materials, or otherwise; for Relief of Distress; and generally for all expenses arising out of the existence of a state of war.”

Mr W. Thorne:

“I want to make reference to that part of the Prime Minister's speech in which the right hon. Gentleman suggested that employers and workmen should try to settle their grievances without resorting to the unfortunate method of striking. So far as I am concerned I hold up both hands for the Vote the Government are now asking for, and if they come to us with a demand for still another Vote, they will have my support, because I have made up my mind that, whatever money the Government wants in order to carry the War to a successful issue shall be granted to them. On the other hand, so far as organised labour is concerned, I do not think that the government have any reason to complain at

all. The union which I represent, before the War commenced, had a membership of about 140,000, and over 20,000 of the members have joined the colours; as a matter of fact, in some of our branches as many as 75 per cent. of the men have joined. Taking organised workers as a whole throughout the country, I do not think I am exaggerating when I state that over 200,000 workmen belonging to the different trade unions have already enlisted. On an average about 10 per cent. of the total membership have joined, and, therefore, I think, from a trade union standpoint, the Government has absolutely no cause of complaint at all.”

“But I hold there is a duty devolving on the Government as well as on the men. Personally I do not say the Government have done all they could do. They ought, in the first place, to put their own house in order. There are some thousands of employees who are working in the various Government Departments for very low wages who have had absolutely no increase whatever. There are many women working in the Post Office who have been taken on as auxiliaries to do certain work hitherto done by men, and they are doing it efficiently for about £1 per week less than was paid to the men who have joined the Colours. It seems to me that in cases like that the Government should have no hesitation at all in increasing the wages of those employees, in view of the rapid rise in the cost of food-stuffs—a rise which bears very heavily indeed upon the London population.”

“The Government can, I think, help us in many ways. My own union, for instance, or other organisations, may make representation to firms engaged in the manufacture of munitions of war. In one case such a firm has offered a very scanty advance. What are we to do? Are we to advise the men to accept it for the time being, and then, when we

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to passively acquiesce in the values proclaimed by the sovereign or supreme authority in the state. We doubt if any of the governors of Birmingham schools have problems with fair play, democracy, justice, liberty etc., but there could be problems if Gove or anyone else were to make arbitrary decisions about what constitute British values.

No doubt the electors of Birmingham will come to their own conclusions about the values of Gove and the party he represents next year.

have advised a settlement, find the employers ignoring us altogether? I must say that, so far as my own union is concerned, we have not had the slightest difficulty with our members. At an early stage of the War we closed down every strike, and, in some cases, the men returned to work on conditions which were worse than those which obtained when they went out. I have another instance. At Stowmarket there are men working under most dangerous conditions. The munitions of war made in those works are of a most dangerous character, and I read of one explosion in which hundreds of men were blown up, the remains of some never being found. These men are working under these conditions at a rate of about 5d. or 5 1/2d. per hour. This week the firm has come along and offered them, 2s. in some cases and in other cases only 1s., on the condition that they make a 54 1/2 hour week. If a man loses a single quarter of an hour during the week he is not to get the increase."

"What are we to do under conditions like that? Are we to advise the men to accept them? Certainly after what the Prime Minister just said, we will advise them to do it for the time being, but I would suggest that the Government itself might see if it cannot bring pressure to bear upon this particular firm. I am informed it is not now a question of contracts. In many cases it is simply a question, 'Present your bill and we will pay it.' The Government have already agreed to make good a very large extent the concessions that have been made by various railway companies in different parts of the country, which means that men receiving less than 30s. are to get an advance of 3s., and those earning more than 30s. an advance of 2s. If the Government could persuade the employers of labour in all parts of the country to make a similar advance I should have no hesitation in saying that, for the remaining period of the War, unless food-stuffs go up further in price, the men to a very great extent would be satisfied."

"There has been a great deal of talk in the newspapers and among train and tram passengers about the unpatriotic manner in which the

men on the Clyde have viewed the situation. May I remind the Committee that not only on the Clyde, but the Tyne and throughout the North-East Coast, men have been working from sixty to ninety hours a week; that they have been subject to this physical strain for four or five weeks at a stretch, and that therefore it is impossible to keep good time all along? They are bound to lose time, and in these trades we find that, in consequence of the heavy strain, our members are liable to sickness. In consequence of increased sickness the cost has been greater. I know that at Grantham men have been working sixty, seventy, and even ninety hours a week. I say it is a physical impossibility for men to work under such conditions, and the country should understand the conditions under which the men have been working. At any rate, so far as the majority of workmen are concerned, I feel certain that they will take the advice of the Prime Minister, and also the advice which the Chancellor of the Exchequer gave in the speech which he delivered on Saturday last. I think if the labour leaders advise the men to refer all these matters to the Arbitration Committee an effort should be made to speed up their consideration so that early decisions will be given. There is nothing more irritating to men than to have to wait for decisions."

"May I remind the House that this Committee is not giving satisfaction as regards its composition? I think there ought to be at least two Labour Members on the Committee. I admit that Sir G. Ask with is a good man and that he has done some good work in connection with labour disputes, but it is impossible for him to understand all the

technicalities in connection with the different questions which will come up from time to time. There is not a single representative of organised labour on the Committee. Why should we not have at least two Members on the Committee? If men do not want to work, what powers have you at your command to make them do so? In my opinion you will have to satisfy the men that their claims will be properly considered. I believe that compulsory arbitration is coming along. Compulsory arbitration has been voted down by organised labour many times. I do not think you will get the men to accept compulsory arbitration."

"I know we are living under military law. There are always spies at meetings, and if we advise men to come out on strike we will have to take the risk of being brought before a court martial. I would suggest that the Government should start by giving an advance of wages to those who have not had an advance, and in that way give a good example to employers who have not advanced wages. You may talk about pig-headed workmen, but it should be remembered that there are pig-headed employers as well. If employers would adopt reasonable terms, we will get the workmen to act more reasonably than some of them seem to do at present. The Government have power to put an end to the exploiting methods of shipowners, and I think they should put their power into operation. The men who are in the coal trade should not blame the workmen. I hope the Government will do their duty to the workmen, and endeavour to see that they get reasonable conditions as regards the hours of labour and wages."

I opposed the war in Iraq because I did not believe it was in our national security interest, and I still don't. What we [America] did was akin to taking a baseball bat to a beehive. Our primary security threat right now is terrorism ---and by doing what we did in Iraq, we've managed to alienate a good part of the world and most of the allies whose intelligence and other help we need to combat and defeat terrorism.
Jerry Springer, interview, Jun. 23, 2003

I find capitalism repugnant. It is filthy, it is gross, it is alienating... because it causes war, hypocrisy and competition.
Fidel Castro

How Piketty Misses the Miracle of the Mixed Economy

by Gwydion M. Williams

Thomas Piketty is a Classical Liberal who tries to minimise the 20th century failures of Liberal Capitalism and its successful replacement by the Mixed Economy. This is probably why he and his book *Capital in the Twenty-First Century* are being hyped at a time when the New Right are looking increasingly shaky.

He correctly sees that the ludicrously high incomes of the richest 1% are likely to kill the system. But he tries to explain away the massive successes of the “Golden Quarter-Century”, the successful Western growth from 1950 to 1975. You can find a much better account of these things in the work of Ha-Joon Chang, especially “*23 Things They Don’t Tell You About Capitalism*”.

Liberal Capitalism perished in the Great Depression. The immediate alternatives seemed to be Global Leninism and Fascism, with Fascism the pioneer of the Mixed Economy, because it would tolerate capitalism when it seemed to be serving the National Interest. President Roosevelt found a successful hybrid with the New Deal, a Mixed Economy implemented within the traditional liberal political system, but this was in danger of being suppressed before World War Two came along and changed everyone’s attitudes. The New Deal was tarnished by the US Recession of 1937–1938, but the World War justified Tax-and-Spend and new taxes. It was found that spending vast sums of money on war actually boosted the economy, so this successful method was continued after the war. One reason for the Cold War was probably that it allowed this massive spending to continue without an actual war. But that applied just in the USA and was caused by its political obsessions and lack of socialism: elsewhere a successful Mixed Economy was run without unusual military spending.

The New Right treated the Mixed Economy as an aberration. They insisted that Roosevelt had actually prolonged a crisis that would otherwise have healed itself through the operation of the Free Market. (Never mind that this notably failed to happen in the UK and other places where Liberal Capitalism remained the norm. They promised to roll back the “overgrown” state and restore something like 19th century individualism. But none of their promises have been met: the state is as big as ever, though some of its functions have been outsourced to profit-making corporations that make huge profits from government subsidies. The promised “trickle-down” from increased growth caused by liberating the entrepreneurs never happened, but almost all of the left let them quietly drop that slogan rather than continuously taunting them with it. (Most of the electorate are busy and not very clever, so a continuous rather mindless taunt will work better than intellectually sound arguments. It’s sad, and it is one

reason why Representative Democracy is not such a great system, but it is also a fact of life in Europe and the USA.)

Piketty tries to ignore politics. There is no existing schema of history that would endorse Liberal Capitalism while avoiding the viewpoint of the New Right. It might be possible, but so far no one has managed it, and I rather hope no one manages to put together another False History to replace the crumbling New Right outlook.

Piketty tries to find purely technical explanations for the Mixed Economy’s success. Thus he says “By adopting the modes of production of the rich countries and acquiring skills comparable to those found elsewhere, the less developed countries have leapt forward”.¹ Which does not account for how some poor countries manage it and others fail. Why Imperial Japan was a brilliant moderniser, while both Imperial China and the Western-style Chinese Republic that existed from 1912 to 1949 achieved very little. Or why China under Mao grew at rates comparable to Western Europe’s ‘Economic Miracle’ in the same period, while China under Deng and his heirs has outgrown every other large economy.

The best part of the book is detailed evidence that the 1940s to 1970s were a period of relative equality. And that we have since seen a return to standard rates of inequality. But he is also keen to explain this in terms of economic abstractions rather than politics. He does say that the likely explanation for the change is that “these top managers by and large have the power to set their own remuneration, in some cases without limit and in many cases without clear relation to productivity”.² But is evasive on the key question of *why* they have such power. They have always had the power to set their own wages, in practice if not always in principle. But they used to be much more modest in what they took as “top people”. I’d see it as a widespread fear among the elite of both Global Leninism and a possible revival of Fascism. Piketty leaves it unexplained.

His merit is taking notice of some aspects of history. He says “to put it bluntly, the discipline of economics has yet to get over its childish passion for mathematics and for theoretical and often highly ideological speculation, at the expense of historical research and collaboration with other social sciences”.³ But he doesn’t do much of this himself, just research into incomes and not political structures. The continuous destruction of independent small property is barely mentioned, for instance. Marx insisted that this would continue indefinitely within capitalist systems, and has been broadly correct. Piketty doesn’t seem to want to know.

The growth of state power is also something he gets evasive about. In Chapter Four, he details the decline in agriculture, but tries to magic away the huge and

growing state sector by comparing public assets to public debt. These do seem to balance, but this does not mean that the state has a small net impact. Instead the 20th century saw a growing role for the state, and the New Right have failed to reverse this.

Piketty wants to explain it all by differences between growth rates and interest rates. By an amazing coincidence, economic forces favouring equality just happened to come into operation when there was a strong political will to enforce equality. By an even more amazing coincidence, economic forces favouring inequality just happened to come into operation when that strong political will to enforce equality was missing. And when most of the left was gripped by an irrational fear of “corporatism”.

Piketty tries to minimise the importance of what he calls the “Trente Glorieuses”, presumably the French term for the period from the late 1940s to late 1970s. In his view, “the thirty postwar years were the exceptional period, quite simply because Europe had fallen far behind the United States over the period 1914–1945 but rapidly caught up again during the Trente Glorieuses. Once this catch-up was complete, Europe and the United States both stood at the global technological frontier and began to grow at the same relatively slow pace, characteristic of economics at the frontier...”

“In North America, there is no nostalgia for the postwar period, quite simply because the Trente Glorieuses never existed there: per capita output grew at roughly the same rate of 1.5–2 percent per year throughout the period 1820–2012”.⁴

This is doubly wrong. First, there was and is a lot of nostalgia for the 1950s in the USA. Ronald Reagan got elected on it. Second, Piketty’s own graph shows the USA peaking in the period 1950–1970, and still growing at more than 2% per annum in the period 1970–1990.⁵

It was also not a question of backward Europe catching up with the sophisticated USA. The USA had a vast integrated market and a pattern of creating new industries from scratch, which meant that the most modern methods could be used. It had a culture that put money ahead of social values, which was only very slowly imposed on Europe and is still resisted. And European science and technology were mostly ahead, with a lot of the best US science coming from refugees from Europe, or the children of immigrants. As indeed were quite a lot of the most successful business people and famous entertainers.

It would be an interesting exercise to try to work out what the USA would have been like, had its 1850s political crisis worked out differently. There was a strong “Know-Nothing” movement that wanted to stop all future immigration, and

maybe drive out those immigrants they had. It might have happened that they would have stopped further immigration while somehow resolving the slavery issue without a war. My rough estimate is that a USA without everyone who either arrived after 1860 or had at least one parent or two grandparents who arrived after 1860 would have been a USA without most of its science and a lot of its culture, including 90% of what became the Hollywood Film Industry. Something useful a university Sociology Department could do.

Europe certainly suffered damage due to the two World Wars. Some sort of bounce-back would have been expected. But France, Belgium, Italy, Germany and the United Kingdom had all exceeded their 1939 GDP by 1955, most of them achieving this several years before that.⁶ The continued fast growth of Continental Europe after 1955 cannot be explained away by catch-up or recovery: it makes sense only as a benefit from the Mixed Economy and associated social policies.

During the crisis of the 1970s, there should have been a body of centre-left thought defending the 'Miracle of the Mixed Economy', insisting that the system created in the West after World War Two had been enormously successful. This failed to happen. The people within the Labour Party who should have done it instead hived off as the Social-Democrats and allowed themselves to be swallowed by the corrupt old Liberal Party, which currently looks to be heading for extinction after its miserable showing in its coalition with the Tories. But the Social-Democrats never had any clear idea of who they were or why they existed. They had just a vague idea of what they liked and regretted its passing, but could not explain why nor co-opt those elements of radicalism they could have co-existed with. Attributing to them the slogan 'Keep Politics Out of Politics' wasn't very far from the truth.

Meanwhile Ronald Reagan floated the slogan of 'The Miracle of the Market', pretending that the successes of the Mixed Economy were down to pure capitalism and that everything would run better if people rid themselves of the idea that the state could solve anything. This became the dominant ideology, and is still mostly grumbled about rather than scorned as total nonsense.

The best of Piketty is his mass of detail about how the richest 1% have gained in both income and wealth. He reckons that World GDP grew by an average of 3.3% between 1987 and 2013, but average wealth per adult grew only 2.1%, while average income per adult grew only 1.4%. The big gains – over 6% per year – were made by the richest 1%.⁷

He also notes a "top 9%" immediately below the richest 1%, who have done less well but still done very nicely. "If we consider the total growth of the US economy in the thirty years prior to the crisis, that is, from 1977 to 2007, we find that the richest 10 percent appropriated three-quarters of the growth. The richest 1 percent alone absorbed nearly 60 percent

of the total increase of US national income in this period. Hence for the bottom 90 percent, the rate of income growth was less than 0.5 percent per year."⁸

"Among the members of these upper income groups are US academic economists, many of whom believe that the economy of the United States is working fairly well, and, in particular, that it rewards talent and merit accurately and precisely. This is a very comprehensible human reaction. But the truth is that the social groups above them did even better: of the 15 additional points of national income going to the top decile [richest 10%], around 11 points, or nearly three-quarters of the total, went to 'the 1 percent' (those making more than \$352,000 a year in 2010), of which roughly half went to 'the 0.1 percent' (those making more than \$1.5 million a year)."⁹

One interesting extra – he notes the increase in inequality in China after Mao, but reckons it is still quite low by global standards. "Chinese inequality increased very rapidly following the liberalization of the economy in the 1980s, but according to my estimates, the upper centile's share in 2000-2010 was 10-11 percent, less than in India or Indonesia... and much lower than in South Africa or Argentina."¹⁰ ("Upper centile" is another term for the richest 1%.) He also doubts that China is truly capitalist: "Are China's millionaires and billionaires, whose names are increasingly prevalent in global wealth rankings, truly the owners of their wealth? Can they, for example, take their money out of China if they wish?"¹¹

He correctly notes that most income differences are based on birth rather than merit, maybe more so in the modern USA than in Europe. "Inherited wealth played a smaller role in the United States than in Europe, and US wealth was for a long time less concentrated, at least up to World War I. Throughout most of the twentieth century, however, and still today, the available data suggests that social mobility has been and remains lower in the United States than in Europe.

"One possible explanation for this is the fact that access to the most elite US universities requires the payment of extremely high tuition fees. Furthermore, these fees rose sharply in the period 1990-2010, following fairly closely the increase in top US incomes...

"The average income of the parents of Harvard students is currently about \$450,000, which corresponds to the average income of the top 2 percent of the US income hierarchy."¹²

Yet his conclusions are modest. He wants something done about tax havens, but perhaps not much. "To be clear, the goal is not to impose a general embargo on tax havens or to engage in an endless trade war with Switzerland or Luxembourg. Protectionism does not produce wealth, and free trade and economic openness are ultimately in everyone's interest, provided that some countries do not take advantage of their neighbours by siphoning off their tax base."¹³

A serious trade war against Switzerland

or Luxembourg would not be endless: they would capitulate pretty quickly if the only issue was helping foreigners dodge taxes. Switzerland in particular is very nicely run for the Swiss and this should not be interfered with. But they should be stopped from being a global laundry for dirty money, some of it criminal.

As for "free trade", it tends to favour the rich. Britain and the USA did their initial industrialisation behind high trade barriers and only opened up after they were strong. China industrialised under total state control and with US obstruction of trade – the USA asserted that the Beijing government was illegitimate and the Kuomintang exiles on Taiwan were the real China up until the early 1970s, keeping the real China out of the United Nations until then. And China still has a lot of protectionism, including very strong controls of conversions of currency. China has arrived by its own methods at the world's very best version of a Mixed Economy. It is well placed to become more socialist as it becomes more prosperous.

Markets are about power, not freedom. Or freedom only in the sense that the biggest bully around can do much as they please. The stronger always have a big advantage. They naturally resent it when someone even stronger steps in, either to take unfair advantage or to balance power in favour of the weak.

Speaking of "free markets" is a convention: there are always regulations. People who find the regulations suit them deny this is a limit on freedom. The actuality we have seen since the 1980s is that those with market power have boosted their incomes way beyond their actual contribution to the wealth of the society.

Pro-market economists have a belief in "Immaculate Mammonism", that whatever people get in open economic competition is a fair return for their work and talents. Which if taken literally would suggest that top bosses in the 1950s and 1960s were 30 times better than the average worker, while their modern equivalents are at least nine times better than their equivalents from the 1950s and 1960s. Is this plausible?

Generally the New Right avoid this awkward matter and look instead at cases of shirking and poor work, which undoubtedly do exist. But does not explain why ordinary hard-working people get much less than their bosses. (In the USA, the working mainstream have made no progress since the 1970s, yet still vote for more of the same.)

Piketty is useful in exposing details of the inequality. But that is really all he is useful for.

(Endnotes)

1 *Capital in the Twenty-First Century*, by Thomas Piketty. Translated by Arthur Goldhammer. Harvard University Press 2014. Page 21.

2 *Ibid*, page 24.

3 *Ibid*, page 32

4 *Ibid*, pages 96-97.

5 *Ibid*, figure 2.3

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The Future Of UK Pensions ?

by Martin Dolphin

The coalition government has made two major statements in 2014 about the future of UK pensions. In his March budget George Osborne announced that from April 2015 retirees would no longer be required to buy an annuity with the pension pot that they had accumulated over their working lives. In the Queen's speech in early June it was announced that a change will be made to the pension laws to allow Dutch style collective pension funds. These two proposals, if enacted, will make a significant change to the pension landscape in the UK. Yet the strange thing about them is that they are contradictory and therefore, as a single policy, incoherent.

The proposal by Osborne to remove the requirement to buy an annuity addresses the problem that annuities were seen as poor value. £100,000 at age 65 would buy you an inflation proofed annuity of less than £4,000 per annum in today's market and about £6,000 without inflation proofing. It was perceived that one of the reasons that annuity rates were so low is that the financial institutions had a captive market. Pensioners had to use their pension pots to buy an annuity. So the financial institutions were in a strong position to minimise their risks and maximize their returns from annuity sales. Hence annuity sales were one of the most profitable areas of the life insurance financial institutions.

Stephen Webb, the Liberal-Democrat pension minister, had been negotiating with the financial institutions to get them to reduce their costs in both the accumulation phase (when you build up your pension pot) and the decumulation phase (when you buy an annuity) of a pension. But progress was slow. The financial institutions were resisting at every turn. Osborne effectively cut the Gordian knot. He removed the legal requirement to buy an annuity. It is now up to the financial institutions to provide better value annuities if they want to continue selling them and to take the consequent reduction in their profits. This may seem like a good move but in fact Osborne's proposal is a continuation of the bad approach to pensions initiated in the Thatcher administrations of the 1980s.

In the 1980s the Thatcher government

promoted the idea that everyone should have their own personal pension pot which they manage over their working lives. They encouraged individuals and companies to opt out of the State Earning Related Pension System (SERPS) put in place in 1978 by Labour which aimed to give the worker on an average wage a pension in retirement equal to about 50% of his pre-retirement income. SERPS may have had some design problems but it was a move in the right direction and should have been further developed and built on. But the Thatcher administration did quite the opposite by creating private pensions, legalizing the right of individuals and companies to opt out of SERPS (John Major was the junior minister who put the legislation in place) and actively encouraging opting out with financial incentives. Instead of your pension contributions going into a pot with those of millions of others, everyone had their own private pot. Each pot had to be managed separately with consequent costs and what you got back depended on the behaviour of the stock market. Unlike SERPS where the pension was directly calculated from what you had put in. It is accepted now that opting out of SERPS has made pensioners poorer in retirement.

The accumulation phase of a pension when the pension pot is built up had become personalized. However the decumulation phase did not become personalized since the financial institutions that sell annuities base their annuity on the average life expectancy which is about 85 years. The pension pots of those who die early are used to pay the annuities of those who die later. However if you don't buy an annuity then you take on completely the risk of running out of money in retirement if you have a longer than average life. So at one level it is highly advisable to buy an annuity but because they are currently such poor value it makes sense not to buy one. The pensioner is caught between a rock and a hard place. Osborne tapped into public dissatisfaction with annuities by no longer making it a legal requirement to buy one. He would probably argue that removing the legal requirement will force the life insurers to offer better annuity rates. That remains to be seen. But the idea of an annuity makes sense since it removes the concern over future income in retirement. What Osborne should have addressed was the level of annuity rates rather than allowing people not to buy annuities.

In contrast with Osborne, Stephen Webb, the Liberal-Democrat pension spokesman, is trying to address the level of annuity rates with his proposal in the Queen's speech to legalize Collective Defined Contribution (CDC) schemes. His proposals would reverse much of the personalization of the pension system

introduced under the Thatcher administrations. Under CDC rules employees would pay their pension contributions into the same fund as thousands, possibly tens of thousands of other workers. The cost of managing these funds would be shared over all the contributors. In Holland where CDCs play a large part in the pension system pension management costs are much less than those in the UK. It is generally accepted that these reduced costs will lead to a dramatic increase in pensions. In July 2012 the RSA made the following claim:

"If a typical young Dutch person and a typical young British person were both to save the same amount for their pension, if they were to retire on the same day, and die at the same age, the Dutch person is likely to get a pension which is at least 50% higher... [one reason is]... that in Holland

pension saving is typically done collectively." Collective Pensions in the UK, RSA, July 2012

In their White Paper "**The Case for Collective DC**" the global insurance company Aon Hewitt report:

Modelling by the (UK) Government Actuaries department concluded: "CDC plans do appear to exhibit superior performance on average when compared to conventional DC plans. In theory this improvement is in the order of 20 to 25 per cent, but in the simulation it is as high as 39 per cent for some members." (p. 17)

I said that Stephen Webb was trying to address the level of annuity rates with CDCs. This is slightly inaccurate because with CDCs annuities are replaced by target incomes that depend on the performance of the fund of which you are a member with thousands of other workers. So with a CDC you have a future income stream but its exact value is not guaranteed.

The British financial institutions are desperate to stop CDCs since they would remove the easy profits they have been making from pension provision and have latched onto this fact that CDCs provide only target pensions and not guaranteed pensions. They point to the fact that some Dutch pensioners have seen their pensions reduced because of the 2008 financial crash while the pensions of British pensioners have remained unchanged.

This argument has a grain of truth in it but is essentially weak. It is true that some Dutch CDCs have reduced the level of pensions. But as argued by Aon (p. 21):

"One quarter of Dutch CDC plans reported having to cut pensions by an average of 1.9% in 2012 to restore their funding level.

These benefit cuts will have priority for

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6 See *The World Economy: Historical Statistics* by Angus Maddison for the exact figures. It lumps West Germany and East Germany for the period they were separate.

7 *Capital in the Twenty-First Century*, page 435, Table 12.1.

8 Ibid, page 297

9 Ibid, page 326

10 Ibid, page 327

11 Ibid, page 535

12 Ibid, pages 484-5

13 Ibid, page 523.

Froggy

News From Across The Channel



Reform of the Regions

This is the refrain you hear in the media in France and abroad: France must reform, abandon archaic institutions and become a modern state. First change to be made: get rid of small administrative units, because there are too many of them. There are 36,000 communes (hamlet/village/town/city) each with its elected representatives. Metropolitan France has 96 *départements*, each with its administration and elected representatives. (*Départements* were created in 1789.)

In 1982 the government gave extensive powers to 22 regions, now responsible among other things for secondary schools and transport; they commission train services.

This antique system is government on a human scale. The citizen has someone to turn to within physical reach. He is not dependent on haphazard charity if he needs help. He has elected the people who are responsible for his children's school and for their buses and trains.

This however is archaic, people

must toughen up in this day and age and learn to stand on their own two feet. *Départements* must be got rid of.

This will be a bit difficult to achieve, so a start will be made gently by decreasing the number of regions, since people are not so attached to them. Regions as administrative units are more recent, and they do not correspond to the traditional provinces, except in some cases, particularly Brittany, Alsace and Corsica. So the François Hollande government has presented a law reducing the number of regions to 14. Nobody is happy with the result.

L'Humanité (3.6.14) titled: 'Democracy is too expensive: let's reduce the number of elected representatives!'

(In English 'elected representatives' is an unwieldy and cumbersome phrase; the French equivalent is a snappy 'les élus'; *La démocratie est trop chère, réduisons le nombre des élus!*).

L'Humanité then points out that

this is a liberal reform, and that liberalism is truly a revolutionary ideology which aims at obliterating the past, and that therefore the solution when faced with this permanent revolution is to be a conservative. This territorial reform is a liberal reform that aims at systematically undoing the ties that still exist between the citizens and their nearest elected representatives, in the guise of saving money.

L'Humanité is against the reform.

The National Front has a different view: they don't like regions having power, they see them as states within the state, and so they like bigger regions with correspondingly bigger responsibilities even less. They point out correctly that the reform would increase desertification of the countryside, as capitals of former smaller regions are abandoned and population is concentrated in a smaller number of towns.

The National Front wants no regions at all, only the commune, *département* and State. Schools

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restoration, if and when financial conditions improve.

In the UK, by contrast, the cost of buying an annuity increased by 29% over the three years 2009-12. Those persons retiring from a DC plan in 2012 and buying an annuity would have seen a permanent drop in their retirement income of 29% compared with their 2009 colleagues - with no prospect of subsequent review or readjustment." (p. 21)

Furthermore even if all Dutch pension funds had had to reduce pensions the argument would still be weak because in a CDC scheme a worker would, on average, have built up a considerably bigger pension pot than one in a UK style straight DC scheme because of lower costs in managing the CDC scheme. So even after a reduction in the Dutch pensioner's pension he would still be substantially better off than the British pensioner.

In short a move to legalize CDC pension schemes should be supported. They will improve the pension of British workers. But it is wrong to suppose that they will dramatically improve those pensions without two other changes. Contributions to pension funds should be made mandatory as they are in all major European countries and the amount of the contribution should be raised to something approaching 20% to be shared between the worker and

employer. Mandatory contributions of the order of 20% shared between worker and employer are typical in Germany, France, Holland, Denmark and Sweden. Only then will British workers really enjoy a decent standard of living in retirement.

References:

Some excellent articles on CDC pensions can be found here: Nigel Stanley from TUC: <http://touchstoneblog.org.uk/2014/06/what-are-cdc-pensions-and-why-are-they-a-good-thing/>

David Pitt-Watson from RSA: <http://www.thersa.org/action-research-centre/enterprise-and-design/enterprise/industry/tomorrows-investors/collective-pensions-in-the-uk-ii>

Aon: <http://www.aon.com/unitedkingdom/defined-contribution/collective-dc.jsp>

On the opting out of SERPS fiasco:

<http://www.telegraph.co.uk/finance/personalfinance/consumertips/2898070/Whatever-you-do-dont-opt-out-of-Serps.html>

<http://www.joslinrhodes.co.uk/pensions-148/serps-contracting-out-103.html>

should be the responsibility of the *département*, and railways that of the State.

François Rebsamen, former Senator and Mayor of Dijon, now Minister for Work, Employment and Social Dialogue, had another proposal, formulated before he became minister. He saw that some reform would be useful, when there really was a duplication of services between the three administrative layers. He thought that this could be remedied on an *ad hoc* basis. There was duplication in heavily built up areas. In those cases, the *commune*, *département* and *région* could communicate and organise services as necessary. The majority of France on the other hand is not heavily built up and profits from having three layers of administration. This is a sensible view. It has the advantage of not being against reform *a priori*, and at the same time of taking into consideration the needs of the citizens. It is practical and humane.

Reform of the railways.

France still has a national railway! Very quaint. But for how much longer will the SNCF continue as a public service?

Railway workers were on strike over 10 days in June. The strike has been unsuccessful. BBC Radio 4 'From our own correspondent' reported on it (21.6.14) as being 'over some incomprehensible reform of the SNCF'. That was the extent of the analysis.

The CGT-Railways union led a rolling strike, with another union, Sud-Rail. The CFDT only joined for the first day. The CGT denounced the reform as a reorganization preparing the way for further privatization of the railway. It also denounced the 15% reduction in operating costs, a reduction achieved by outsourcing the SNCF Human Resources, payroll, IT, family, health, social and legal services. The SNCF housing stock would be disposed of. New employees would not benefit from existing job specifications and conditions of service. Hours of work and rest periods would be 'reorganised' to the detriment of the employees.

The head of the SNCF, Guillaume

Pépy, wants a world class transport and logistics group, with three main bodies and hundreds of subsidiary companies, capable of taking a stake in the railways of other countries. SNCF is already in that position; among examples worldwide, its subsidiary Keolis will be part of the management of TSGN, Thameslink Southern Great Northern franchise, the largest railway franchise in England.

On the other hand France has fought hard to stop foreign companies running trains through France with non-French drivers. It is only recently that Deutsche Bahn has been able to drive trains through France to get to the Channel Tunnel and England.

Railway systems are no longer just national. This is not necessarily a bad thing, as long as the national service is not compromised, and it is not achieved at the cost of demolishing the pay and conditions of service of national employees.

That SNCF employees have privileges should be applauded. For once workers have privileges. Privileges of the professions, doctors, lawyers etc are acceptable but privileges of workers are unacceptable, and workers are almost ashamed to defend them. City traders can retire at 40 with the money they have made, and that is OK, but train drivers should be ashamed of retiring at 50 and other rail workers at 55. Should all workers see their conditions of service equalized to that of the least well treated employees?

Need for reform

That is not to say that there should be no reform. The CGT says there should be reform. It wants to reunite the system (split like the UK system between track and rolling stock), and finance the debt through taxation on motorways and lorries, and a public funded state loan.

It refuses however the proposals put forward to increase freight traffic, subsidies to employers for opening branch lines, and to road hauliers to put lorries on trains, as well as opening the system to private freight firms.

If these measures were successful in increasing freight traffic

and reducing road transport, they should be adopted, even though they involve private companies. Presumably the CGT is glad that SNCF subsidiaries are making money running trains in England, even though it is in a private provision framework.

Immense enterprises such as the SNCF have to be run by teams of experts; the resources of the trade unions are perhaps not up to the task of formulating a thorough proposal for reform; for that, they would need to work with the management and have their expertise at their disposal.

Nevertheless, as far as the strike is concerned, workers should have secure privileges that make their life a good life and the working class an envied class, and they are right to go on strike to try to protect them.

Another outdated French practice

Another outdated French practice is allowing cows to stand in fields eating grass. This is good for the health of the animals, provides employment in the countryside, and protects the landscape.

But the competition, for example Germany, has factory farming for cows, *hors sol* as they said in French, meaning 'off the ground'. This environment plus the industrial feed causes disease and the large scale use of antibiotics, as for chicken and pork factory farming. This method also lowers costs so much that in France pig and chicken battery farmers find it difficult to make a living and rely on government subsidies.

The biggest herds in France at the moment have 350 cows; in 2010 half of all herds had less than 50 cows.

Cows in fields make cow pats that are absorbed in the soil. In factory farms, their waste is an immense quantity that needs to be dealt with; it is proposed that the factories are equipped with gas making plants, as they are in Germany for pig farming in particular. But these plants do not deal with all the waste product, and the problem remains of what to do with the rest.

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Notes on the News

By Gwydion M. Williams

When Tony Blair Made Wonderful Promises

If you kick a hornets' nest and then complain that the hornets are behaving badly and irrationally, this suggests you don't know much about hornets. Likewise with Blair and Iraq.

Just in case there is anyone out there who still takes the man seriously, please note what he was saying back in 2001. This was after 9/11, when the USA was shocked and outraged to find that violence could come home to them after they had spent years spreading it all round the world. Naturally Blair was supportive. He enthusiastically fed into the process that later led to the invasion of Iraq:

"Tony Blair yesterday turned his

battle against the terrorists who ravaged New York into a far wider struggle for a new world order that would uphold human dignity and social justice 'from the slums of Gaza to the mountain ranges of Afghanistan'.

"In what was almost certainly the most powerful speech of his career, the prime minister used his speech to the Labour conference to synthesise an uncompromising hostility to Osama bin Laden's terrorist network - and the Taliban if they do not give him up - with a vaunting promise to remake the world as a better place...

"Our way of life is a great deal stronger and will last a great deal longer than the actions of fanatics, small in number and now facing a unified world

against them.'"¹

No serious source claimed any connection between Saddam's secular regime and the hard-line Islamists of al-Qaeda. But it turned out that the public confused the two, particularly in the USA. So since Saddam's Iraq had unexpectedly survived all of the misery inflicted on it since 1991, a variety of falsehoods were used to justify a full-scale invasion. Bush Senior had sensibly concluded that occupying Iraq would be a quagmire and that the USA should avoid trying to occupy. Bush Junior in 2003 decided otherwise, in the face of a lot of sensible advice telling him this was foolish. Tony Blair was an enthusiastic supporter:

"A country always has to know its

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The French are only beginning to go down that road for cows; indeed they still use the phrase 'factory farm' in inverted commas, as if it was a novelty and a suspect one at that.

The test case is 'the farm of the thousand cows' (*la ferme des mille vaches*), to be run in the north of France; feelings are very strong about it. Militants trying to stop its building have spent time in prison. The government, initially supportive of the thousand cows, now says it is not in favour, but 'what can it do in the face of competition law?'

Updates:

Alstom

The Alstom crisis is over for the time being. Alstom produces electric turbines (30% of steam turbines in the world's nuclear power stations are Alstom built) and trains (including some of the trains running on the London Underground).

The state will buy 20% of the capital of the transport side (as was done by Sarkozy earlier). No shareholder owns more than 20%.

The electricity producing side will be run 50-50 by Alstom and General Electric.

That means however according to Gilbert Reilhac of Reuters that "Once the GE-Alstom deal closes - which is expected in the first half of 2015 - 65,000 Alstom workers out of 96,000 worldwide will be working for GE, whether in the global gas turbines business it will have fully acquired or in the joint ventures it will have set up with Alstom." How is the public supposed to

understand how this equates to 50-50?

BNP-Paribas

Negotiations have concluded regarding the gigantic fine imposed by the United States on this French bank for allowing Iran, Congo and Cuba to deal in dollars between 2002 and 2009. France Inter reporting on this during its Saturday morning economics programme (*On n'arrête pas l'éco*) said that the bank had not infringed any regulations, but that US law applies, according to the US, to the whole world, hence the prosecution. Paribas had not broken any EU or UN laws. As part of its punishment Paribas had to admit guilt and apologize, which it did after months of refusing to do so.

TTIP

The power of US judiciary over the rest of the world does not bode well for the implementation of the Transatlantic Trade and Investment Partnership (TTIP) which is being negotiated at the moment. Thanks to this treaty companies will be able to challenge 'Non-tariff barriers' i.e. national regulations, by legal means if they are an impediment to trade. For example, the US would have to renounce its law giving preference to national enterprises for its municipal services, and France would have to give up its ban on US beef (the ban rests on US use of growth hormones in the raising of cattle). But which country has the biggest judicial clout? The strongest judicial power seems to be in the US, and US companies will avail themselves of it to the detriment of Europe.

place in the world. For Britain this is of special importance. At the end of the 19th century we were an imperial power. A century later the empire was gone. Naturally, and despite the pride of our victory in world war two, our definition seemed less certain. Our change in circumstances affected our confidence and self-belief. Yet today I have no doubt what our place is and how we should use it...

“Fundamentalist political ideology now seems an aberration of the 20th century. But religious extremism through the misinterpretation of Islam is a danger all over the world, not because it is supported by large numbers of ordinary people but because it can be manipulated by small numbers of fanatics to distort the lives of ordinary people.”²

There’s a fine old US saying: ‘it isn’t ignorance that makes you a fool, it’s what you know that ain’t so’. Tony Blair acts foolishly, not because he lacks cleverness, but because he devoutly believes all of the nonsense that is currently fashionable in the media and among the intelligentsia. ‘Fundamentalist political ideology’ must mean Leninism and Fascism – but both were reactions to the massive aberrations created by liberal capitalism and the senseless fifty-two month slaughter of the Great War. Both Leninism and Fascism insisted on much better welfare for ordinary people, though fascism rejected ‘brotherhood of man’ and upheld unequal rights on the basis of sex, colour and presumed racial origin.

Liberalism before World War Two was divided whether equality of sex, colour and race was a good idea. Even when such universalism was officially favoured, liberalism was slow to implement it. Most methods that had a chance of being effective could also be rejected as ‘threats to the liberty of the individual’. Very few liberals in positions of power would uphold ‘liberty of the individual’ when they saw a major cost or threat to people like themselves. British and US judges are notable for not doing so on matters of spying and security, for instance. But when it is merely the welfare of the lesser breeds, ‘liberty of the individual’ becomes all-important.

Britain only gave votes to women in 1918, but not to women under 30 until 1928. The USA first gave women votes at a national level in 1920. Radical and republican France only gave women the vote in 1944. The USA only established functional voting rights for Afro-Americans in the South in the 1960s, alienating Southern Democrats

and enabling US Republicans from Nixon onwards to collect their votes without giving them anything of substance. The British Empire mostly did not give meaningful voting rights to non-whites in places where there were enough of them to matter. India got a parliament, but the Viceroy appointed by Westminster took all of the important decisions, including taking India into World War Two. Britain also locked up Mahatma Ghandi and other leaders of the Indian Congress Party when they refused to support this without some promise that the powerless Indian Parliament would get real powers after the war. Britain and the USA also only moved to outlaw racial discrimination at home in the 1960s, and the context was the Cold War. The Soviet Union had an imperfect record on racial and sexual equality, but it did loudly uphold the idea and was attracting a lot of radical-female and non-white support at the time.

Blair admires radicalism of the pre-1914 variety, and has expressed regret that it split into socialist and non-socialist parties. A major reason was that non-socialist radicals were mostly weak upholders of sexual and racial equality (though many socialists were also most imperfect by modern standards). Most radicals and some socialists also wanted Imperialism to continue for the foreseeable future: George Orwell supported the standard imperialist line that India was unready for independence.³ The Radicals who dominated the Spanish Republic in the Civil War had no intention of granting independence to Spanish Morocco, which might have influenced the Moroccan troops who did a lot to ensure General Franco’s victory.

By modern standards, mainstream Western politics before World War Two was as much an aberration as Leninism and Fascism now seem. The big difference was that it was highly respectful of the rights of white males who were not overtly homosexual and who claimed no more than was considered proper for their position in the class structure. It was a feeble sort of freedom by modern standards, but many are nostalgic for it.

During and after World War Two, the Western mainstream borrowed a lot of policies that only Leninism had previously been serious about. They also threw out a lot of the ideas that they had shared with Fascism. It would be nice to suppose that this was some sort of inevitable progress, but it seems at least as likely that it was due to a string of political accidents. Plus a lot of ruthless cunning by Stalin as

the main leader of Leninism.

It is an observable fact that Leninism lost its effectiveness wherever it tried to deny that Stalin was a natural product of Lenin’s system, and a very efficient operator of that system. China took a wiser path, not denying its origins in Mao’s version of Stalin’s system, but simply moving on and doing similar things much more mildly.

Fascism and Nazism had been widely admired by the centre and centre-right in Britain and the USA before they became enemies in World War Two. Spain and Portugal, broadly fascist but neutral in World War Two, were tolerated until internal forces changed them. Portugal was a member of NATO: Spain was excluded from NATO until after Franco, but was strongly supported by the USA, which had bases there.

Blair accepts the New Right line that claims continuity of Western values before 1914 and after 1945, without noticing how much these values were influenced by Leninism. Or how easily they might have compromised with Fascism had world politics gone otherwise.

Continuing with the same misunderstandings, Blair in 2003 said:

“First, we should remain the closest ally of the US, and as allies influence them to continue broadening their agenda. We are the ally of the US not because they are powerful, but because we share their values. I am not surprised by anti-Americanism; but it is a foolish indulgence. For all their faults and all nations have them, the US are a force for good; they have liberal and democratic traditions of which any nation can be proud.”⁴

Really? US history includes plenty they should be ashamed of. A global cult of commercial vulgarity. Bad education for the majority, meaning that 42% of them believe that God created humans in their present form 10,000 years ago.⁵ And while Britain has largely integrated its non-white minorities, the USA has strong unofficial segregation with black and white audiences mostly watching different television programs, among other things. Overall, the worse side of the USA, the US South, has become increasingly powerful in the culture. The North had an almost unbroken string of victories until the Vietnam War: the South had experience of failure and loss and proved it was robust in the USA’s post-Vietnam recovery.

The USA maintained slavery until the 1860s, even though most northern states outlawed it on their own territory. The US South were the only substantial

body of people in the modern world who fought a war to maintain slavery. The tale about it being 'state rights' is nonsense: Lincoln specifically stated that he had no power to end slavery in properly constituted states. He was unacceptable because he did intend to limit the further spread of slavery westward, to territories not yet recognised as states and where Federal authority was dominant.

The seceding Confederacy felt it necessary to entrench the legality of slavery for blacks in its newly adopted Constitution, saying "No bill of attainder, ex post facto law, or law denying or impairing the right of property in negro slaves shall be passed."⁷⁶ Also "The citizens of each State shall be entitled to all the privileges and immunities of citizens in the several States; and shall have the right of transit and sojourn in any State of this Confederacy, with their slaves and other property; and the right of property in said slaves shall not be thereby impaired."⁷⁷ And "The Confederate States may acquire new territory... In all such territory, the institution of negro slavery as it now exists in the Confederate States, shall be recognized and protected by Congress, and by the territorial government."⁷⁸

If some individual Confederates would have liked to end slavery eventually, the things they say in their Constitution shows that elected politicians took a different view.⁹ And like most nice sentiments in liberal societies, Confederate anti-slavery views tended to be weak in practice and come second to self-interest. General Robert E. Lee was one of those who expressed verbal support for getting rid of slavery: but when his wife inherited a large estate with numerous slaves at Arlington on a portion of Virginia close to Washington DC, Lee proceeded to work those slaves ruthlessly in order to improve the value of this rich but debt-burdened property. It caused a scandal at the time, which was shortly before the war, but did not prevent Lincoln from trying to persuade Lee to command the Union forces. Lee initially tried to stay neutral, but then joined in and became the Confederacy's best general, most likely prolonging the war by a couple of years. Had Stonewall Jackson lived or had Grant been killed early on, Lee could easily have delivered victory for the South. As simple a matter as not losing the 'lost orders' before the Battle of Antietam could have changed history.¹⁰

During the war, the Union government used various shenanigans to confiscate Arlington. If the South had the worse cause, the North was dirtier in the way it fought the war. They insisted that General Lee must in person pay taxes due on the estate, which would obviously have involved him making himself available for arrest as an enemy soldier and even possibly a traitor. (In the end no one was prosecuted for treason for serving the Confederacy, but it was freely discussed and urged at the time.) They refused to let his wife pay the tax on what was after all her property, and then seized it for non-payment. Correctly suspecting that this governmental shysterism

would eventually be reversed, the Army began burying soldiers there, some of them African-American, hoping to ruin its value and desirability. That was the origin of the much-revered Arlington Cemetery: the original confiscation was ruled illegal, but Lee's family understandably chose to sell it back to the government.

The Confederacy was in no sense an aberration, whatever US liberals and overseas admirers might like to think. They were closer to the original Founding-Fathers' concept of the USA than the North: an all-white small-property community with males dominant and a minimum of foreign influences. Yet the North was also racist, though it could not stomach slavery. Most Northern states denied the vote to non-whites. Blacks were seen as inferior, but still too close to whites to justify treating them like animals. The Union army initially refused to accept African-American volunteers, who had been accepted for previous wars. It only accepted them when it started running out of suitable white men.

With the war won, the North soon allowed the South to use intimidation and trickery to deny African-Americans the voting rights that the 15th Amendment had given them. In this and many other ways, US traditions are a lousy example for the rest of the world to follow.

Blair in 2003 was also pushing the rumour of illegal weapons, despite plenty of people telling him that Iraq had in fact obeyed UN demands. He insisted it was unsafe to let Iraq work out its own destiny: "So when as with Iraq, the international community through the UN makes a demand on a regime to disarm itself of WMD and that regime refuses, that regime threatens us."¹¹

Saddam had actually suppressed the various forms of Islamism that have since flourished after the West smashed the Baathist state. The Western invaders could have taken over most of it and in the longer run did so. But their initial idea was to smash what existed, in the damn-fool belief that values familiar in the West would emerge spontaneously:

"In the end, all these things come back to one basic theme. The values we stand for: freedom, human rights, the rule of law, democracy, are all universal values. Given a chance, the world over, people want them."¹²

No, you fool, these are post-1945 developments of Latin-Christian culture and its various offshoots. They have been successfully copied in places like Japan and South Korea, because the elite decided that this was a good idea and introduced them in stages – which was also how they came about in Britain and most other European countries. The USA opted for a version of the British system that was already familiar, and was not fully democratic even for white males until the 1830s. In France, the old elite tried to stifle the gradual liberalisation that had happened in Britain, resulting in revolution and a drastic break with the past. But this didn't result in anything stable: there were

numerous swings between parliamentary, monarchic and autocratic rule across the decades. It needed de Gaulle as the final autocrat to give France a reasonably stable political existence – and the current austerity-induced crisis in Europe could yet pitch France into another cycle of instability.

The best hope of implanting something like the Western system in the Arab world would have been to persuade the existing rulers to allow it by stages. Saddam Hussein, Mubarak and Assad Junior all seemed open to some such compromise, but the West congratulated itself on taking a hard line on overthrowing them. Blair was one of many who ignored what had worked historically and demanded that foreigners with alien traditions should dance to the tune of a Western fantasy.

People complain about the existence of brutal dictators, as if this were an isolated problem. Yet it is unavoidable if the society is already brutal or is a brutalised society, or a collection of tribal elements with a fragmented and broadly brutal outlook. Or if differences between potential governments are enough to make people brutal or murderous, which has applied in Iraq for the differences between Religious Shia and the rest. And applied in Sri Lanka to differences between Tamils and Sinhalese, despite an unbroken tradition of Parliamentary Democracy since independence.

The West's much-vaunted Open Society is a clearing in the thicket of human possibilities. There was a lot of chopping, burning and brutality to establish the clearing, after which new generations might grow up and see an orderly and ruthlessly imposed system as *natural*. And then to suppose that these are 'universal values' that would automatically spring into existence when there were no bad people behaving oppressively. You even find people in Ireland believing this, though the Irish should know better than any other surviving culture the degree of brutality that was actually involved in establishing Global Britishness as the closest thing we have to an agreed global standard.

Saddam Hussein, Mubarak and Assad Junior were all broadly sympathetic to Global Britishness, though mostly in its US version. And it has become convenient and pleasant to forget just how much the USA is an offshoot of Britain. The USA imagines itself as an Immaculate Conception arising spontaneously on conveniently empty territory in North America: which if true would make it easy to reproduce the same thing elsewhere. I'd assume that the old elite in the USA knew that this was window-dressing, because they certainly acted in ways that suggest a very different outlook. But from Reagan onwards, people started taking power in Washington who could best be called 'New Backwoodsmen', proud of their ignorance and determined to learn nothing and forget nothing.¹³ They acted as if the window-dressing were true, and don't have it in them to learn anything different. And such was the prestige of the USA that the

New Backwoodsmen acquired swarms of foreign admirers, most notably Thatcher and Blair in Britain.

In typical nice-liberal fashion, Blair also expresses his desire for fairness, without being very specific about how this is to be achieved:

“But they have to be pursued alongside another value: justice, the belief in opportunity for all. Without justice, the values I describe can be portrayed as ‘Western values’; globalisation becomes a battering ram for Western commerce and culture; the order we want is seen by much of the world as ‘their’ order not ‘ours’.

“The consensus can only be achieved if pursued with a sense of fairness, of equality, of partnership. Our role is to use all the strengths of our history, unique in their breadth for a country our size, to unify nations around that consensus.”¹⁴

That’s the man who allowed the rising inequality of the Thatcher era to get worse, and who privatised stuff that Thatcher had left alone.

“One last thing we, Britain, need: confidence in ourselves.”¹⁵

Confidence that you can do what you’re actually not capable of is hardly a virtue. Nor is shifting the blame after things have gone wrong.

Blair the Bliar on Why Iraq Wasn’t His Fault.

I mentioned earlier that Blair devoutly believes in nonsense that is currently fashionable in the media. This gives him some semblance of sense against those who take a similar view but are wobbly about it.

After Sunni Iraq rose under ISIS leadership against a sectarian Shia government, Blair was quite clear why he was not to blame:

“Though the challenge of terrorism was and is very real, the sectarianism of the Maliki Government snuffed out what was a genuine opportunity to build a cohesive Iraq. This, combined with the failure to use the oil money to re-build the country, and the inadequacy of the Iraqi forces have led to the alienation of the Sunni community and the inability of the Iraqi army to repulse the attack on Mosul and the earlier loss of Fallujah. And there will be debate about whether the withdrawal of US forces happened too soon.”¹⁶

The real error was smashing the Baathist state, which was based on Sunni Arabs but did have some Shia Arab supporters. The USA’s New Backwoodsmen believed that it had been a terrible error for the USA to have worked with the old regimes in West Germany, Italy and Japan. If they’d said ‘better to fail by clean methods that succeed by ignoring evil’, that would have been noble. Those characters are not noble, just ignorant and dishonest. They brought back Baathists after everything else had visibly failed, and they allowed extensive torture by the shabby trick of denying that it was torture.

Blaming Maliki is easy for the West. The New Backwoodsman attitude seems

to be “we know our system is the best possible. So if things are going wrong, we need to replace the guy in charge, who must be to blame”. Obama seems to have swallowed this nonsense as practical wisdom, while trying to be mild where he can. And mostly he can’t, for as long as he does not throw out the New Backwoodsman as complete nonsense

Nouri al-Maliki has a background in the Shia religious underground, and has been linked to the people who did a wave of terrorist bombing in Kuwait in 1983. That was at a time when Saddam was attacking Iran with Western backing and Kuwaiti funding. Returning to Iraq after the US invasion, he became the deputy leader of the Supreme National Debaathification Commission of the Iraqi Interim Government, formed to purge former Baath Party officials from the military and government. In May 2006, he replaced Ibrahim al-Jaafari both as Prime Minister and as leader of the Islamic Dawa Party, the largest of many rival Religious-Shia factions. I don’t know enough about him to assess him in detail, but he obviously occupies a very uncertain position at the top of a worm-bucket of rival factions of Religious Shia. He has to allow corruption just to stay in power, just as all British Prime Ministers did in the 18th century and all US Presidents in the ‘Gilded Age’ after the US Civil War. Anyone likely to replace him would be unlikely to be better.¹⁷

Iraq was invented by Britain to serve British interests. It is being destroyed by stages by Britain and the USA in a massively miscalculated effort to make it more subservient to Anglo interests.

We in the Ernest Bevin Society said as far back as 1991 that Iraq was an unnatural creation formed from three unconnected provinces of the Ottoman Empire. Saddam’s brutal rule was a result of trying to rule this diversity. Replacing him would in the long run mean someone equally brutal and much less to Western tastes. All of this has proved dismally accurate.

I deal at length with Blair, because it would be all too easy for the current crop of political leaders to wash their hands of Blair and Bush Junior but keep much the same outlook. Bush Junior is mediocre, Blair quite gifted, but it was their world view that caused most of their errors.

Blair’s fate seems likely to be that he will leave behind a despised memory, managing ‘To Leave Some Dirty Footmarks and Bloodstains on the Sands of Time’. I’d also like to honour him with the term ‘Bliaring’, to cover the case of statements that are in a limited sense true, but which are intended to make the listener believe something that the speaker does not regard as true. Blair’s notorious statement about Saddam being able to deploy ‘weapons of mass destruction’ in 45 minutes was one such: he had credible reports that Saddam had some poison gas suitable for short-range deployments on battlefields, though even this was not true. But it’s hard to believe he wasn’t

intentionally playing on the ambiguity in the term ‘weapons of mass destruction’, to make people in the West think they were at risk when Saddam never in fact had any weapons that could touch the UK.

A New Caliphate?

I don’t know if anyone suggested to Mustafa Kemal Ataturk that it would have been a good idea to let the relatives of the deposed Ottoman Sultan carry on as hereditary Caliphs, rather than abolishing the office in 1924. He was certainly operating in the spirit of Western liberalism in removing the top layer of the old political order and hoping that the rest would gradually wither in the absence of official recognition.

Yet as Professor Tolkien said, ‘the old that is strong does not wither’. Belief among Sunni Muslims that there *should* be a caliph was immensely strong. Just as strong as a belief in Monarchy and Bishops in Britain, which the pioneering liberals under Cromwell got rid of and the more pragmatic liberals of the 1688 Glorious Revolution co-existed with and gradually reduced to insignificance. The USA managed for a time without such things, but had absurd hyping of the Constitution, and also the President until the ugly reality was exposed under Nixon. It also has a gigantic survival of Christian Fundamentalism, of the sort that collapsed in England and Wales in the 20th century.

Christian Fundamentalism in the USA relies heavily on the support of a few rich enthusiasts, and so is subordinate to their wishes. Islamic Fundamentalism is something else, competing with Secular Nationalism as a force to re-assert Arab dignity. And currently doing quite well at the job, after the West helpfully slapped down every Secular Nationalist who dared get uppity.

At the time of writing (noon on 2nd July) it is impossible to predict what will become of the proclamation of a new Caliphate. We’ve been told that the advance of ISIS involved a coalition of many forces, some tribal and some former Baathists. They might fragment, if they are fools, and they have been foolish many times before. But they might also see this new Caliphate as the least bad outcome.

Kurdistan At Last?

Remarkably, it seems that the Turks have decided to co-exist with Iraqi Kurdistan. They have now given it an independent outlet for its oil, via Turkey and independent of the Sunni and Shia parts of Iraq.¹⁸

There are also suspicions that the USA is not as hostile as you’d have expected to the ISIS advance. ISIS was funded by Gulf State and Saudi interests, normally friendly to the USA. Which reminds me strongly of Germany’s traditional right-wing making Hitler Chancellor in the belief that they could control him. Definitely, the USA is happy to go on funding anti-Assad forces in Syria, making a distinction between Moderate and Extreme that has failed

before and is likely to fail again.¹⁹

Even more remarkably, Israel has been suggesting that it would support a formal declaration of independence by Iraqi Kurdistan,²⁰ which I'd see as totally crazy. It would help break the Iran / Iraq / Syria / Hezbollah alignment. But most Muslims and most Palestinians are Sunni. The idea of a new Caliphate could catch fire among them.

Would Kurds help defeat the new Caliphate? I'd expect the big fight to be for mixed Sunni / Shia areas further south. Especially Baghdad, historic centre for the Sunni caliphate. The Caliphate and the Kurds have a common interest in seeing Iraq fragment, since the Shia are a majority and will go on winning elections that are conducted on the basis of seeing Iraq as a single unit. So I'd expect Caliphate / Kurd fights to be limited and local, based on overlapping populations and minorities that might opt for either side. Neither side wants the other side's core areas.

Note also that the Kurds in Iraq are relatively strong, precisely because they have mostly relied on themselves and not outsiders. It tends to be the successful formula in the long run, with outside aid a seductive path that mostly leads to disaster.

The Last Days of Israel?

The policies of the USA and Israel in the Middle East strongly remind me of what's called control-freak behaviour at a personal level. Someone who keeps on ruining relationships by making excessive demands and not being respectful of other people's right to be different. Someone who's not even capable of a selfish calculation of how much they can get away with: they always have exaggerated expectations and never accept blame for failures.

It may well happen that Turkey is willing to tolerate Iraqi Kurdistan, which will be dependent on Turkey to export its oil. But they have no reason to like Israel: they are Muslims and the current Turkish government is strongly religious. I'd expect them to stand aside and do nothing if things got hot for Israel. I'd expect them to stay out of fights between Arabs.

If the new Caliphate survives, its next move might be to push into Jordan and then start a border war with Israel. Assuming the current fighting with Shia Iraq bogs down, the two sides might agree a cease-fire on the basis of this being their intention, and something that Iran would like to see happen even if they are not able to do it themselves. Or we could even see a joint force of Shia Iranians and Sunni Caliphate forces uniting to win back Jerusalem and other Holy Places for Islam. Stranger things have happened.

Unlike the secular regimes that Israel defeated before, the Caliphate are people who have come from the extremist margins and may well feel that they have nothing to lose. And would probably see Israel's nuclear weapons as part of 'God's Plan', a purgation of corrupt elements within Islam and a short-cut to paradise for the

devout.

Meantime Obama is determined to give enormous military aid to "moderate rebels" in Syria. Missing the elementary fact that war is always radicalising and has a way of turning marginal extremists into national governments. True of both Fascism and Leninism, with a second wave of Leninism helped by the Second World War, even in places the Soviet Army never went. Indeed, the most durable Leninist states were those created separately from the Soviet Army and in response to the chaos unleashed by the war.

But that gets to the heart of the false history that the New Right etc. believe with great fervour. Fascism and Leninism were irrational and occurred for no good reason, not as a result of chaos unleashed by liberal capitalism. This isn't just propaganda – it may have begun as a Big Lie, but the trouble with Big Lies is that people may start believing them. With competitive electoral politics, the people who knew it was propaganda may be replaced by True Believers.

Obama and many others show every sign of having swallowed this part of the New Right message. Which is anyway compatible with the more anarchic and anti-Soviet elements of broad-liberal and New Left thinking.

I'd see it as leading to widening war in the Middle East, and the possible overrunning of Israel. The end of the US hegemony. But probably not a world war. China has no reason to get involved and has major Islamic friends, notably Pakistan. It has a small partly-Islamist insurgency among Uighurs in Xinjiang, but most of them are secular and doing quite nicely as part of China's general rise. Also China has armed forces that are larger than there are Uighurs of military age, yet has a relatively small army compared to its enormous population. In any case, there seem to be plenty of Uighurs loyal to Zhongguo. (Zhongguo is the Chinese state, quite distinct for its citizens from the majority Han nationality, even though in English the term 'Chinese' is used for both.)

China and Russia may well be calculating that it is a good time to step back and let the USA ruin itself in a war with Islam. This may explain Putin's decision to definitely rule out any possibility of sending the Russian army into East Ukraine.²¹ Let this new Orange Revolution run its course and discredit itself, as the old one did.

I'd expect the chaos to be confined to the Middle East. At a personal level, we in Europe will not suffer much, unless enough Israeli nuclear bombs are detonated to start a Nuclear Winter, which is conceivable. Especially if they go after the main oil fields, setting them alight as Saddam did but on a far vaster scale.

We should also anticipate a few million Jewish refugees from Israel and other non-Muslims from the wider Middle East, as well as secular Muslims from what is likely to be an increasingly violent and intolerant Arab World. I'd be in favour of letting them in, and I assume most

readers of this magazine would feel the same. But a large majority in Europe and the USA are likely to be against, including a lot of those currently supporting Israel's doomed policies.

If the government of Israel were sensible, they would be acting now to see if there is somewhere that would take several million displaced Jews if all else is lost, with both Australia and New Zealand worth considering. But I think it very unlikely they would be that sensible or defeatist.

Intelligent action by the USA or an independent line by the European Union could still avert disaster. But there is no real prospect of this. Anyone who might see the need would lack the power.

Ethnic Cleansing

The spectacular rise of the Sunni Caliphate has overshadowed news from East Ukraine. Not that you get much of that from the BBC, which pulled out most of its reporters when it became clear that what they'd see was heavy weaponry being used by the Kiev government on ordinary people who wanted to keep up their links with Russia.

Governments don't use bombs and shells on their own people. If they do it within their own sovereign territory, they obviously don't view the people living there as 'their people'. True in East Ukraine, for both sides in the Syrian Civil War and now for the Shia government trying to retake Sunni territory in Iraq.

In Iraq, Maliki is the current winner in the immensely complex power-struggles within the Shia community. Given his background, it seems unlikely he wants to be moderate, but in any case he would find it very difficult. It was a reasonable prediction back in 2003 or even 1991 that a system of Competitive Electoral Politics in Iraq would produce someone like that.

In Ukraine, the first few years had fairly normal politics, not polarised between West and East. But then the USA stirred up the Orange Revolution and polarised it. When it was almost normalised again the European Union offered Ukraine a bad deal, the West stepped in again and made things much worse. Further deterioration is likely, since the deal is bad for Ukraine. The European Union is under great strain and not likely to give out any sweeteners.

Soros the Small-Minded

If anyone in the new global elite had a good idea of what was really going on, it would be George Soros. He's vastly superior to the New Backwoodsmen, taking a broadly European view of the world. But I always suspected he knew little outside the narrow area of financial speculation, and now I've got objective proof:

"After all, a single sunspot experiment was sufficient to demonstrate the deficiency of Newtonian physics and establish the credentials of Einstein's theory of relativity. But there is a big difference between Einstein's theory

and mine. Einstein could predict specific phenomena: the Michelson-Morley experiment proved the invariance of the speed of light and the perihelion confirmed general relativity. I cannot predict anything except unpredictability – and that is not enough to cloak my theory in scientific respectability.”²²

Some of us can predict a few things besides unpredictability, such as the improbability of the invasion of Iraq actually working as the USA hoped. And the high probability of characters like Soros loud-mouthing about matters they don't properly understand, and not bothering to check their hazy notions with scientists. People who would surely be happy to politely advise a potential source of research funds, but who do not have billions or even millions of wealth and must therefore be of small account.

A lot of people would have a hazy memory of Einstein's General Relativity being supported by measurements made during a Total Solar Eclipse. Measurements of stars close to the sun, which were expected to show that light was being bent by the sun's gravity, as predicted by General Relativity. You don't need a deep knowledge of astronomy to realise that Total Eclipse is not a good time to observe sunspots. Sunspots are giant storms on the face of the sun and can usually be observed in detail by projecting the image of the sun onto a screen through a telescope. (The sun is far too bright to be safely viewed through telescopes or binoculars.) But of course sunspots become invisible when the moon is in the way at Total Eclipse. With luck you do get a nice view of the solar outbursts associated with sunspots, but these say nothing at all about Einstein's theories.

Incidentally, a nicely-acted BBC dramatisation of the matter called *Einstein and Eddington* made a goof of its own, though less obvious than Soros's. Supposedly there were two outcomes: either the stars would appear displaced in line with Einstein or else unchanged according to Newton. There was actually a middle possibility: that light could be bent by gravity, but gravity still worked as Newton had proposed, which would have meant a smaller displacement. The results favoured Einstein, but it was not as clear-cut as the BBC program made it out to be. I suppose the BBC look down on those who merely know what they are talking about and lack the exalted incomes and connections of BBC folk.

Snippets

Mosul, the first big gain by ISIS/Caliphate, is an ancient city that sits on the Euphrates opposite the site of far more ancient Nineveh, city of the Assyrian Empire. This reminded me of Kipling's 1897 poem *Recessional*:

Far-called, our navies melt away;

On dune and headland sinks the fire:

Lo, all our pomp of yesterday

Is one with Nineveh and Tyre!²³

Tyre is dominated by Hezbollah and its

allies. Globally, there is a general feeling that the New World Order created by the New Right is not worth dying for. Shia soldiers from what was once ancient Babylonia don't think that solidly Sunni territory in ancient Assyria is worth dying for – though they probably will stand and die for their own holy places, and for the capital Baghdad. Meantime Sunni Muslim youths in Britain find the ISIS/Caliphate cause exciting and well worth dying for, whereas nothing the British Army currently does seems important, quite apart from it being unwelcoming to non-whites. It is a general malaise, the same feeling that produces school shootings and mass drug addiction.

Meantime there is a very clever spoof of how the USA will avoid giving arms to its bitter foes. It's from the magazine *New Yorker* and can be found at [<http://www.newyorker.com/online/blogs/borowitzreport/2014/06/moderate-syrian-rebel-application-form.html>]

When I first came across the phrase 'existential threat', I thought it must be an error by someone with a poor grasp of English. Or perhaps something to do with existentialism. I imagined a headline like "*President Obama gravely concerned after six noted French philosophers declare that the USA does not actually exist.*"

I've now seen enough uses to understand that it is taken to mean 'threat to our existence', as distinct from mere interests. But when did it begin? I was sure it has not been around long.

Quora is always a good place to ask, so I did just that.²⁴ It seems it arose among foreign policy insiders in the 1980s, and became widespread in the administration of Bush Junior. Another buzz-word to signal that one is an on-message insider, and thus worthy of being taken seriously, whereas those who merely know what they are talking about should be ignored.

I'm not kidding: it seems that people around Bush Junior really did think that reality was something they created at will, rather than something they were in a position to influence if they behaved sensibly. A journalist reported a Bush advisor as saying "We're an empire now, and when we act, we create our own reality. And while you're studying that reality – judiciously, as you will – we'll act again, creating other new realities, which you can study too, and that's how things will sort out. We're history's actors... and you, all of you, will be left to just study what we do."²⁵

Which explains a great deal.

You don't hear so much nowadays about small businesses going bankrupt. But it carries on, though at a slightly reduced rate. Perhaps because there are not so many left.²⁶

As I've said before, the New Right are dominated by big corporatist interests and ignore everyone else. Losing allies on the assumption that the wonderful ruling stratum does not need such lowly people.

Very much a feature of a hegemony in decline.

"'Humans are not very typical mammals, but they are quite typical birds,' quips Hanna Kokko at the Australian National University in Canberra. In about 90 per cent of mammals, the male's role in reproduction stops at fertilisation – he couldn't care less what happens after that. 'Birds, in contrast, have pair bonds, extra-pair copulations (as we call them politely) and divorce. They have all kinds of complicated social relationships, not so unlike humans,' says Kokko."²⁷

Rebekah Brooks Was Not Convicted, OK

She maybe got the benefit of the doubt. But Andy Coulson, who was her deputy as editor of the *News of the World* and then her successor, was found guilty of phone hacking. Was she a poor manager and lousy judge of character, unaware of criminal activities?

Back in the 1960s, a lot of people saw Buddhism as a wonderful alternative to corrupt Western values. I never felt that, but I did at least think they were more sincere.

It seems now that there is as much of a mix of the noble and the corrupt in Buddhism as in Christianity. Burma has seen appalling violence against Muslim refugees from Bangladesh. And now in Sri Lanka, the backwash from the long fight between majority Buddhist Sinhalese and minority Hindu Tamils is now hitting the neutral and peaceful Muslim minority.²⁸ The government is at least trying to suppress it, but Buddhist monks are the main driving force for intolerance.

Religion is a part of most cultures, but not really a solution for human ills.

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1 [<http://www.theguardian.com/politics/2001/oct/03/uk.afghanistan>]

2 [<http://www.theguardian.com/politics/2003/jan/07/foreignpolicy.speeches>]

3 This is mentioned in his famous wartime pamphlet *The Lion and the Unicorn*, among other places.

4 [<http://www.theguardian.com/politics/2003/jan/07/foreignpolicy.speeches>]

5 [<http://www.gallup.com/poll/170822/believe-creationist-view-human-origins.aspx>]

6 [https://en.wikisource.org/wiki/Constitution_of_the_Confederate_States_of_America], Article I, Section 9(4).

7 Ibid., Article IV, Section 2(1).

8 Ibid., Article IV, Section 3(3).

9 See [<http://www.jjmccullough.com/CSA.htm>] for a detailed comparison of the two documents.

10 There's a series of books by SF writer Harry Turtledove that supposed just that, see [https://en.wikipedia.org/wiki/Southern_Victory_Series] for details. Having a mainstream US world-view, he has history broadly similar to what actually happened, including the South

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Listening to Italy

by Orecchiette

As others see us

Nigel Farage, leader of UKIP, who topped the poll in the UK's European elections with 28% of the vote, and David Cameron, whose Conservative Party trailed in third place behind Labour with 24.5%, entertained the Italian press last month. Farage has formed a European group with Italy's Beppe Grillo and his M5S (the Italian Five Star Movement) and this has been a particular source of fascination and fun.

Nigel Farage led the EFD (Europe of Freedom and Democracy) group in the previous 7th European Parliament of 2009 - 2014. The political complexion of these groups or alliances are predictable at the most populated end: The largest, the EPP (European People's Party) is roughly conservative and has 221 MEPs, while the next largest, the S&D (Progressive Alliance of Socialists and Democrats) has 191. A group has to comprise members of 7 countries. Apart from being part of a group large enough to wield influence and power, the attraction of being a member of a group is that they are able to obtain funding. In this and in the last parliament there are seven groups, plus the NIs, the Non-Inscrits. The NIs are MEPs of different political complexions who were not able or willing to be part of a group. They are not eligible for funding. Current NIs include Marine Le Pen's party and the European National Front. This time the seven groups have all lost MEP numbers, while the NIs have grown from 30 to 52.

Beppe Grillo leader of M5S, fielded candidates in the elections for the first time. He was confident that he could not only have a landslide victory but also make up an autonomous group within the Euro Parliament. Before the voting he bragged on television (reported in *La Repubblica* on 20 May) that he was going to achieve a wipe-out similar to the last days of Pompeii! He was then extremely rude about Premier Matteo Renzi calling him a "bamboccio", which roughly translates as a fat little idiot. When his predicted landslide only resulted in 17 seats, he had no chance of running his own European group. He put the blame, according to newspaper *Il Fatto Quotidiano*, on pensioners who

didn't want change, gerrymandering and journalists.

One curiosity of M5S is that it is a Movement, not a party. Grillo directs the policy firmly, generally through his blogs and he views the occasional emailing of members for their votes as making the Movement extremely democratic. But members are not allowed to express their views publicly. For example, no member can appear on TV to give interviews. Members have been voted out of the Movement for infringing rules. One of the 20 Points guiding the Movement is to impose anti-corruption laws. Grillo is very anti-fraud and sees M5S as the only "clean" party in Italy. For this reason he refuses to go into coalition with any party.

After the election, Nigel Farage looked to reconstitute his group on the strength of his 24 MEPs. At this point the parties all haggle and look for shared interests. Farage avoided pairing again with the Italian Lega Nord the nationalist and separatist group, whose leadership was recently proved to be defrauding the party on a grand scale. He discussed an alliance with Beppe Grillo over a dinner.

The Italian press and many members of Grillo's Movement were unenthusiastic and/or horrified by mention of Farage. Marcus Travaglio is the founder of *Il Fatto Quotidiano*, a paper that survives even though it doesn't receive the usual government subsidy. It has supported Grillo and his Movement.

Travaglio was emphatically anti-Farage. On 1 June an *Il Fatto* article by Andrea Scanzi expressed his disappointment and disapproval of a Grillo blog that was whitewashing Farage to be "almost a Gandhi". Travaglio mentioned Farage's party's tendency to attract reactionary supporters. He particularly mentioned the controversial UKIP members (now ex-members) infamous for their florid and risible racist, homophobic and anti-female pronouncements. He then went on to mention what he considered to be a fraudulent side to Farage. Referring to the way that he minimises his taxes by channelling his finances through the Isle of Man. Travaglio recognises that the liaison with Farage was a strategic choice, a marriage of convenience, but Scanzi quotes him throwing his hands up to say that Grillo

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willingly giving up slavery after its victory.

11 [http://www.theguardian.com/politics/2003/jan/07/foreignpolicy.speeches]

12 Ibid.

13 'Backwoodsmen' was a US term for people from the raw frontier, very different from the sophisticated populations on the coast.

14 [http://www.theguardian.com/politics/2003/jan/07/foreignpolicy.speeches]

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16 [http://www.tonyblairoffice.org/news/entry/iraq-syria-and-the-middle-east-an-essay-by-tony-blair/]

17 As of 2nd July, the Iraqi parliament is bogged down because the Kurds and Sunni

believe just that, see [http://www.theguardian.com/world/2014/jul/01/iraqi-parliament-session-collapses-death-toll-isis]

18 [http://asia.nikkei.com/Politics-Economy/Policy-Politics/Oil-exports-from-Kurdish-region-shaking-Iraq]

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21 [http://www.cbsnews.com/news/russia-parliament-nixes-vladimir-putins-permission-to-use-military-in-ukraine/]

22 Soros, George. *Open Society: Reforming Global Capitalism*, page 82. Little, Brown 2000

23 The entire poem, which is worth

reading, can be found at [http://www.poetry-foundation.org/poem/176152]

24 [http://www.quora.com/When-did-the-phrase-existential-threat-become-popular]

25 [http://www.informationclearing-house.info/article38879.htm]

26 [http://www.wilsonfield.co.uk/insolvencies-4th-quarter-2013/] and [http://www.retailresearch.org/whosgonebust.php]

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should have tried harder, “was it Farage or nothing?”

Members of M5S were profoundly unhappy about the choice of Farage. They expressed the feeling that their vote, which was heavily in favour of a link with Farage, was made under pressure. One went as far as to say that the Movement was finished. *Il Fatto* said that many wanted to abstain from their Grillo-requested vote. Farage was in Travaglio’s words an “error” and there was surprise that Grillo had not made an alliance with their more natural partners, the Greens.

La Repubblica’s anti Farage strategy was more colourful. On more than one occasion they used the same smiling and carefree photo of Farage that had a pointed quote embedded in the picture. It said “I admire Vladimir Putin, above all for how he has managed the question of Syria”. It sat under a bold, unmissable heading which said “Anti gay, sexist, xenophobic, here are the new allies of Grillo in Europe”. Beppe Grillo made a little joke after having said that there was a lot that he and Farage shared in common, he had a good sense of humour etc. “If”, he said he doesn’t succeed in Italy he “will come over to London” to join Nigel Farage!

La Repubblica published an article on 18 June in which it was announced that Grillo and Farage had agreed to form a eurosceptic group in the European Parliament. The name changed slightly to EFDD (Europe of Freedom and Direct Democracy) but Farage is the leader with a M5S deputy, David Borrelli. Farage’s group is the seventh and smallest group. *La Repubblica’s* provocative reporting included a short insert which said “Read the English Press: Farage risks a year in jail”.... for fraud. Grillo, now clearly inconsistent in his attitude to financial rectitude, is reported in *La Repubblica* (1 July) saying that the EU must not give any more money to Italy because it disappears into the hands of the Mafia and the Camorra fraudsters.

David Cameron has also provided column inches but the implication throughout was that he is a loser. Farage is a chancer, a successful

fixer even. But Cameron is unable to grasp how to confront and work positively with Europe or even do this on his home territory, “England” as it is usually termed.

“Cameron threatens” was a headline in Tiscali online as he announced his anti Juncker campaign. An interesting article in *Corriere della Sera* (Antonio Armellini, 14 June 2014) suggested that Cameron had not understood that the most successful way to have an impact in Europe was to quietly work towards gaining consensus. His move in 2009 to take his party out of the leading EPP conservative Group had been the start of weakening the UK’s standing in Europe. Force, or the “No” of Thatcher’s Iron Lady tactics worked only for her. The consensus for Juncker clearly wasn’t universal but Cameron’s “arrogant and impatient” manner and his lack of “intellectual lucidity and political force” were counter-productive. The article noted that the ghost of Margaret Thatcher had underpinned the development of Europe, such was her influence. But Cameron’s transparent need to strut for his own political advantage in the UK were clearly recognised and he was easily isolated and even ridiculed.

More ridicule followed when The Daily Mail featured in a *Corriere della Sera* piece about Juncker on 27 June. *Corriere* reported that the Mail told its two million readers that “Juncker drinks brandy for breakfast”. Even the FT was quoted as saying that not only was he a bad

organiser but worked “perhaps with the help of an extra glass of wine”. How many other UK politicians can be said to, in Private Eye’s words have “lunched well”?

There was a small, subtle dig at the rigidity of the UK in *Corriere’s* report of the leaders’ summit dinner at Ypres. The ceremony and pageant was compared to something that the UK would recognise from its colonial history. The Italian press later published two articles from UK sources that tried to put a more positive pro-UK point of view. Neither quite hit the intended point because they seemed to avoid the reality that the UK is isolated and disregarded. *La Repubblica* quoted John Peet of the Economist who proposes solutions to Europe: he co-wrote a book entitled: *Unhappy Union: how the Euro crisis and Europe can be fixed*. Then John Lloyd the FT’s contributing editor) predicted that Cameron would not only be ultimately successful in Europe but would win the next UK election outright and that the Scots would not leave The Union.

This snippet from *La Repubblica* of 29 June neatly puts the UK in its place:-

JUST LIKE ROONEY

Mention of the humiliation that defines the premier David Cameron as a loser has been made (during the time of the World Cup) in German papers who can see a comparison between him and Wayne Rooney, the footballing symbol of worn-out Britannia.

If I were to suggest that between the Earth and Mars there is a china teapot revolving about the sun in an elliptical orbit, nobody would be able to disprove my assertion provided I were careful to add that the teapot is too small to be revealed even by our most powerful telescopes. But if I were to go on to say that, since my assertion cannot be disproved, it is intolerable presumption on the part of human reason to doubt it, I should rightly be thought to be talking nonsense. If, however, the existence of such a teapot were affirmed in ancient books, taught as the sacred truth every Sunday, and instilled into the minds of children at school, hesitation to believe in its existence would become a mark of eccentricity and entitle the doubter to the attentions of the psychiatrist in an enlightened age or of the Inquisitor in an earlier time.

Bertrand Russell, "Is There a God?", The Collected Papers of Bertrand Russell

I have no objection to any person's religion, be it what it may, so long as that person does not kill or insult any other person, because that other person don't believe it also. But when a man's religion becomes really frantic; when it is a positive torment to him; and, in fine, makes this earth of ours an uncomfortable inn to lodge in; then I think it high time to take that individual aside and argue the point with him.

Herman Melville, Moby Dick

Parliament Notes



Dick Barry

The Queen's Speech 4 June 2014

In replying to the long Address Ed Miliband paid tribute to the work of the UK's armed forces in Afghanistan whom he said had fought to make the country more stable, with democracy and the rule of law. It's a pity that if, as promised, British troops leave at the end of the year, and the Taliban subsequently take over large areas of the country, the deaths of, to date, 453 troops will have been in vain. The following extracts include Miliband's observations on most of the key issues raised in the Queen's Speech. The Speech included a commitment to continue to cap the benefits bill. Significantly, Miliband had nothing to say on this. He hit many of the right notes, but his policy solutions lack coherence, sounding like a pick and mix of issues he believes most concern the voters. There is a distinct absence of a clear, bold, and radical strategy to deal with the problems he outlines. It will be interesting to see just how much of the IPPR report, 'The Condition of Britain', (June 2014), Labour adopts. Among its proposals is a shift in the balance of political and economic power from the centre to local authorities.

Edward Miliband:

"This Friday will mark 70 years since the Normandy landings, when wave upon wave of allied forces poured onto the beaches of northern France. They marked the beginning of the final chapter of the second world war, which preserved the freedoms that we enjoy today, so I want to start by honouring the service of those veterans and the memory of their fallen comrades--

--a feeling that I am sure is shared across the whole House.

"I am sure that across the House today Members will want to remember and pay tribute to the work of our armed forces over the past decade in Afghanistan. At the end of this year, British combat operations will come to an end. We should be incredibly proud of the service of our armed forces in that country. They have fought to make Afghanistan a more stable country, a country with democracy and the rule of law, and a country that cannot be used as a safe haven to plan acts of terrorism here in Britain. We grieve for the 435 members of our armed forces who have been lost, and our thoughts are with their families and friends. All of them and all the people who have served have demonstrated, as did our Normandy veterans all those years ago, that they represent the best of our country."

"Before I turn to the Loyal Address, let me say something about one of the most important decisions for generations, which will be made in a few months time---the decision about the future of our United Kingdom. The history of the UK, from workers rights to the defeat of fascism to the NHS to the minimum wage, is the story of a country stronger together---a country in which representation from Scotland, Wales, Northern Ireland and England has helped us to advance the cause of social justice. It is a decision for the people of Scotland, but I believe passionately that this kingdom should remain united."

"The ritual of the debate on the Loyal Address has existed for centuries. Today we do not just debate the Queen's Speech; we assert the importance of this House and the

battle it has fought over hundreds of years on behalf of the British people. But what the recent elections show is that more than at any time for generations this House faces a contemporary battle of its own---a battle for relevance, legitimacy and standing in the eyes of the public. The custom of these debates is to address our opponents across the Despatch Box, but today that on its own would be inadequate to the challenge we face. There is an even bigger opponent to address in this Queen's Speech debate---the belief among many members of the public that this House and any party in it cannot achieve anything at all."

"About 10% of those entitled to vote at the recent elections voted for UKIP, but as significant is that over 60% did not vote at all. Whatever side we sit on in this House, we will have heard it on the doorstep---'You're all the same. You're in it for yourself. It doesn't matter who I vote for.' Of course that is not new, but there is a depth and scale of disenchantment that we ignore at our peril---disenchantment that goes beyond one party and one Government. There is no bigger issue for our country and our democracy, so the test for this legislative programme, the last before the general election, is to show that it responds to the scale of discontent and the need for answers."

"In this election we heard concerns about the way the EU works and the need for reform. We heard deep-rooted concerns about immigration and the need to make changes, but I believe there is an even deeper reason for this discontent. Fundamentally, too many people in our country feel that Britain does not work for them and has not done so for a long time---in the jobs they do and whether hard

work is rewarded; in the prospects for their children and whether they will lead a better life than their parents, including whether they will be able to afford a home of their own; in the pressures that communities face; and above all whether the work and effort that people put in are reflected in their sharing fairly in the wealth of the country.”

“The Governor of the Bank of England gave a remarkable speech last week, saying that inequality was now one of the biggest challenges in our country. We should all be judged on how we respond to this question, right as well as left. There are measures that we support in this Queen’s Speech, including tackling modern slavery, an ombudsman for our armed forces, and recall, but the big question for this Queen’s Speech is whether it just offers more of the same or whether it offers a new direction so that we can genuinely say that we can build a country that works for all and not just for a few at the top.”

“For me, this task starts with the nature of work in Britain today. It is a basic belief of the British people that if you work all the hours God sends, you should at least be able to make ends meet. We all, on all sides of the House, say in our slogans that those who work hard and play by the rules should be rewarded for what they do, but we should listen to the voices of all those people who say that their reality today is that hard work is not rewarded and has not been for some time. All of us on all sides will have heard that during the recent election campaign, such as from the person I met in Nottingham who was struggling with agency work and total uncertainty about how many hours’ work he would get. This was his working life: every morning at 5am he would ring up to find if there was work for him. More often than not, there was none. He had a family to bring up.”

“The fact that this is happening in 21st century Britain, the fourth richest country in the world, should shame us all. This is not the Britain that man believes in, it is not the Britain we believe in, and it should not be the Britain this House is prepared to tolerate. (*Hon. Members: “Hear, hear.”*) We have seen

the number of zero-hours contracts go well above 1 million. We need to debate as a country whether this insecurity is good for individuals, families and the country as a whole. It is not.”

“We must debate, as a country, whether we should really be prepared to do something about the problem, and we need to debate the wider problem. Five million people in Britain---one in five of those in work---are now low paid. The shocking fact is that, for the first time on record, most of the people who are in poverty in Britain today are in work, not out of work.”

“We want to see taxes on employment fall---that is why we have proposed a 10p tax rate to actually make work pay for people. The shocking fact is that for the first time on record most people in poverty are in work---so much for hard work paying. None of our constituents sent us here to build such an economy. At a time when we face significant fiscal challenges into the future, it is costing the taxpayer billions of pounds. It is no wonder that people in this country do not think this House speaks for them. To show a new direction for the country, and to show that it is not just more of the same, the Queen’s Speech needs to demonstrate to all those people that it can answer their concerns.”

“There is a Bill in this Queen’s Speech covering employment, but the Bill we need would signal a new chapter in the battle against low pay and insecurity at work, not just business as usual. What would that involve? It would set a clear target for the minimum wage for each Parliament, whereby we raised it closer to average earnings. If someone is working regular hours for month after month, they should be entitled to a regular contract. If dignity in the workplace means anything, it should clearly mean that. We could make it happen this Parliament and show the people of this country that we get what is happening, but this Queen’s Speech does not do that.”

“Britain, like all countries all round the world, faces a huge challenge of creating decent, middle-income jobs that we used to take for granted, and many of those jobs will be created by small businesses. There is a Bill in this Queen’s Speech on small businesses, but we all know---(*Interruption.*) A Government Member says ‘Hear, hear’, but we all know that we have a decades-long problem in this country

of banks not serving the real economy. Companies that are desperate to expand, invest and grow cannot get the capital they need. For all the talk of reforming the banks, is there anyone who really believes the problem has been cracked, with lending to small businesses continuing to fall? The choice that we face is whether to carry on as we are, or whether we say that the banks need to change, break up large banks so that we tackle our uncompetitive banking system and create regional banks that properly serve small business, but the Queen’s Speech does not do that.”

“Let me come to the child care Bill. We support measures on child care, which is part of the cost of living crisis, although the scale of that challenge means that we can go further on free places for three and four-year-olds. We also support the Bill on pensions, although we want to ensure that people get proper advice to avoid the mis-selling scandals of the past.”

“The next task for this Queen’s Speech is to face up to another truth: for the first time since the second world war, many parents feel that their children will have a worse life than they do. No wonder people think that politics does not have the answers when that is the reality they confront, and nowhere is that more important than on the issue of housing. We all know the importance of that to provide security to families, and we know that it matters for the durability of our recovery too. The Bank of England has warned that the failure to build homes is its biggest worry, and that generational challenge has not been met for 30 years.

Sir Bob Russell (LD):

“Will the leader of the opposition confirm that in 13 years of a Labour Government, fewer council houses were built than under even the Thatcher Government?”

Edward Miliband:

“What I can say is that we built 2 million homes under a Labour Government, and we had a faster rate of house building than under this Government. As I have said, we face a big long-term challenge in this country, and the question is whether we are going to face up to it or just carry on as we did. A Queen’s Speech that is rising to the challenge on housing would also do something for the 9 million people

who rent in the private sector. There are more than 1 million families and 2 million children with no security at all. Children will start school this September, but their parents will have no idea whether they will still be in their home in 12 months time--and we wonder why people are losing faith in politics."

"Another test for the Queen's Speech is whether it responds to the anxieties people feel in their communities--(*Interruption.*) We all know that one of the biggest concerns at the election was around immigration. This is an important point. I believe that immigration overall has been good for the country. I believe that as the son of immigrants, and I believe it because of the contribution that people coming here have made to our country, but hon. Members know that we must address the genuine problems about the pace of change, pressures on services and the undercutting of wages."

"Some people say we should cut ourselves off from the rest of the world and withdraw from the European Union. In my view, they are profoundly wrong. We have always succeeded as a country when we have engaged with the rest of the world. That is when Britain has been at its best. Others say that nothing can or should be done. I believe they are wrong, too. We can act on the pace of change by insisting on longer controls when new countries join the EU. We need effective borders at which we count people in and out. The House can act on something else that all hon. Members know is happening in our communities by tackling the undercutting of wages. We should not just increase fines on the minimum wage, but have proper enforcement."

Sir Gerald Howarth (Con.):

"I am sure that the entire nation is grateful to the Leader of the Opposition for allowing the British people to speak about immigration--the Opposition have previously denounced as racist many of our fellow citizens who have spoken out on the matter. Will he apologise for the policies of the previous Labour Government, who admitted

uncontrolled migration of 2.2 million people into this country--deliberately--the result of which is huge pressure on our social services and a massive increase in the demand for housing, to which he has referred."

Edward Miliband:

"Let me say to the hon. Gentleman plainly that it is not prejudiced to have concerns about immigration--he is right about that. We should have longer transitional controls, as I have said on many occasions, but the question is what we are going to do about the problem now. Are we going to tackle what is happening in our labour market? I do not understand why the Government are not taking action on those issues. Employers crowd 10 to 15 people into a house to sidestep the minimum wage. We all know it is happening. Gangmasters exploit workers from construction to agriculture. We all know it is happening. We should stop employment agencies from advertising only overseas or from being used to get around the rules on fair pay. We all know it is happening."

"This is what the Queen's Speech should have done: a 'make work pay' Bill to reward hard work, a banking Bill to support small businesses, a community Bill to devolve power, an immigration Bill to stop workers being undercut, a consumers Bill to freeze energy bills, a housing Bill to tackle the housing crisis and a NHS Bill to make it easier for people to see their GP and to stop privatisation. To make that happen we need a different Government: we need a Labour Government."

Ukraine: The Right To Choose?

Petro Poroshenko was elected President of Ukraine on 25 May. According to the British Foreign Office the people of Ukraine exercised their right to vote in a free and fair election without outside interference. When the people of Crimea exercised their right to vote in a referendum to determine

their future, the Foreign Office described the referendum as a sham and refused to recognise the result. Foreign Secretary Hague's last statement on Ukraine was delivered on 14 May, the final day of the Parliamentary session. Parliament returned on 4 June with the Queen's Speech. On 9 June, Foreign Office Minister David Lidington assessed political developments in Ukraine in the following statement. (Note: Lidington's brief is Europe and NATO). As the statement was in response to a question there was no opportunity for a follow up by MPs.

Mr Lidington:

"On 25 May the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague) congratulated the Ukrainian people on the conduct of the presidential election. The high turnout showed the Ukrainian people's determination to decide their own future without outside interference, and sent a decisive signal of their support for unity, reform and a new future for their country. The Foreign Secretary also paid tribute to election commission staff who were subject to appalling levels of intimidation by illegal armed groups who sought to deny the citizens of Donetsk and Luhansk their right to vote but who strove to do their duty, and to the citizens in eastern Ukraine who overcame all obstacles to vote or who tried to do so. Each vote cast there was an individual act of courage."

"The Prime Minister, my right hon. Friend for Witney (Mr Cameron) spoke to Mr Petro Poroshenko on 30 May, congratulating him on his election as the President of Ukraine and welcoming his clear messages on democracy and financial and political reform. The Prime Minister also praised the Ukrainian people for their determination to hold elections in such difficult circumstances and choose their own future, offering his continued support in helping Mr Poroshenko to build a secure and prosperous Ukraine through an inclusive

national dialogue.”

“On 4 June G7 Leaders welcomed the successful conduct under such difficult circumstances of the 25 May Ukrainian presidential election, and commended Mr Petro Poroshenko for reaching out to all the people of Ukraine. G7 Leaders stand by the Ukrainian government and people in the face of unacceptable interference in Ukraine’s sovereign affairs by the Russian Federation, and call upon the illegal armed groups to disarm. G7 Leaders continue to encourage the Ukrainian authorities to maintain a measured approach in pursuing operations to restore law and order and fully support the substantial contribution made by the Organisation for Security Co-operation in Europe (OSCE) to the de-escalation of the crisis through the Special Monitoring Mission and other OSCE instruments. The G7 remains committed to continuing to work with Ukraine to support its economic development, sovereignty and territorial integrity and encourages the fulfilment of Ukraine’s commitment to pursue the difficult reforms that will be crucial to support economic stability and unlock private sector-led growth.”

“G7 Leaders confirmed the decision by G7 countries to impose sanctions on individuals and entities who have actively supported or implemented the violation of Ukraine’s sovereignty and territorial integrity and who are threatening the peace, security and stability of Ukraine. G7 countries are implementing a strict policy of non-recognition with respect to Crimea/Sevastopol, in line with UN General Assembly Resolution 68/262 and stand ready to intensify targeted sanctions and to implement significant additional restrictive measures to impose further costs on Russia should events so require.”

“The Prime Minister met President Putin on 5 June and reiterated that there is an opportunity for a successful, peaceful and stable Ukraine, but the current situation needs to change. He said that Russia must properly recognise and work

with this new president and there must be action to stop arms and people crossing the border.”

Extremism: Violent And Non-Violent

Home Secretary Theresa May was asked by Labour’s Yvette Cooper on 9 June to make a statement on the Government’s action on preventing extremism. According to May non-violent extremism is a real threat to British society. But what is non-violent extremism? Is expressing an extreme opinion, an example of non-violent extremism? Presumably, violent extremism involves committing a violent act based on an ideology. May cites the killing of Drummer Lee Rigby as an example of this. However, on those grounds, the UK and the United States are just as guilty of violent extremism. The following is May’s short statement.

Mrs Theresa May:

“The Government take the threat of extremism---non-violent extremism as well as violent extremism---very seriously. That is why, in line with the Prime Minister’s Munich speech in 2011, I reformed the Prevent strategy that year, and it is why, in response to the killing of Drummer Lee Rigby, the Prime Minister established the extremism task force last year.”

“The Prevent strategy we inherited was deeply flawed. It confused Government policy to promote integration with Government policy to prevent terrorism. It failed to tackle the extremist ideology that undermines the cohesion of our society and inspires would-be terrorists to murder. In trying to reach those at risk of radicalisation, funding sometimes reached the very extremist organisations that Prevent should have been confronting. Ministers and officials sometimes engaged with, and therefore leant legitimacy to, organisations and people with extremist agendas.”

“Unlike the old strategy, this Government’s Prevent strategy recognises and tackles the danger

of non-violent extremism as well as violent extremism. Unlike the old strategy, the new strategy addresses all forms of extremism. Unlike the old strategy, there is now a clear demarcation between counter-terrorism work, which is run out of the Home Office, and the Government’s wider counter-extremist and integration work, which is co-ordinated by the Department for Communities and Local Government. Unlike the old strategy, the new strategy introduced explicit controls to make sure that public money must not be provided to extremist organisations. If organisations do not support the values of democracy, human rights, equality before the law and participation in society, we should not work with them and we should not fund them.”

“Turning to the issue of the unauthorised comments to the media about the Government’s approach to tackling extremism and the improper release of correspondence between Ministers, the Cabinet Secretary undertook a review to establish the facts of what happened last week. As the Cabinet Secretary and Prime Minister concluded, I did not authorise the release of my letter to the Education Secretary. Following the Cabinet Secretary’s review, the Education Secretary apologised to the Prime Minister and to Charles Farr, the director general of the office for security and counter-terrorism. In addition, in relation to further comments to *The Times*, my special adviser Fiona Cunningham resigned on Saturday.”

Iran: You Couldn’t Make It Up

On 12 June Foreign Office Minister Hugh Robertson was asked what representations he has made to his Iranian counterpart on that country’s material and financial support for terror organisations. This was Robertson’s considered reply.

Hugh Robertson:

“We have serious concerns about Iran’s support for a number of

militant groups in the Middle East, including Hezbollah, Palestinian Islamic Jihad (PIJ), the military wing of Hamas, and Shia militia groups, including in Iraq. This support undermines prospects for peace and stability in the Middle East. We have raised our concerns about such activity during our expanding bilateral engagement with Iran, and will continue to do so."

Five days later, on 17 June, Foreign Secretary William Hague announced that the UK embassy in Tehran would be reopened, due to the "increasing confidence in conducting bilateral business directly rather than through our Swedish and Omani intermediaries." It seems that the Government have decided to dispense with the long spoon in its dealings with Iran, one of the "axis of evil" countries, and will for the foreseeable future dine at the same table. A cynic would suggest that the re-establishment of relations with Iran is linked to the events in Iraq, where the Sunni Islamic State of Iraq and the Levant (ISIS) is effectively at war with the Shia government, with the ultimate, alleged, purpose of establishing a caliphate across the whole region. The support of Shia Iran to counteract ISIS is critical to this. In a short debate on the same day, Hague made no reference to this when asked what assessment he has made of recent political developments in the middle east.

Mr William Hague:

"Advances by terrorists are threatening the sovereignty of Iraq. Assad's refusal to negotiate a political transition has led to the largest humanitarian tragedy this century and is exacerbating the terrorist threat. We are working closely with the United States and European and regional nations to try to bring stability, tackle terrorism and relieve humanitarian suffering."

This distortion of the roots of the current conflict takes some beating. It wasn't so long ago

that the Government wanted to support the opposition in Syria, which is now fuelling the crisis in Iraq. Obama has recently announced that the United States will be sending "military advisers" to help al-Maliki's beleaguered forces combat the threat from the Sunni extremists. One wonders how long it will be before Hague announces that the UK is sending "military advisers" to Iraq, having ruled out "boots on the ground."

Hague went on to say, in reply to a point about the UK's approach to Iran, that "We work with other nations across the globe to counter terrorism, and the United Kingdom is absolutely relentless in its efforts to defeat terrorism all over the world. I can assure my hon. Friend that there is no softening of our policies in relation to Iran. We look to Iran to cease support for sectarian groups elsewhere in the middle east and to reach a successful conclusion to nuclear negotiations, but I believe that it is important to discuss such issues with Iran, and we need the ability to do so."

Labour's Gisela Stuart recently spent five days in Iran. It appears to have been a wasted journey given her comment about Iran and Saudi Arabia. Unless, of course, Stuart has a deeper understanding of the politics of Saudi Arabia than many of her colleagues.

Ms Gisela Stuart:

"Having just returned from five days in Iran, I very much welcome the written ministerial statement on UK-Iran relationships. However, the events in Iraq have, for the first time ever, created a situation in which Saudi interests and Iranian interests have something in common, which is to defeat the Islamic State of Iraq and the Levant."

Afghanistan: Mission Unaccomplished

Foreign Secretary William Hague presented his Monthly Progress Report on Afghanistan on 26 June. When the media report that British and US troops will leave the country at the end of the year they are being economical with the actualite,

as the late Alan Clark once said. According to Hague the US will continue to have a military presence up to at least the end of 2016 and probably beyond.

Mr William Hague:

"I wish to inform the House that the Foreign and Commonwealth Office, together with the Ministry of Defence and the Department for International Development, is today publishing the 38th progress report on developments in Afghanistan since November 2010."

"The Afghan Independent Election Commission confirmed that none of the presidential candidates secured over 50% of votes to win the election in the first round. Abdullah Abdullah was in the lead with 45% of the vote, followed by Ashraf Ghani Ahmadzai with 31.6%. There were 6.6 million valid votes in the presidential election, 2 million more than the 2009 election, a display of popular support for the democratic process. Approximately 36% of voters were women. The second round was scheduled for 14 June."

"The Afghan Parliament passed by majority vote the presidential decree amending article 26 of the criminal procedure code. This amends the controversial wording of the original articles that legally prevented relatives from testifying in cases involving their own family members."

"12 May marked the beginning of the fighting season. While there was a spike in violence and ANSF casualties on this date, this was expected and consistent with levels seen in previous fighting seasons. There were also two selection days for the first female blook (platoon) which selected 33 candidates to start in June 14, demonstrating the ANSF's commitment to increase the role of women in the security sector."

"The Helmand redeployment continued with the closure of observation post Sterga 2 on 10 May. Following the closure, conventional UK forces in Helmand are now based in Camp Bastion."

"President Obama announced planned US post-2014 force levels. 9,800 US personnel will

remain deployed in a regional model in 2015, reducing to 5,500 in Kabul by the end of 2015. A 'normalised' embassy-based mission supported by up to 1,000 troops will be in operation by the end of 2016, providing a bilateral security agreement is concluded satisfactorily."

"I am placing the report in the Library of the House. It will also be published on the gov.uk website: www.gov.uk/government/publications/afghanistan-progress-reports"

The Battle of Waterloo: Remember It?

On 26 June, Labour's Tom

Watson, erstwhile scourge of News International, declared an interest in a 200 year old battle. He asked what plans the Government has to commemorate the bicentenary of the Battle of Waterloo in 2015.

Sports, Tourism and Equalities Minister Helen Grant told Watson: "Planning for the commemoration, in 2015, of the 200th anniversary of the Battle of Waterloo is being carried out by Waterloo 200, an umbrella organisation which is overseeing the anniversary. More information can be found on its website at the following link: www.waterloo200.org In the June 2013 budget, the Chancellor announced funding circa £1 million will be allocated to restore the site of the battle.

"The previous Secretary of State for Culture, Media and Sport, my right hon. Friend the Member for Basingstoke (Maria Miller), was also pleased to announce in October 2013 that at least £10 million will be made available by the Heritage Lottery Fund over the next four years to find projects marking some of the UK's most important anniversaries and commemorative events, including the bicentenary of the Battle of Waterloo."

The odds on successful military adventures being prominent among the commemorations must be pretty short.

Continued from Page 24

- St Mary's Primary School, Dilwyn, Herefordshire – Christian;
- Tauheedul Islam Boys' High School, Blackburn with Darwen – Muslim;
- The Olive School, Blackburn with Darwen – Muslim;
- The Olive Tree Primary School, Bolton – Muslim;
- Trinity School, Kent – Christian;
- Tyndale Community School, Oxfordshire – Christian;
- University Cathedral Free School, Cheshire West and Chester – Christian.

Note: 26% of mainstream free schools have a faith designation, as opposed to 34% of all state-funded mainstream schools.
PWA 23/6/14.

Housing benefit outturn expenditure by employment status:
Great Britain, 2009-10 to 2013-14. £million, real terms (2014-15 prices).

In employment,
2009/10 - £2,591;
2010/11 - £3,438;
2011/12 - £4,092;
2012/13 - £4,558;
2013/14 - £4,958.

Not in employment, receiving means-tested out of work benefits,
2009/10 - £11,208;
2010/11 - £11,460;
2011/12 - £11,667;
2012/13 - £11,965;
2013/14 - 11,383.

Not receiving means-tested out of work benefits (pensioners and other working age),

2009/10 - £8,275;
2010/11 - £8,161;
2011/12 - £8,257;
2012/13 - £8,335;
2013/14 - £8,122.
Total outturn expenditure:
2009/10 - £22,074;
2010/11 - £23,060;
2011/12 - £24,016;
2012/13 - £24,858;
2013/14 - £24,462.
PWA 26/6/14.

I don't think of religion as nasty. Religion kept some of my relatives alive, because it was all they had. If they hadn't had some hope of heaven, some companionship in Jesus, they probably would have committed suicide, their lives were so hellish. But they could go to church and have that exuberance together, and that was good, the community of it. When they were in pain, when they had to go to work even though they were in terrible pain, they had God to fall back on, and I think that's what religion does for the majority of the people. I don't think most people intellectualize about religion. They use it to keep themselves alive. I'm not talking about most Americans. We don't need it that way, most of us, now. But there was certainly a time when many of us did, maybe most of us.
Octavia E. Butler, Locus Magazine, June 2000

I call that law universal, which is conformable merely to dictates of nature; for there does exist naturally an universal sense of right and wrong, which, in a certain degree, all intuitively divine, even should no intercourse with each other, nor any compact have existed.
Aristotle, Rhetoric

I think of religions as franchise operations. Like chicken franchise operations. But that doesn't mean there's no chicken, right?
William Gibson, No Maps for These Territories

It's A Fact

The average tax credit award for households who are classified as 'out of work' for the years 2008-09 to 2012-13 was:

Year 2008-09, £4,700;
 Year 2009-10, £5,000;
 Year 2010-11, £5,200;
 Year 2011-12, £5,600;
 Year 2012-13, £6,000.

Parliamentary Written Answer 10/6/14.

The average tax credit award for households who are classified as 'in work' for the years 2008-09 to 2012-13, according to classification, was:

Households classified as self employed only.
 Year 2008-09, £6,500;
 Year 2009-10, £6,800;
 Year 2010-11, £6,900;
 Year 2011-12, £7,200;
 Year 2012-13, £7,600.

Households who are classified as employed only.
 Year 2008-09, £3,300;
 Year 2009-10, £3,700;
 Year 2010-11, £3,900;
 Year 2011-12, £4,500;
 Year 2012-13, £6,300.

Households who are classified as both employed and self employed.
 Year 2008-09, £3,700;
 Year 2009-10, £4,000;
 Year 2010-11, £4,100;
 Year 2011-12, £4,800;
 Year 2012-13, £6,400.
 PWA 10/6/14.

Housing benefit spending between 2008-09 and 2012-13, England and Wales, was:
 Year 2008-09, £15,711.7 million;
 Year 2009-10, £18,433.4 million;
 Year 2010-11, £19,766.4 million;
 Year 2011-12, £21,092.5 million;
 Year 2012-13, £22,104.2 million.
 PWA 10/6/14.

Undergraduate enrolments in England and Wales, prior to their course, Higher Education

Institutions, for Academic years 2008-09 to 2012-13, were:
 Year 2008-09, 1,463,160;
 Year 2009-10, 1,501,560;
 Year 2010-11, 1,490,205;
 Year 2011-12, 1,501,070;
 Year 2012-13, 1,379,775.
 PWA 11/6/14.

Estimates of total annual pre-tax expenditure in £ billions by the private sector on finding and developing UK hydrocarbons (oil and gas, in the North sea as well as elsewhere in the UK and on the UK Continental Shelf) for the period 1994 to 2013 are:

Year 1994 - £8.5;
 1995 - £9.4;
 1996 - £9.4;
 1997 - £9.6;
 1998 - £9.9;
 1999 - £7.8;
 2000 - £7.5;
 2001 - £8.3;
 2002 - £8.6;
 2003 - £8.2;
 2004 - £8.4;
 2005 - £9.9;
 2006 - £12;
 2007 - £12.4;
 2008 - £13.1;
 2009 - £13.3;
 2010 - 14.9;
 2011 - £18.3;
 2012 - £21.8;
 2013 - £25.8.
 PWA 11/6/14.

Imports of crude oil to the UK from Libya (barrels at 7.37 per tonne) from 2009 to 2013 were:
 Year 2009 - 13,598, 000 barrels;
 2010 - 20,032,000;
 2011 - 5,638,000;
 2012 - 21,557, 000;
 2013 - 14,828,000 (provisional).
 PWA 12/6/14.

The number of unemployed people aged 50 and over, by duration---three months ending April each year, 1994 to 2014, United Kingdom, was:
 Year 1994 - 290,000 (1.6% of all people in age group);
 Year 1995 - 241,000 (1.4%);
 Year 1996 - 209,000 (1.2%);
 Year 1997 - 184,000 (1.0%);
 Year 1998 - 156,000 (0.8%);

Year 1999 - 134,000 (0.7%);
 Year 2000 - 113,000 (0.6%);
 2001 - 93,000 (0.5%);
 2002 - 86,000 (0.4%);
 2003 - 88,000 (0.5%);
 2004 - 74,000 (0.4%);
 2005 - 80,000 (0.4%);
 2006 - 87,000 (0.4%);
 2008 - 89,000 (0.4%);
 2009 - 116,000 (0.6);
 2010 - 155,000 (0.7%);
 2011 - 174,000 (0.8%);
 2012 - 189,000 (0.9%);
 2013 - 191,000 (0.9%);
 2014 - 178,000 (0.8%).
 PWA 19/6/14.

The total number of persons prosecuted for tax evasion, 2010-11 to 2013-14, was:
 Year 2010-11 - 372;
 Year 2011-12 - 501;
 Year 2012-13 - 739;
 Year 2013-14 - 880.
 PWA 23/6/14.

There are 174 open free schools in England. 37 of those schools have a faith designation, of which 20 are in areas other than London. The 20 schools, along with the name and religious designation, are:
 Al-Madinah School, Derby - Muslim;
 Atherton Community School, Wigan - Christian;
 Barrow 1618 Church of England School, Shropshire - Christian;
 Becket Keys Church of England School, Essex - Christian;
 Grindon Hall Free School, Sunderland - Christian;
 Khalsa Secondary Academy, Buckinghamshire - Sikh;
 King's School Hove, Brighton and Hove - Christian;
 Krishna-Avanti Primary School, Leicester - Hindu;
 Leeds Jewish Free School, Leeds - Jewish;
 Nishkham Free School, Birmingham - Sikh;
 Nishkham High School, Birmingham - Sikh;
 St Michael's Catholic Secondary School, Cornwall - Christian;
 St Anthony's School, Gloucestershire - Christian;

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