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Pension Reform

The literature on pension systems often classifies these systems as being either Beveridgean or Bismarckian. This classification refers to the two quite different approaches to pension systems introduced by Otto Von Bismarck in Germany in the 1880s and by William Beveridge in the UK in the 1940s.

Bismarck introduced a state pension system which aimed to give workers in retirement a standard of living which would not be so different to what they had before they retired. In contrast Beveridge introduced a system that was designed to give workers in retirement a pension that would give them a minimum acceptable income.

In 1975 Barbara Castle, a minister in the Labour government of Harold Wilson, introduced the state earnings related pension scheme (SERPS). This was an attempt to move UK workers to a more Bismarckian pension scheme based on earnings. Through SERPS workers would achieve incomes in retirement equal to about 50% of their best 20 years at work. Castle also linked increases in the flat rate component of the state pension to increases in earnings in the rest of society.

However the Thatcher government which came to power in 1979 showed little commitment to a decent state pension. It quickly broke the link between the increase in the flat rate pension and increases in earnings and in 1988 substantially reduced the amount that of SERPS would eventually be paid out by reducing the rate at which it was paid from 25% to 20%. Furthermore Thatcher reduced the number of workers in SERPS by allowing defined contribution pension schemes to opt out of SERPS. Some 35% of defined contribution schemes contracted out of SERPS on the assumption that their defined contribution scheme would pay an annuity equal to or greater than the forfeited SERPS amounts. This has turned out not to be the case.

The Blair governments that followed Thatcher moved

quickly to improve the position of the poorest pensioners by introducing a Guaranteed Minimum Income for people in retirement. A Pension Commission, often referred to as the Turner commission, was set up in December 2002 and its first report was published in 2004. Its final report was published in 2006. The commission's recommendations were the basis for the Labour government's 2006 white paper proposing substantial changes to the existing pension system. This white paper proposed that in 2012 SERPS would be replaced by an enhanced flat rate pension and there would be automatic enrolment of employees into either a new personal accounts scheme or their employer's occupational scheme providing it met a minimum standard. Employees would contribute 4 per cent of a band of earnings of between around £5,000 a year and £33,000 a year. Employers would make minimum matching contributions of 3 per cent on the same band of earnings. The state would contribute 1% through tax relief making a total of 8%.

The coalition government's legislation in 2012 for automatic enrolment is closely based on the recommendations of the Turner commission. The more recent white paper on moving to a completely flat state pension by 2017 is also based on the Turner report which recommended it because it would mean that the more poorly paid worker would still have an incentive to save towards a pension since the new enhanced basic flat rate pension would be greater than the old means tested pension credits. It should be noted that this change finally kills off the possibility of a state earnings related pension system introduced by Barbara Castle. State pensions in the UK are Beveridgean. If workers want earnings related pensions they must go to the financial institutions.

So there is nothing very novel in the recent coalition government legislation and proposals around pensions. Labour would probably have done something similar. But are these actions in any way adequate? Will they give pensioners a net income in retirement of 60% or more of

their pre-retirement net income?

The final Turner report felt that an important message needed to be sent out...

"Clearly explaining that for most individuals the minimum default contributions (5% plus 3%) will not be sufficient by themselves to deliver conventional standards of pension adequacy, and that something like double that level is likely to be required (on reasonable return assumptions and in combination with likely state provision), to achieve, say, a 65% replacement rate at the point of retirement." The Final Report of the Pensions Commission. P. 41.

A 65% or greater replacement rate is the target aimed at by the European countries most similar to Great Britain. By Turner's own calculation, for UK workers to achieve that, contribution rates of 16% - twice the legal requirement - would be required. These are indeed representative of the combined contribution rates paid by European workers and employers though often the employer will pay the larger amount of the total contribution. For example a 5% contribution from the worker may be matched by a 10% contribution from the employer particularly a lower levels of income.

Workers on the continent will have good pensions because they contribute more. But there is another crucial reason they will have good pensions. In Europe the good pensions system like those in Netherlands, Denmark, Germany, France, Sweden etc. have mandatory contributions. It is really quite simple. You are not allowed to be poor in retirement.

The recent UK changes do not make pension contributions mandatory. Although workers are auto-enrolled they can opt out. We can think of no good reason why this is the case. However the politicians seem to think that British culture requires it. There is some evidence from the U.S. that, with auto-enrolment, actual enrolment levels do get to quite high level, around 90%, quite fast and do tend to stay there. We apparently have to

hope that is what will happen rather than legislating for it even though all the political parties agree that it will be disastrous if it does not come about.

To simplify the passage to auto-enrolment NEST was set up. NEST is the National Employment Savings Trust. It's a good idea (if it is decided to have a funded system rather than a pay-go system) because it allows workers to build up their funds in a non-profit making trust with average costs of .5%. Inevitably the financial institutions in the city see it as a threat to the high profits they have made managing private pension funds.

These same financial institutions have convinced the government that the amount contributed to a NEST account in any one year must be capped at £4,400. The institutions argue that this would allow workers on almost £60,000 to pay into the fund assuming a total contribution rate of 8%. But, given Turner's admission that 8% is not enough, if workers chose to pay 10% of their pay into the fund they would immediately go over the £4,400 limit.

This of course increases the possibility that only lower paid workers will pay into the NEST fund and the financial institutions will continue to achieve their profits on other pension funds. It is noteworthy that the all-party Work and Pensions Committee has identified this problem and is fighting hard to have the restrictions on contributions to NEST lifted. However at present the coalition government seems to be capitulating to the financial institutions.

The European countries like France, Germany, Sweden, Netherlands, Denmark to name but a few all have very good pensions systems. It is no great mystery why they have these good systems. It is because contribution rates are both mandatory and high. The recent coalition proposals do not satisfy these two conditions. British workers will continue to be poor in retirement.

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Britain's Purely Imperialist War Against Nazi Germany

by Gwydion M. Williams

Today's political commentators confuse democracy with pluralism, and both with virtuousness. So when Egypt elects an Islamist government with a non-Western understanding of virtue, this cannot be democratic, even though it might be technically true that a clear majority of voters wanted either this or even harder-line Islam.

Democracy means being exactly like the Anglosphere, that is their underlying belief. So it's worth showing that the Anglosphere in the Twenty-Tens has very different values from the Anglosphere of the Nineteen-Forties.

England and Scotland had parliaments from mediaeval times, but these represented only the rich. The system was not even loosely democratic until the 1880s, when 60% of adult males in the British Isles got the vote. For many years after that - up until 1945, really - a majority of voters were content to re-elect members of the old elite, who governed much as they had in pre-democratic days.

Note also, this was just the British Isles, with Southern Ireland subtracted after Home Rule. Mostly-white colonies had powerful parliaments: non-white colonies had either nothing or a powerless assembly. The Indian Subcontinent was drafted into the war by its British-appointed Governor-General, ignoring the wished of the Congress Party, which had a clear majority of elected representatives.

Whatever was being fought for in the war that started in 1939, it was not democracy.

The key year of 1940 saw four famous speeches by Winston Churchill, rallying Britons after the Fall of France. They were *Blood, Toil, Tears, and Sweat*;

Their Finest Hour; The Few and We Shall Fight on the Beaches.¹ Between the four of them, there is exactly one mention of democracy, and it says nothing about improving or extending it. It occurs in *"The Few"*:

"These two great organisations of the English-speaking democracies, the British Empire and the United States, will have to be somewhat mixed up together in some of their affairs for mutual and general advantage."

"The Few" is mostly about the air war, but Churchill made it clear that this included Bomber Command as well as Fighter Command. Britain in two World Wars did rather more than Germany to undermine the civilised notion of war being limited to soldiers in uniform, with the rest of the population left alone as far as possible.

The Second World War was fought by the British Empire to preserve the British Empire. Just as Abraham Lincoln declared himself willing to free some, all or none of the slaves in order to preserve the Union, Britain's rulers were pragmatic about the rise of Nazism. It was both a threat and an opportunity. Winston Churchill had been an enthusiast for Mussolini, as indeed were many other right-wingers in Britain and the USA. He must have reckoned - correctly - that Mussolini's Italy had no particular grudge against Britain and would anyway never be strong enough to be a threat. Churchill also knew that this did not apply to Germany. Being himself ruthless enough to start a war if he saw a prospect of gain, he never doubted that Hitler wanted to dominate Europe and was expecting that this would mean another war. Chamberlain failed to

realise this, and the British ruling class as a whole seem to have switched their opinion when Hitler endorsed the breakup of Czechoslovakia into Czech and Slovak halves, and then annexed the Czech portion.

Given the stuff that Hitler had already got away with, it's not credible that the switch occurred because of moral outrage at this breach of the Munich Agreement. If there had been strong moral outrage when it became clear what Nazism was, a boycott of the Berlin Olympic Games would have been an option and might well have changed history.

The 1936 Olympic Games had been awarded to Berlin at a time when the new Weimar Republic was a tolerant Parliamentary Democracy. By 1936, Hitler had become openly a dictator, not bothering with an election when President Hindenburg died. No one imagined that mass killing of Jews was in prospect: the Nazis themselves probably didn't dare contemplate it at the time. But German Jews, many of them resident for centuries, had been stripped of their citizenship. Drastic censorship, book-burning and Concentration Camps were open policies that the Nazis were proud of. The 1934 "Night of the Long Knives" had seen mass political killings, not just the obnoxious Brownshirts (SA), but also the rival Nazi faction of Gregor Strasser and prominent conservative anti-Nazis, including former Chancellor Kurt von Schleicher. (And they also murdered his wife, who was a witness.)

The Berlin Olympic Games were a Nazi showcase and accepted as such. The USA contemplated staying away, but in fact came. Likewise British Jewish athlete and sports commentator Harold Abrahams, co-hero of that splendid film, *Chariots of Fire*. (Maybe someone should do a sequel, *Chariots Get Muddy*,

dealing with this awkward moral failure.) As far as I know, all of the usual attendees turned up, apart from Spain under its short-lived Popular Front government.

The Moscow Olympics of 1980 were boycotted by 65 of the normal attendees, in response to the invasion of Afghanistan. There was a serious attempt at boycotting China in 2008 over Tibet, and perhaps only the beginnings of the West's continuing economic crisis stopped this getting more serious. But very few considered boycotting Berlin 1936, even though Germany had gone from a parliamentary system to dictatorship and from European norms to right-wing intolerance.

Britain's sudden reversal of its previously conciliatory attitude to Germany had nothing to do with morality. It was all about power.

Ripping apart Czechoslovakia without consulting Britain or France was a strong indication that Hitler thought a war was going to happen regardless and was not seeking to build up trust with Britain or France. It was this that caused Britain's rulers to decide that Hitler must be either humbled or destroyed. And Poland useful as bait in what they must have seen as a cunning trap.

Curiously, Hitler thought that even after humbling the Czechs, historically quite close to the Poles, he could still make a deal with Poland that would give him Danzig in return for abandoning any claim to the Polish Corridor, which had an ethnic-German majority. He hoped also to recruit them as allies for an attack on the Soviet Union, which could give the Poles other territory they were after, including parts of the Ukraine that they had sometimes ruled.

It might have been sensible for Poland's right-wing government to make a deal, but no one who'd studied Polish history would have assumed it. Poland had survived being split between Prussia, Austria and Russia precisely because it refused to think about the odds. Hitler should have been able to figure this, and also realise that might tip the balance of opinion in Britain by going back on his earlier promises over Czechoslovakia. He didn't, and the war was on.

Many individuals – including my father – joined that fight on the basis that the Nazis represented a much worse form of imperialism. That the outcome would be a massive advance for democracy and for left-wing ideas was barely to be hoped for in the early years. There was also a natural inclination to rally to your own side when war had become a fact of life and you had to decide if you cared if your own side lost it. This feeling claimed H G Wells, among other, during the First World War. He had long been against the *idea* of a European war, and hoped that civilised Europeans might revolt against such a war if it came. This hope was expressed rather improbably in a 1906 story called *In the Days of the Comet*, much more seriously in *The World Set Free*. This novel, set a few decades in the future, was published a few months before the 1914-18 war started and accurately foreseeing its senseless nature². But when the actual war started he backed down from his original insights and produced patriotic gush in *Mr. Britling Sees It Through*.

British left-wingers joining World War Two might have turned out to be equally mistaken. But history delivered them a much more favourable post-war world than they could have been expecting.

It is definitely not right to blame those who were not British who refused to help Britain in Britain's hour of need, when their own needs were basically ignored. This was the position of Ireland, Iran and India, and it is unreasonable to blame them for trying stay out of it. But blame is seldom rational: Finland chose to join the German invasion of the Soviet Union, seeking mostly to recover lost land but definitely making an overall Nazi victory more likely. Somehow they never get blamed for this: they were told of merely for maintaining a careful neutrality during the years they were on the front line of the Cold War,

The British Empire was planning to invade Norway regardless of what Germany did. As it happened, Germany struck first, though a definite promise from the British Empire to respect neutrals might prevented this.

Later on in the war, with Ireland's

ports mattering in the key "Battle of the Atlantic", Churchill ready either to invade the Irish Free State or to award it loyal little Ulster if it would join the Allies. Protestant Ulster was loyal, but the empire was not loyal to them and the "Battle of the Atlantic" was the most plausible moment when Britain might have been defeated. De Valeria, who had fought as an Irish Nationalist ally of Germany in the 1916 Easter Rising, wisely decided to stay out of this new war.

It was definitely an Imperial war at first, up until the invasion of the Soviet Union and arguably afterwards. Britain had dominated the world's oceans and the best overseas colonies since the Seven Years War and the remarkable victories of 1759. And it did this with Prussia as a regular ally, Britain and Prussia helping each other rise at the expense of mutual enemies, and too far apart to have important clashes of interest. This dominance and the early industrialisation of Britain meant that members of the British elite could "bestride the measured world / like a colossus"³. Or like a set of colossi, rather, because the elite were rather good at sharing power with each other. Ready to take orders from a lawful superior whom they might consider an actual inferior, sometimes correctly. They were much better than rival European elites at compromising and working together. Better at ensuring that at least some of the top jobs and honours were given to gifted men from the lower ranks of the privileged classes.

That was the Georgian period, 18th and early 19th century, a sexually tolerant and religiously skeptical elite with a considerable interest in science and a frequent concern for knowledge for its own sake. This was the period when the Industrial Revolution occurred, when the British navy got hegemony and when British control of North America and India was established. The Victorian British had a grand clean-up of Georgian values, but threw out good with bad. The worst of the bad was the fatal decision to tighten up racial segregation in British India, placing the entire Hindu and Muslim elite below any white man.

This was one weakness of the British Empire: it might compare itself to the Roman Empire, but it ignored the Roman

lesson of incorporating local elites who would accept the culture of the Empire. It placed them below anyone white in their own country, though not in Britain itself, where Indian princes were accepted into aristocratic circles that were largely closed to colonial officials. It let them gain the highest academic distinctions but then refused them the privileges that normally went with such achievement. This happened to Gandhi, a qualified lawyer who was not allowed to travel First Class on a train in South Africa. It was irrational and was bound to push the British-trained elites towards separatism.

The second weakness was that Britain had formed a global empire without conquering its immediate neighbours. This is very rare in world history: mostly empires begin by one group conquering its neighbours and only then striking out into the wider world. Persians conquered the closely-related Medes before anyone else. Half-Greek Macedonians unified Greece. Romans conquered other Latins and then the other peoples of Italy. Islam conquered Arabs first and the wider world later. Mongols subdued rival nomads before invading the surrounding civilisations. Moscow conquered other Russians before taking on the wider world. But neither Portugal nor the Dutch tried expanding in Europe while they were conquering overseas. Spain and France tried and either could have unified Europe, but both failed. Britain helped both to fail, and scooped up the overseas or strategic prizes after each major European war. And Prussia was mostly an ally, as I mentioned earlier. Only when Prussia unified Germany and when the non-European world was largely conquered or helpless did Britain suddenly decide that nice Germany had been corrupted by centuries of Prussian evil.

With hindsight, we can see that 1914 was the peak of European power. The New World consisted mostly of seceded European colonies, but among these only the USA was formidable. The British Empire hoped to draw it back in to a wider Anglosphere, which would have been British-dominated if it had happened then. Elsewhere, Ethiopia and Thailand were hold-outs, but both vulnerable. China was huge but weak and had rulers who assumed that they could only stay in

power with the permission of the Imperialists (which remained the case till 1949). Japan was one grand anomaly, not at all like Europe but at a level with Europe, having defeated Tsarist Russia in 1904-5, with British help. The other was the Ottoman Empire, preserved from partition by Britain in the 19th century, but then targeted in 1914.

The war that started in 1939 was another attempt by Britain to prevent any one power dominating Continental Europe. France could have achieved it in 1919, had Unified Germany been broken up into its former components, as France wanted. The British ruling class preferred to play a complex game for continued world hegemony, a game that ultimately backfired on them and killed tens of millions in the process. Nazi Germany was allowed to rise, because it kept France scared and close to Britain, and Nazis might be useful against the Soviet Union and global communism. But then Hitler was hasty and got re-classified as the main menace. Rather than mend fences and perhaps leave Danzig unresolved in return for Poland helping him against the Soviet Union, he chose a non-aggression pact with the Soviet Union that left him free to conquer Poland.

The Pact was no more immoral than various other deals, including Chamberlain claiming to have "no knowledge" of vast numbers of regular German and Italian troops fighting in the Spanish Civil War, and letting a democratically elected Spanish government be gradually destroyed. Britain's ruling class had tried to use Nazi Germany against the Soviet Union, but was later willing to hand over much of Middle-Europe including their ally Poland in exchange for the Soviet Union doing the main work of destroying Nazi Germany.

The war might have ended in September 1939, when Poland was overrun. Hitler could have offered to restore Poland minus the Polish Corridor, in return for peace. But Poland had collapsed within weeks, whereas Serbia had taken more than a year to conquer in World War One. He chose once again to be arrogant, and for a time it paid off. An initial rather poor plan for an attack in the West got leaked to the Allies by a plane crash, so a riskier alternative plan was tried and suc-

ceeded brilliantly.

Winston Churchill became Prime Minister in place of a sick and dying Chamberlain, only to find that the war was falling apart. That was May 1940, and by June France was essentially gone. Having been correctly blamed for the 1916 disaster at Gallipoli and having somehow escaped blame for his part in the disastrous failure in Norway, he had the good luck to take over as Prime Minister just as the Fall of France was beginning. Had he become Prime Minister a month or two earlier, he would almost certainly have been blamed, even if he had actually done nothing wrong. Had Chamberlain hung on for another month, the Tories would have been likely to conclude that the war was lost and that the new Prime Minister must be a man ready to admit this.

Churchill wanted to save the British Empire, and fancied that he might be presiding over the "finest hour" in a possible thousand-year history. Since the prior history of the Empire was four centuries at most, he nowadays sounds utterly unrealistic. He was in many ways living in the past, the Late Victorian world of his young manhood. But British prestige stood higher in 1940 than it did later, with the disastrous 1942 surrender of Singapore to a numerically inferior Japanese army damaging the British Empire beyond hope of repair.

Churchill never saw it so. In November 1942, in another famous speech called "*The End of the Beginning*", he said:

"I have not become the King's First Minister in order to preside over the liquidation of the British Empire. For that task, if ever it were prescribed, someone else would have to be found, and, under democracy, I suppose the nation would have to be consulted. I am proud to be a member of that vast commonwealth and society of nations and communities gathered in and around the ancient British monarchy, without which the good cause might well have perished from the face of the earth. Here we are, and here we stand, a veritable rock of salvation in this drifting world."⁴

He had earlier said "For ourselves we have no wish but to see France free and

strong, with her Empire gathered round her and with Alsace-Lorraine restored. We covet no French possession; we have no acquisitive appetites or ambitions in North Africa or any other part of the world." He wanted to go back to the pre-war world, not into the future that actually emerged after a couple of decades of bitter anti-colonial struggle.

Anti-colonialism was called "communist-inspired" up until it won. In many ways it was, in as much as serious Third World nationalists found that global communism was their main ally. The USA played a mixed and ambiguous role: I will deal with this in another article, with a likely title of *White Knights In Blue-Collar Armour*. But while the British Labour Party was vaguely anti-colonial, Churchill and the Tories wanted the world as before. Celebrating the end of the War in Europe (and with Japan still holding out), he said

"We have all of us made our mistakes, but the strength of the Parliamentary institution has been shown to enable it at the same moment to preserve all the title-deeds of democracy while waging war in the most stern and protracted form."⁵

Along with the delusion that Churchill's 1940 stand was for democracy, you get the notion that this and the USA's later involvement was to defend Jews. Actually the Nazis in 1940 had mostly killed political opponents, apart from ordinary wartime casualties, and it was the British who were keenest on bombing of cities. The Nazis had ill-treated lots of Jews and tried to persuade them to emigrate, but there were not a lot of places that would take them. This continued during the war, when Germany might have been willing to ship out its Jews but they remained unwanted.

All of these off-message facts have to be evaded by the New Right, and fanciful notions substituted. So in *Empire*, Professor Neil Ferguson lifts a phrase from Orwell's elephant-shooting story⁶, about the British Empire being due to be replaced by much worse forms of Imperialism. He inflates this to rewrite history and argue that the British Empire nobly sacrificed itself to defeat the much worse imperialisms of Japan and Nazi Germany. He produces no evidence that anyone

besides Orwell took this view – even supposing that Orwell himself meant it.

Shooting An Elephant was published in 1936, at a time when no one knew whether Britain was actually going to fight either Germany or Japan. Professor Ferguson cites it without a date, unlike the previous quote from a German.⁷ He also lists a string of authentic atrocities by other empires: similar British misdeeds like the Bengal Famine, the Amritsar Massacre and the British invention of Concentration Camps are mentioned in other parts of the book but not set alongside non-British offences for a judgement of who was worst.

Orwell gave his views on the Empire much more clearly in his 1941 essay *The Lion and the Unicorn: Socialism and the English Genius*. There, he argued that socialists should support the existing government, then led by Winston Churchill. For socialists, this was as difficult as it would be for modern left-wingers to have supported a National Unity government led by Enoch Powell or Margaret Thatcher. Orwell argued – and on this point I agree with him – that this was better than defeat by Nazi Germany. His main concern was not invasion but the prospect of a peace in which Britain accepted Nazi hegemony:

"It is quite true that the English are hypocritical about their Empire. In the working class this hypocrisy takes the form of not knowing that the Empire exists....

"The British ruling class were not altogether wrong in thinking that Fascism was on their side. It is a fact that any rich man, unless he is a Jew, has less to fear from Fascism than from either Communism or democratic Socialism. One ought never to forget this, for nearly the whole of German and Italian propaganda is designed to cover it up. The natural instinct of men like Simon, Hoare, Chamberlain etc. was to come to an agreement with Hitler. But—and here the peculiar feature of English life that I have spoken of, the deep sense of national solidarity, comes in—they could only do so by breaking up the Empire and selling their own people into semi-slavery. A truly corrupt class would have done this without hesitation, as in France. But things had not gone that

distance in England."⁸

That Hitler wanted to conquer Britain and rule the whole world was the standard British belief at the time, and continues to be so. It is probably not so, but Hitler had failed to spell it out. He could have afforded a peace without the British Empire giving up anything: this would have left him immensely strengthened and able to attack the Soviet Union later on, at a time of his choosing. Or he could have collected a few prizes: there were people in the British government who thought a good peace would be one in which Gibraltar and Malta were handed over and the German colonies returned. But Hitler never did communicate just what it was he wanted for Britain. It was a serious failure on his part, and very fortunate for the future of left-wing causes.

Orwell feared a peace that would have amounted to a surrender. He did also hope for the possibility of a better Britain and a better British Empire. Contrary to what Ferguson says, he does *not* foresee or desire the end of Empire as such:

"To a Labour government in power, three imperial policies would have been open. One was to continue administering the Empire exactly as before, which meant dropping all pretensions to Socialism. Another was to set the subject peoples "free", which meant in practice handing them over to Japan, Italy and other predatory powers, and incidentally causing a catastrophic drop in the British standard of living. The third was to develop a POSITIVE imperial policy, and aim at transforming the Empire into a federation of Socialist states, like a looser and freer version of the Union of Soviet Republics. But the Labour Party's history and background made this impossible. It was a party of the trade unions, hopelessly parochial in outlook, with little interest in imperial affairs and no contacts among the men who actually held the Empire together...

"I suggest that the following six-point programme is the kind of thing we need. The first three points deal with England's internal policy, the other three with the Empire and the world:

"1. Nationalisation of land, mines,

railways, banks and major industries.

"2. Limitation of incomes, on such a scale that the highest taxfree income in Britain does not exceed the lowest by more than ten to one.

"3. Reform of the educational system along democratic lines.

"4. Immediate Dominion status for India, with power to secede when the war is over.

"5. Formation of an Imperial General Council, in which the coloured peoples are to be represented.

"6. Declaration of formal alliance with China, Abyssinia and all other victims of the Fascist powers....

"An English Socialist government will transform the nation from top to bottom, but it will still bear all over it the unmistakable marks of our own civilisation, the peculiar civilisation which I discussed earlier in this book.

"It will not be doctrinaire, nor even logical. It will abolish the House of Lords, but quite probably will not abolish the Monarchy. It will leave anachronisms and loose ends everywhere, the judge in his ridiculous horsehair wig and the lion and the unicorn on the soldier's cap-buttons. It will not set up any explicit class dictatorship. It will group itself round the old Labour Party and its mass following will be in the trade unions, but it will draw into it most of the middle class and many of the younger sons of the bourgeoisie. Most of its directing brains will come from the new indeterminate class of skilled workers, technical experts, air-men, scientists, architects and journalists, the people who feel at home in the radio and ferro-concrete age...

"But all the same it will have done the essential thing. It will have nationalised industry, scaled down incomes, set up a classless educational system. Its real nature will be apparent from the hatred which the surviving rich men of the world will feel for it. It will aim not at disintegrating the Empire but at turning it into a federation of Socialist states, freed not so much from the British flag as from the money-lender, the dividend-drawer and

the woodenheaded British official."⁹

The need for the Empire to keep Britain prosperous was widely believed at the time, even among socialists. But history suggests otherwise: Britain actually did better while the Empire was falling apart, with Tory leader Macmillan saying "you've never had it so good". The years 1950-75 look remarkably successful with the benefit of hindsight. Also Switzerland had no colonies, and nor did the Scandinavian countries apart from a small Danish dominion, yet they did fine. The USA had the most secure and best-paid working class in the world before it went off on its venture for world hegemony.

Back in the 1890s, Afro-American leader Booker T. Washington warned that "you can't hold a man down without staying down with him". Whites in the "Beautiful South" refused to listen and remained the poorest, most violent and ignorant part of the USA. Britain meantime fought hard to hang onto its vast empire, but actually did much better when restored to the status of a middle-sized European power. Only to a ruling class nostalgic for the days when their leaders could "bestride the measured world / like a colossus" had anything to complain about. As Orwell says, a lot of the British working class ignored it. Much of the middle class had little interest in it: at best it was a place for exotic adventures and a long way away from the things they cared about.

But if they didn't much value the Empire, they did believe in English or British superiority, and saw nothing immoral in dominating the "lesser breeds". Small numbers of non-whites present in Britain before the 1950s mass immigration were not seen as a problem, but also not seen as equal. Definitely not acceptable in positions of authority over anyone white. And for the English, a narrow prejudice against other Europeans and even other Britons was the norm.

The Lion and the Unicorn: Socialism and the English Genius is usually cited with the second half of the title omitted. It sounds horribly vain nowadays, yet it is what the man himself said, and there is no reason to doubt that he meant it. Orwell was also a remarkably typi-

cal Englishman in seeing British virtues as essentially English. Such genius as existed in the British Empire was more often Scottish, Welsh, Irish or British-Jewish than English, but this was mostly ignored.

The unicorn in the heraldic lion and unicorn was of Scottish origin. Scotland had two unicorns on its coat of arms: England had two lions. James the 6th of Scotland and 1st of England made a new coat of arms with one of each. This was the symbolism that Orwell annexed for England alone.

Professor Ferguson is himself Scottish, born in Glasgow. His book *Empire* would be better entitled *My Beautiful Imperialism*. In the hierarchy of the Empire, the Scots were just a little lower than the English. For the size of population, they had considerably more jobs within the Empire than anyone else. Scots with global ambitions needed the English rather more than the English needed them, and have tended to adjust their morals accordingly.

Orwell's defence of the "English Genius" was published in February 1941, a year before the humiliating surrender of Singapore. This was the defeat that made it impossible to continue the British Empire as it was before: a force of some 85,000 was defeated by a Japanese army less than half that size, despite possessing what was supposed to be a uniquely powerful fortress. This came on top of the earlier sinking in the Malaya campaign of battleship *Prince of Wales* and battlecruiser *Repulse* by the Japanese at the cost of a mere three aircraft. Many of the soldiers raised from non-white portions of the British Empire were reluctant to fight. Some – particularly Indians – switched to fight for the Japanese. The story of Subhas Chandra Bose and the Indian National Army has been left in undeserved oblivion and needs to be restored to its proper place in history.

Having an Imperial General Council in which selected non-white politicians would have ranked above most white Britons and equal to everyone other than the Monarch would have made an immense difference and might well have preserved the Commonwealth as a meaningful political unit. But even the

mildest moves in that direction were met with foaming-mouthed fury from the colonial types whose long-term existence would have been preserved by it. And on the whole, they were supported by an "Imperial Parliament" at Westminster where English electors had overwhelming power.

The Westminster Parliament was quite good at governing the English, and was acceptable to the Scots. Not so acceptable to the Welsh, but they have in practice been a national minority within England.¹⁰ In the wider world and facing stronger potential rivals, the Westminster Parliament failed badly. In British North America, in Ireland and in the Indian Subcontinent, they successfully produced a population that was somewhat similar to the English, but failed to realise that their creation had to be conciliated and handled carefully if it was to remain attached. Timely concessions to British North Americans, to Irish who had become English-speaking and to a highly Anglicised elite in the Indian subcontinent would have kept the British Empire as a going concern. But the Westminster Parliament was often and accurately described as the "best gentlemen's club in London". It was pig-headed and short-sighted about "admitting the wrong sort of chap" and about giving up its prerogatives. It was and still is dominated by the sort of Englishman who is never wrong even if all of the disasters they were warned against have come to pass with uncanny accuracy.

Orwell might dream of the Empire becoming "a federation of Socialist states, like a looser and freer version of the Union of Soviet Republics". But this dream came to nothing, while the USSR actually worked while Stalin was running it. From 1927 to 1953, when he was in charge, global socialism advanced wonderfully. The dominance of anti-Stalin elements since then has coincided with a loss of many of the gains, which does not however seem to make the Stalin critics doubt their own wisdom.

Stalin – and Lenin before him – were in the habit of making choices on the basis of "this is not what I'd have wished for, but it will work". And it did work. Their critics dreamed up all sorts of much nicer schemes, but almost all of these failed to

work.

The democratisation, de-colonisation and general levelling that happened after World War Two should be credited 60% to Stalin's Soviet Union, 30% to the United States and 10% to the British Labour Party. Labour had rallied to a Tory-led government from a sensible fear of something much worse. That they would be able to use Churchill and then discard him would not have been even a day-dreaming fantasy in 1940. And they were mostly accidental beneficiaries of processes they had not anticipated and mostly did not understand even after it happens.

If the alliance of the British Empire, French Empire and Polish Republic had defeated Nazi Germany, or had simply produced a stalemate that had led to Hitler's overthrow and a compromise peace, then a very different world would have emerged. Probably a continuation of colonial empires for much longer, and much less levelling and democracy within Europe itself.

(Endnotes)

¹ All these and others can be found at <http://www.winstonchurchill.org/learn/speeches/speeches-of-winston-churchill/1940-finest-hour>

² Wells's story includes atomic weapons, but much less lethal than the real thing. He also seems to have forgotten about his earlier idea for "Land Ironclads", developed as Tanks by the British but not significant until World War Two.

³ This phrase is from Shakespeare's *Julius Caesar*.

⁴ <http://www.winstonchurchill.org/learn/speeches/speeches-of-winston-churchill/1941-1945-war-leader/987-the-end-of-the-beginning>

⁵ <http://www.winstonchurchill.org/learn/speeches/speeches-of-winston-churchill/1941-1945-war-leader/95-end-of-the-war-in-europe>

⁶ *Shooting An Elephant*, a gripping story from Orwell's time as a colonial

policeman in Burma. And suspected of being mostly fiction.

⁷ Ferguson, Niall. *Empire*, Chapter 6.

⁸ http://wikilivres.ca/wiki/The_Lion_and_the_Unicorn/Part_1

⁹ http://wikilivres.ca/wiki/The_Lion_and_the_Unicorn/Part_1

¹⁰ The officially-designated Principality of Wales had no single existence before the English kings conquered the various small Welsh kingdoms. Different portions are dependent on different parts of English, the major centres of Liverpool / Manchester, Birmingham and Bristol / London.

Continued from page 24

The number of people claiming job seekers' allowance by length of claim at October 2012 was: Claiming over 12 months - 412,900; Claiming over 2 years - 129,580. The number of ethnic minorities was: Claiming over 12 months - 70,740; Claiming over 2 years - 22,215. PWA 11/2/13.

The expenditure recorded each year since 1997-98 on prisons in England and Wales (both public sector and private) is: 1997/98 - £1.904 billion; 1998/99 - £2.089 billion; 1999/2000 - £2.129 billion; 2000/01 - £2.135 billion; 2001/02 - £2.245 billion; 2002/03 - £2.405 billion; 2003/04 - £2.281 billion; 2004/05 - £2.407 billion; 2005/06 - £2.073 billion; 2006/07 - £2.175 billion; 2007/08 - £2.317 billion; 2008/09 - £2.283 billion; 2009/10 - £2.288 billion; 2010/11 - £2.219 billion; 2011/12 - £2.213 billion. PWA 14/2/13.

The number of families in England receiving (working) tax credits at December 2012 was 3,887,100. The number of claimants of carer's allowance in England at December 2012 was 504,800. PWA 25/2/13.

Froggy

News From Across The Channel

'Untouchables'

This is the title of a 2011 extremely popular French film, so successful it's even today advertised on the London Underground. It is a fairy tale: it has a castle full of shiny things, a prince and his subjects, magical transformations, the whole bathed in a glow of wonderful ease and comfort.

It is the story of an immensely rich aristocrat, Philippe, the proprietor of the castle, who after a paragliding accident is confined to a wheelchair, completely paralysed except for his head. He employs Driss, a rough, illiterate petty criminal from a housing estate, to be his carer. The young man's carelessness makes a welcome change from the pitying attitudes the aristocrat is used to; Driss is also instinctively perfect at moving a helpless body from bed to chair, and all the other caring duties involved.

The contact with civilisation softens Driss and makes him employable! At the end, he leaves Philippe and goes for an interview as a van driver, where he charms the Human Resources lady by commenting on the Dali picture on the wall and using long words, as well as with his charming grin that he started with. That's it! All you need to end youth unemployment is a bit of culture, and a better way with words.

The American market however refused to buy it, because of the racial aspect. The way they saw it is this: The prince is white, the main servant a grinning ignorant black, a clown amusing his master by his antics, and this is not acceptable.

You could object also to its depiction of 'ordinary people'.

The other men who applied for the job of carer at the same time as Driss are not cheerful, strong professional people

with the skills you need for such a job, such as you might meet in real life. They are mediocre, petty weaklings without an ounce of imagination and personality. Physiotherapists and nurses might take offence at this portrayal, as could all trained and skilled working people.

It is a fairy tale, very well made and attractive. The spectator shares in the comfort and freedom from the constraints of real life. Very many films transport the spectator to a land of luxury, but this one does it in an original and striking manner.

Factory closures

Meanwhile in the real world factories continue to close. Workers continue to protest at the loss of their jobs. Their case makes the headlines for quite a long time, and then it is lost. Arcelor-Mittal steel, Goodyear tyres in Amiens (Northern France), Peugeot cars in Aulnay-sous-Bois (near Paris) are all examples.

To counter this decline of industrial jobs, the Government has come up with a proposal for more flexible employment regulations. This would allow employers

- to reduce working hours in times of economic difficulties

- to reduce redundancy payments.

The scheme would reduce the gap in pay and advantages between workers on permanent contracts and those on temporary contracts, who have lower pay and fewer advantages. Employers would then be more likely to employ people on permanent contracts, is the thinking.

Employers are not asked to make sacrifices in return. Instead the State gives them concessions in terms of tax; the State underwrites the cost of training

for example: if a worker is made redundant he keeps his entitlement to training that he had with his firm and carries it over to his new firm.

What to think of this plan? Laurence Parisot, head of the employers association Medef, is all in favour; the main union CGT, and FO, have refused to sign. The other unions have signed, allowing the scheme to go ahead.

Is the CGT being unrealistic and bloody-minded? That is what it is accused of being, not just for this stance, but also for other fights, such as press distribution, where it has a monopoly. The CGT led a strike early in February to protect employment in press distribution. It was attacked for leading a suicidal action, given that the printed press is on its last legs anyway.

It has also been attacked for not accepting takeovers of factories in danger of closure, because the guarantees were not good enough, so that the factories closed instead of being taken over.

Clearly factories have been taken over in the past and closed after a short time, so the CGT may have a point. The media are against the CGT, and the union has not been able to make its case satisfactorily to the public.

The Agricultural Show.

Every year at this time the international Agricultural Show opens its doors at the Porte de Versailles in Paris. This year 26 countries were represented. Families go and visit it, like a zoo. It has powerful symbolic value: it represents the old France with its countryside, even if MacDonald is present, as biggest buyer of French beef. The visit of the President of the Republic is eagerly awaited as a test of his personality; if he has a fiefdom in the provinces and can show he knows the rural world, all to the good:



Jacques Chirac had great success, as a bon viveur and connoisseur of the food of the terroir. Sarkozy's base is an expensive suburb of Paris (Neuilly), and he flopped at the Show, letting himself down badly. Holland is in between. He has a power base in the South of France, the same area as Chirac, but he is not at his ease in the same way among the rural folk.

He spent 12 hours at the Show, starting at 7 am. He is not very popular with the producers; when challenged, he was unable to reassure farmers that their income would be protected.

Still, France is refusing to follow Brussels in one respect: The EU is going to allow farmed fish to be fed ground up animal protein, of the sort fed to cows before the mad cow episode. France won't allow it.

The sanctity of marriage.

In the film mentioned above, the two heroes indulge in various illegal or frowned upon activities. The film makers don't want to be seen to condone this, so at the end they tell you that the screen play is based on a true story, and show you a glimpse of the real men together. Then we are told that both men are now married with children. There you have it, a certificate of respectability.

Britain passed a law allowing homosexual marriage; the debate lasted less than a day, compared to France, where it took days and nights of debate. Britain had done the groundwork previously, by allowing Medically Assisted Procreation for all, and Surrogate Mothers. These are not yet allowed in France. However, Christine Taubira, the justice minister who pushed gay marriage through parliament, pushed another law at the same time, giving French citizenship to children born abroad to surrogate mothers acting for the benefit of French people.

One wonders at the huge fuss made over such a small number of people. According to a recent survey published in the Le Monde, between 20 000 and 40 000 children lived "at least part of the time" in a homosexual household. That means an even smaller number must live

in such a household all the time. Much higher figures (200 000) had been put forward by Socialist ministers during the debate.

It is clear that the gay lobby plays a very useful role in the attack against Third World countries, as well as against Russia. We can no longer justify our interventions in terms of bringing religion or civilisation; 'bringing democracy' is getting a bit difficult, because of the very doubtful results obtained so far; 'defending human rights' is also problematic, now that torture is officially justified in America and Britain. But defending gay rights is cast iron solid. Putin is banning gay marches! Must bring him down. Look at what they do to gays in Nigeria (or anywhere else)! An intervention is called for.

What could go wrong with this?

Meanwhile, (heterosexual) married couples with children are still the model in Western civilisation. But they will have to serve as an empty symbol of respectability. They won't enjoy State support; even child benefit is not given to all households bringing up children; the universal child benefit has been withdrawn in England and in France.

People still feel a desire to get together and have children; but when the going gets tough, since it was their own choice to get together and have children, they must cope with the consequences on their own. Even though the continuation of society depends on the procreation of children, parents are treated as if they have made a mere lifestyle choice and do not deserve the support of society. For the sake of the continuation of society, and for the sake of the children, who suffer when parents can't cope, the State should, financially and morally, favour couples who will bring children into the world.

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Notes on the News

By Gwydion M Williams

The Closer To Rome, The Less Christian.

Sensible religions keep their leadership well away from power and wealth, which corrupt even the most well-intentioned. But after the fall of the western half of the Roman Empire, there was a distinctive Latin-Christian culture without an obvious centre. The Bishop of Rome was the only one of the recognised Five Patriarchs within this culture, and so had vastly more prestige than any rival bishop. By stages the Roman Patriarch was redefined as a Universal Father (the original meaning of Pope, Papa.) And popes tended to sabotage the strong impulse that existed to unify the shared Latin-Christian culture as a new Empire.

Charlemagne had been planning to proclaim himself Emperor, the normal method for anyone strong enough to make good the claim. The pope sprung a coronation on him and established the notion that it was somehow under papal control. And the office of Emperor was kept weak, while the popes tried and eventually failed to establish themselves as theocratic rulers of the various Latin-Christian kingdoms.

The Reformation began as a protest against malpractices within the existing Latin-Christian Church. This was combined with some new doctrines, or arguably a revival of old doctrines. There was mostly a belief that the church had too much worldly power and property, which was attractive to secular rulers. It was indeed a mediaeval saying, "the closer to Rome, the less Christian". The fringes believed, but those who saw the core increasingly doubted.

The Counter-Reformation did clean up existing corruption, but also affirmed some doctrines that contradicted common-sense, such as Transubstantiation. And the Council of Trent also affirmed papal power. This made many secular rulers uneasy, even if they liked tradition and ended up on the Roman Catholic side of the divide. Those who opted for Protestantism had an easier time of it, mostly, since the various Protestant traditions were at odds with each other and often accepted the secular ruler as legitimate Head of the Church.

In this ideological confusion, a lot of new thinking was able to flourish. Modern science began in Italy, in as far as it began in any single place. (Earlier Islamic advances had been stifled by orthodoxy well before that.) But science could not develop without contradicting traditional belief. The Pope who had Galileo condemned probably didn't believe in anything much, but he did know that his authority depended on keeping traditions in place. By the same token, a lot of secular rulers were happy to let science flourish as an alternative belief system that weakened the authority of the priests and bishops.

Scientists in the 17th century were mostly still devout Christians, but with a different viewpoint from the professional churchmen. Newton was a serious alchemist and he also privately came to believe in Unitarianism, that the whole doctrine of the Trinity was false and Jesus was not divine. Objective study of the Bible and the early controversies would indeed lead in the direction of heresy or disbelief.

In the 18th century, disbelief won out. Most scientists were privately Deists – they believed in a very distant God who was not connected with Christianity. But this was not a coherent belief system and did not address people's emotional needs. Enlightenment Rationalism had a way of treating people as fungible, interchangeable and valued only for their value in terms of cash or selfish pleaseures. They distrusted emotions, and believed (wrongly) that 'Rational Self-Interest' would lead automatically to good behaviour.

Aristocrats also failed to see that their own privileges were just as irrational as religious oddities. Edmund Burke pointed this out in his 1795 essay "Letter to a Noble Lord". His solution – the basis for Toryism and other successful forms of conservatism – was simply to live with all of the absurdities and not claim logic for them.

To be more exact, Burke's ideas were the basis for Toryism down to the rise of Margaret Thatcher. As Prime Minister, she showed herself clever but rigid-minded and unimaginative. (The same qualities that led to the failure of her initial career as an Industrial Chemist, before she started making progress within the Tory Party and got herself a rich husband.)

Thatcher failed to realise that short-term benefits might have enormous long-term costs. If her sort of Toryism fails – and it seems to be falling apart right now – there will be nothing of substance remaining. No basis for Toryism re-inventing itself, as it has done many times before in its history of more than three centuries as a governing party.

The Papacy has held power for far longer than the Tory Party, which itself is much the oldest party to have been continuously the ruling party or the main opposition. The Papacy did itself immense damage by surrendering to the brief hegemony of liberal-capitalist and corporatist values in the period 1950-1975. The reforms of Vatican Two seemed to assume that the well-balanced order that existed within the non-Communist portions of Latin-Christian culture would last forever, and that it needed to come into line if it was to survive. So when this system fell into chaos, Catholicism was badly placed to offer an alternative.

One realistic alternative was Liberation Theology, an ad-

aptation to 1970s radicalism. It suffered the general decline of a radicalism that lacked realism and failed to consolidate itself. Thereafter there has been a vague wish to undo Vatican Two, but to do so now might just lose a lot of the remaining believers. Those who still value Catholicism are also inclined to view traditional authority as "just a bunch of old men in Rome". And a lot of those old men morally very imperfect, if even half the rumours are true. ('About half true' is a good rule-of-thumb for rumours from credible sources.)

It has been aptly said that by resigning, Pope Benedict was admitting that it was just a job. It might be logical if Christianity was inherently logical, which he seems to believe. But not many others take this view. If the religion not tradition, the obvious alternative is to view it all a holdover from an ignorant and authoritarian past.

By resigning as Pope, Benedict has further damaged the notion that it is somehow a special role under Divine Protection. And he wasn't ever up to the role of promoting the Pope as a global celebrity with wide appeal. This was wholly the fault of those who elected him: they had many alternatives and chose an elderly intellectual with no clear idea of what he should be doing.

And what next? Ethnic balance would suggest a Latin American, but there seems a lack of strong individuals among them. Maybe too many of the best were tainted with Liberation Theology. They could decide to go beyond the College of Cardinals – in theory any unmarried Catholic could be chosen – but this is unlikely.

A bold choice would be Cardinal Peter Turkson of Ghana. At 64 he could be another celebrity pope and another black man in high office over people who are mostly not black. His taking a strong line that homosexuality and Christianity are incompatible obviously offends influential homosexuals clinging onto the Catholicism they know and love. They should stop clinging to a Church that wishes to be rid of them: there are branches of Buddhism that have no particular objection to homosexuality, even though Buddhists see celibacy as the ide-

al. That would be a more honest choice.

Catholicism isn't going to be taken seriously if it remains weak and indecisive. Still less if it were to suddenly say it had been wrong on a fundamental part of its doctrine for the past 2000 years.

It also isn't sensible to say that dropping celibacy would end abuse. In the wider world beyond the clergy, some of the worst abusers have been married men, as indeed have some rapists, sometimes with the wife helping.

Catholicism would be wise to stick to what it is. Being demonstrably wrong about the universe lost the faith lost the faith the majority of scientists. Being demonstrably wrong about personal morality would mean Roman Catholicism becoming like the Church of England, a fading body of nostalgic feeling.

On past form, I would expect a weak and ineffective choice, like the last one. But anything is possible.

Weak Britain

The rich control enough of the media to have shifted the blame for the 2008 crisis away from the global speculators and back onto state spending. Austerity for everyone except the banks has been the rule in the West. They worry vaguely about China's rise and the 20-year stagnation of Japan. But the consensus is to do nothing too risky and hope that something will turn up.

In this game of global power, it looks like Britain is the weakest link. Britain is a financial superpower based on a medium-sized economy. An economy that has lost a lot of its manufacturing basis since Thatcher took over.

Tony Blair had a viable strategy, play a Death Eater role to the USA's Lord Voldemort. In particular keep the European Community confused and aligned with the USA. This is now falling apart. Blair had a rather docile set of back-benchers. Cameron is faced with a bunch of fools who think that Britain's loss of global status is down to their wise advice not being taken. Simple arithmetic should show them otherwise: the UK is 63 mil-

lion in a global population of 7 billion, about 0.89% of the total.¹ It would be less than that if the Tory back-benches had had their way on immigration, their other main concern. But most Tories grew up with a set of comfortable illusions about British superiority, and will probably hang on to their cherished foolishness to the bitter end.

It was Britain's *rise* that was the oddity. It was the fixed belief that this rise was due to Inherent Superiority rather than good luck that ensured that the British Empire would fall apart again. Britain's rise was mostly Georgian: the Victorians inherited a global empire that dominated a fast-changing world where their advantages were likely to be lost. Victorians made a whole mass of bad decisions: run the Empire on the basis that every white man was superior to any non-white, let the Irish starve in the Potato Famine, let the British working class stay undernourished rather than tax the prosperity of the Middle Classes, pay no attention to the rise of a United Germany, lag behind Germany in developing science and in applying science to industry. It was all bound to crash eventually.

In the 1970s, it was correctly noted that British workers were quite good and that there were lots of excellent British ideas that could be turned into marketable products. The failing was in management, which mostly preferred power-games within existing industries to bold investments that might create something new. It was also noticed that too much of what talent there was went into finance, with the possibility of quick wealth but nothing new or solid created for the society as a whole.

Thatcher managed to get this reversed. British managers were *wonderful*, it was the workers who were to blame. Finance was splendid and should be freed from the unreasonable rules that had been imposed in the wake of the Great Depression. The Mixed Economy and the policies of tax-and-spend that had been created after World War Two were an abomination and must be removed as quickly as possible.

Thirty years of this have not really restored vigorous independent capitalism. It did produce a variant of the Mixed

Economy that was much more favourable to Big Business. And now another Great Slump.

Britain's loss of its AAA credit rating is just a detail, as is the slide of Sterling against the dollar and the euro. These may reverse. The main problem will not.

Finance Is a Gun

In *The Godfather: Part III*, the chief villain Don Lucchesi says "*Finance is a gun. Politics is knowing when to pull the trigger.*"² True as far as it goes. But Italy lost its original Renaissance position as leader of Latin-Christian culture because of the selfish violence and vanity of its leading men. The Mafia as romanticised in the *Godfather* films are just the tail-end of this nasty and self-defeating tradition.

Gangsters are much less powerful in real terms than the media tends to show them. Also much more dangerous on their own home ground: anyone who hasn't got the power of a modern state reliably behind them should stay well away from them. Whatever they are close to, they blight.

Britain owed its rise to a shared understanding by the ruling class that there were very definite limits to allowable dishonesty, with murder totally unacceptable. Sadly, there were also limits to how this was applied. No widespread acceptance that it applied globally: a more common view was "East of Aden, where the Devil rules and their ain't no Ten Commandments", which was why the Empire was lost. But for Britain, it worked well.

Finance was one of the internal blights. If your Empire had the most guns and some habits of honesty, you could become the world's financial hub. Britain was that for a time, but lost out as the Empire fell apart. And then briefly recovered some of its old importance by Deregulation, allowing all sorts of complex financial games. Games that made a few people rich but created no real wealth.

The Heavenly Creatures of finance

do nothing of obvious benefit to the wider society. The justification from economists is that their activities keep the money proper, maintained at the correct price. To someone not schooled in Transcendental Mammonism, might seem complete disorder and accidental prices, even when there is not intentional cheating. But most economists keep the faith with a stoical indifference to sufferings imposed on people other than themselves.

"Rational economics" says that profit and loss for individuals can not be far different from increase or decrease in the social wealth. Reality shows otherwise. Also the theory isn't that rational: it gets relatively simple maths by making some absurd assumptions. Among other things it assumes fungible humans, one person much like another, which is nonsense.

Spill someone's coffee and you can usually make amends by buying them another. Run over their dog and it is another matter. And it counts very much more when it comes to relationships between humans. "Rational" economics suggests that if one person can split a fairly small sum of money between themselves and a friend or close associate, they should take as much as possible for themselves. Researchers seemed genuinely puzzled when they found most people preferred a fair split, even with strangers. Actually we *do* have an inherent sense of fairness, reinforced in most cases by the understanding that it's wise to maintain a relationship rather than cause offense for a small gain. Only with a mix of large rewards and weak relationships is this likely to break down. A nice example of the process is shown in the 1948 film *The Treasure of the Sierra Madre*.

Being honest with other humans – or at least the "in-group" – has an individual cost and a general benefit. Not caring about the relationships damages the common interest, though smart and ruthless individuals will usually make a personal profit.

There was an interesting comment on the current "Success Persons" in *Economist Letters*:

"SIR – The claim that people succeed through brains and hard work is what we

(or rather, the successful) like to believe, because it makes the world seem fair and lets those who reach the top think they have done so on merit.

"From my experience in business I have found that there are two elements which best distinguish the highly successful from the unsuccessful: good looks and controlled aggression in abundance.

"Success based on the old man's money is contrary to meritocracy, but are the above two criteria any better?"³

The "Success Persons" are clever, but not unusually so. And they are an Overclass, lacking much fellow feeling. Quite likely they don't expect their system to last much longer, and each is concentrating on grabbing as much as he or she can while they can.

Hedge-Funds Delinda Est

Contrary to what was said by both Adam Smith and Karl Marx, Britain's Industrial Revolution was not made by capitalists. Sophisticated capitalists existed in London, benefiting from the principle of "finance is a gun". But the spectacular industries that briefly made Britain the "workshop of the world" were almost all created well away from London. They benefited from sales to the Empire, and also throughout the whole of Britain, which had free trade internally and strong tariffs against foreign goods. But they seemed to need to be far away enough from London to have a life of their own. And their outlook tended to be commercial rather than capitalist: they were in a particular trade and it was the centre of their interests, with money seen as just one of many factors in production.

Some of these areas also had geographical advantages, coal or water power. But the most remarkable growth was Birmingham, which had none of these things.

The Dutch had elements of modern society before Britain. But if you look at a map, you'll see that the Netherlands are about as big as the part of Britain that *didn't* develop major new industries. Be-

yond their borders, various other powers ruled with no interest in a radically new economy.

Even in Britain, London proved too big and dominant. As travel and communication became better, more and more power shifted towards the capital, and it went hand in hand with a decline in British industry. And it's the thing that never happened in Germany, where manufacturing continues to flourish.

Thatcherism understood none of this: commerce that was not properly capitalist was an aberration and deserved to perish. Finance was beautiful and clean, though not yet perfectly capitalist, an imperfection that was being gradually removed right up until the crisis of 2008.

You might call it commercial beriberi. Beriberi was a disease caused by lack of Vitamin B1, occurring in Asia in countries where polished rice had become popular. Removing the husk etc. undoubtedly made the rice taste better, purer, more digestible. But it also removed the vital Vitamin B and produced a degenerative disease.

Pure capitalism has been a blight on authentic wealth-creation. And the current horse-meat scandal is a nice illustration:

"A Dutch meat trader has emerged as a key suspect in Europe's spiralling horse meat scandal following allegations that he was convicted as recently as last year for passing off horse as beef.

"Speaking exclusively to the Guardian, Jan Fassen, a director of Draap Trading Ltd, confirmed he bought a consignment of horsemeat from two Romanian abattoirs and sold it to French food processors. He insisted he had clearly labelled it as horse.

"But on Wednesday Dutch broadcaster NOS reported that Fassen was sentenced in January 2012 for deliberately marketing South American horsemeat as halal-slaughtered Dutch beef and falsifying documents.

"Draap Trading Ltd is a Cypriot-registered company, run from the Antwerp area of Belgium, and owned by an off-

shore vehicle based in the British Virgin Islands. Draap spelled backwards is the Dutch word for horse...

"Draap Trading Ltd delivered meat to the French company Spanghero, which in turn supplied another French company, Comigel. The Findus lasagne products found in Britain containing horsemeat came from a Comigel factory in Luxembourg. Spanghero insisted that the meat delivered to its Castelnaudary plant in southern France had arrived labelled 'Beef - originating in EU'. The company said: 'The meat received was beef meat. This was the order that had been placed. Spanghero did not treat or do anything to the meat.'"⁴

Frederick Forsyth in his 1974 book *The Dogs of War* detailed how easy it was to use Luxemburg for criminal purposes. He had a half-arsed view of mercenaries, who were insignificant when they had to face authentic home-grown armies, as in Indochina. But he was accurate with his facts, so why was nothing done about Luxemburg allowing such abuse? What they do internally is their business, but with lousy laws against fraud they should not be allowed to operate globally.

But that would be to impose limits on the Heavenly Creatures of finance and wheeler-dealing. Thatcherism was convinced that prosperity depended on them, and New Labour has never been confident in challenging this view.

Routine testing of meat for horse DNA was stopped in 2003.⁵ No doubt it was called Red Tape, a senseless limit on the wonderful world of commerce.

Findus have been a major offender. They used to be about good food, but now they are wholly about money. According to the Wikipedia:

"The Swiss food company Nestlé owned the Findus brand from 1962 to 2000; it sold the rights to the brand in most of Europe in 2000 whilst retaining ownership in Switzerland.

"As of 2013 Findus Group (formerly known as Foodvest and owned by Lion Capital LLP, Highbridge Capital Management and JPMorgan Chase) owns the Findus brand in most of Europe includ-

ing the Nordic countries, France, Spain and the United Kingdom."

Die Hard With China Dogs

Britain has GCHQ to spy on the rest of the world, the USA has the National Security Agency. China obviously has something similar. But it's doubtful if it justifies the hysteria of recent reports. Hysteria in part drummed up by an American private security firm called Mandiant.⁶

Data security is a good idea, if you have commercially valuable data on your computers. But immediate competitors are much more likely to be a threat than the Chinese.

The story reminded me of similar stuff that has come out of the USA in the past. The supposed Viet-Cong headquarters COSVN in Cambodia, the excuse for the US-backed coup that overthrew Sihanouk and led to massive suffering. (Pol Pot was an accidental beneficiary, for a time, of a process that was wholly US-made.) Then there was the shocking matter of Kuwaiti babies tossed out of incubators during the Iraqi invasion, repeated by President Bush Senior and later admitted to be false. And the whole saga of Weapons of Mass Destruction in Iraq, eventually shown to be nonsense. Short of a successful US invasion, we may never be 100% sure about Iran's supposed nuclear program, but it seems likely that they have followed the original decision that nuclear weapons kill innocents and are therefore not compatible with Islam.

Since the USA makes or controls most of the world's computer hardware and software, it must find it much easier to steal it. Likewise it owns the Internet, which was a US creation and which has "root servers" at its core that are under US control. It began with military work, a flexible system that could survive a nuclear war, but turned out to be efficient for normal usage. And the USA chose to make it open and relatively free, ensuring that alternative systems like Prestel and Minitel would fail to spread. Global dominance was achieved by a system with the core control belonging to the USA. And it proved a suitable communication system for the World Wide

Web, a relatively easy-to-use system of Hypertext that was invented by Sir Tim Berners-Lee at CERN, the international centre for particle physics.

In a globalised world, everyone spies on everyone else. No doubt the Chinese security services make use of thousands of teenage hackers whom the West thoughtlessly delivered into their hands by spreading the damn-fool notion that the internet made you invisible to the authorities. I'm not an internet expert, but I know quite a bit about mainframe computers, including the fact that users are leaving "footprints" they are probably not aware of. I also know enough about internet matter to be aware that your standard Microsoft Internet Explorer includes a History which shows where you have been. A history which you can erase if it makes you nervous, but I'd expect the same data to be found in other places, including files scanned by the bosses if it is a work connection. So when the idea of electronic subversion was publicised a few years back, I said very definitely this is not going to work. China made its own satellites and thermonuclear weapons and can certainly cope with such half-arsed subversion. The failure in the case of China is now admitted, which may be a motivation for half-arsed bitching about Chinese spying and cyber-attacks.

Something like an Internet Passport would make life much easier for everyone honest. So would a very small charge for each e-mail, which would cut out most of the junk. But the early pioneers of the Internet had a naïve anarchic view and thought it was best all left free to find its own level. The result has been an internet dominated by advertising and dishonesty, where the only sensible response is to distrust anyone unless you know them "in the flesh". And only to have business dealings with big corporations that would find you too small to be worth cheating. (But you also need to beware of clever mimics.)

The USA has not yet given up hope of world domination via the Internet. They can't so far crack China, but the Social Media did help bring about the Arab Spring. Except that this gave brief power to some ill-organised liberals with little hope of taking power once they had un-

dermined the existing state. The replacement of mild authoritarianism by militant Islam based on popular support seems to be proceeding very smoothly, as should have been expected.

My view of the Globalisers trying to spread Sub-American values everywhere has been consistent over the years. These are not good people, and they are not even intelligently wicked. The Heavenly Creatures of the New Right are greedy and destructive, but not realistic or effective outside of their own small areas of experience.

Cameron of Amritsar

In Britain's North American colonies, in Ireland and in the British Raj that ruled India, British policy successfully created a strong and vibrant community of people who thought somewhat like their British masters. Which meant it was high time to stop behaving as masters and be content to be just Senior Partners, creating a shared framework for these new communities when that was their main ambition. But each time, there were enough fools with enough votes in the Westminster Parliament to stop this happening.

The Amritsar Massacre of 1919 was just part of the Indian end of this process. India wanted self-rule, which would have meant some non-whites being senior to white people living there. This was more or less unknown in the British Empire until its last days, and it was the sticking point. Most Indians at that time did not want a future outside of the British Empire, they just wanted to be less unequal. Protests were limited and mostly peaceful, but that mattered little if no compromise was possible. Either protest had to be met with massacre or it would succeed.

Reports of David Cameron's visit try to whitewash what happened. Yes, there was some criticism of the massacre in Britain, but mild. Not much more than "shooting wogs was rather naughty of you". Official British Indian sources gave a figure of 379 identified dead, the Indian National Congress said maybe 1000. It was certainly not minor, but nothing much was done about it. And there was a lot of British support for what

the commanding general had done.

"On his return to Britain, Brigadier Dyer was presented with a purse of 26,000 pounds sterling, a huge sum in those days, which emerged from a collection on his behalf by the *Morning Post*, a conservative, pro-Imperialistic newspaper, which later merged with the *Daily Telegraph*. A Thirteen Women Committee was constituted to present 'the Saviour of the Punjab with the sword of honour and a purse'."⁷

Cameron took notice of the event, but stopped short of an apology. Weak and foolish, but he has a bunch of fools on the back benches who have learned nothing and forgotten nothing. He himself may be almost as foolish.

Muslim Male Violence

A man who's been humiliated and cannot strike back immediately is likely to take it out on someone weaker, most often a woman. They will also be eager to join up with anyone offering a real prospect of revenge on the original object of their wrath. In this, male humans do not differ greatly from male baboons, and males in the Anglosphere do not set a good example. But it tends to be Third World targets of US hegemony that get the bad publicity.

A bad cause always tries to sign up good people. Failing that, have it fronted by a nice-looking woman, as with Thatcher and Sarah Palin. New Right economics could not be sold as "Feed the Rich", though the rich are good at noticing their gains and losses and responding sensibly. New Right economics could be sold on a pretext of attacking waste, red tape and shirkers exploiting ordinary people. It wasn't necessary for the New Right to actually fix such problems, and they mostly have not been fixed. Discontent was all that was needed, so that the real policy of "Feed the Rich" could be carried through.

Home-grown radicalism was moderately successful in equalising the position of women in many societies, including much of the Islamic world. Home-grown radicalism was also distinctly too 'uppity' for the tastes of the rulers of the Anglo-

sphere. They had the bright idea of invading and slapping down these regimes, or possibly subverting them through the Internet and social media. But it had to be sold as something else, partly the establishment of nice liberal parliamentary democracies and partly as a defence of women's rights.

It's a simple program. Humiliate the men and let them stay unemployed, feeling useless. Harass governments to cut education and health, repay debts and open up to foreign goods. Then point to the resultant mess and use it as an excuse to invade.

There is also a genuine cultural struggle. In the Republic of India, women have had some of the top jobs, but ordinary women are at risk. There was bound to be an ongoing struggle when women claim the right to a respectable existence outside of traditional roles and claim the option of sex before marriage or without marriage.

In Anglo society, this was for decades a radical demand by a small number of left-wingers. It arguably went mainstream with a 1962 book called "Sex and the Single Girl" and has now triumphed in the Anglosphere and most of Europe. Also China under the post-Mao leadership, which also legalised homosexuality in 1997. But things have mostly gone backwards in places where the Anglosphere has been successful in slapping down uppity home-grown radicalism.

Old Bones

Tudor propaganda exaggerated the faults of King Richard the Third. But it seems unlikely he was the decent fellow that some of his fans are now claiming after the discovery of his body.

Richard had been at war all his life, in the series of brutal struggles known as the War of the Roses, though it was nothing like as simple as a struggle between two factions and treachery was common. He was born two years after his father made a bid to seize effective power from the weak Henry 6th. Eight years old when his father was killed in pitched battle during that power-struggle. The following year, 1461, his elder brother Edward

restored the Yorkist cause with victories at Mortimer's Cross and then Townton. 18-year-old Edward became king, with Henry 6th alive but imprisoned and his heir sidelined. Young Richard became Duke of Gloucester and began to be given important independent commands.

Peace broke down in 1469, with the middle brother George Duke of Clarence uniting with Warwick the Kingmaker. A series of ding-dong battles included a brief restoration of the ineffective Henry 6th. This culminated in the Battle of Tewkesbury in 1471, where the son of Henry 6th was killed in battle. Henry 6th died soon afterwards, perhaps of grief but more likely removed as the only significant Lancastrian left, apart from Henry Tudor. Shakespeare has Richard murder him, but it is unlikely that Richard would have dared do such a thing without his elder brother's permission.

The victorious Yorkists then quarrelled. Edward had earlier annoyed many of his supporters by marrying Elizabeth Woodville, whose family were rated inferior to most of the English nobility. This unwise move had helped turn George Duke of Clarence and Warwick the Kingmaker against him and led to his brief overthrow. Old hatreds lingered on. Elizabeth Woodville was in fact the first non-royal to marry an English monarch: the norm was to wed foreign princesses. She was seen as an upstart, and resented it.

In 1478, with George and Richard quarrelling over the inheritance of the dead Warwick the Kingmaker, whose daughters they had married, George was arrested for plotting against his elder brother and was executed. Shakespeare has Richard guilty of that as well, but at least in public he protested. He was quarrelling over land, but that was different from wanting his brother dead, and he may have blamed Edward's queen.

In 1483, Edward 4th suddenly died. His son Edward 5th was officially heir at 12, with Richard as official Regent. But he must have worried about his future, this nephew would soon be King with full powers. Richard was still a young man: he was only 32 when he was hacked down in his final battle. When he found himself Regent with his respected

elder brother no longer there, the idea of spending the rest of his life taking orders from a nephew whose mother he'd view as a social inferior and probably enemy can't have seemed nice. He also had to wonder how long he'd last even if he behaved perfectly, because he was both a large landowner and the heir after his two nephews until they in turn married and had children.

What he did is not in dispute: he arrested several of the Dowager Queen's relatives and supporters and had one of her brothers executed. He claimed they had started it: possibly they did. A fight had anyway been likely. And having gone that far, Richard must have realised that he could not afford to have either of his nephews become king with full powers, resentful over the execution of their Woodville uncle. Yet he could not prevent this unless he could discredit their inheritance.

Two methods were tried, probably with Richard's approval. It had long been noticed that Edward and George were tall and blond, unlike their short dark father, whom Richard much more strongly resembled. The issue had been used in propaganda, but since Edward had brought victory to the Yorkist cause it mattered little. But it was briefly revived before fading out again.

The second and successful method was the claim that Edward IV's marriage to Elizabeth Woodville was invalid because of Edward's earlier union with Eleanor Butler, making "Edward V" and his siblings illegitimate. This was accepted by Parliament and Richard became king, but with a very uncertain base. He lasted two years, amidst growing claims that the deposed Princes had been murdered. Quite likely they were: deposing was not enough, the previous wars had showed that any living claimant was a threat. It's also unlikely that the younger brother survived to become the individual known as Perkin Warbeck: the time to have declared himself would have been in the uncertainty after Richard's death, had he been real. But it is possible that the princes drowned accidentally during a covert rescue to take them overseas. Or were killed by agents of Henry Tudor or one of the other nobles with ambitions for the throne.

Richard 3rd might as well be buried in Leicester Cathedral close to where he was found, he was a pretty nasty character. But I'm not surprised that the proposal to do DNA testing on the supposed bones of the two Princes in the Tower has been turned down. It might show that their father Edward was only half-brother to Richard, i.e. he was not the son of the Duke of York with royal blood that matched that of Henry 6th. Not only would this partly vindicate Richard, it would also be a slur on all subsequent monarchs. Henry Tudor wed Edward's daughter, the mother of both Henry 8th and Margaret Tudor, grandmother of Mary Queen of Scots, whose son James 6th and 1st inherited when the Tudor line failed. Henry Tudor's own claim was rather weak, it needed her link back to the Duke of York to make it plausible.

Watching The Skies

Imagine that the citizens of Chelyabinsk had been warned even 20 minutes in advance of the big falling meteor. Everyone would have known about the pressure wave and stayed away from windows – or perhaps opened or protected them. It would have been a much smaller incident with far fewer people hurt.

The Science Fiction scenario of diverting oncoming asteroids is beyond present technology. Keeping a close look out is another matter: this could be done, though not easily. If you doubt the difficulties, NASA's astronomical calendar for February 17 shows an asteroid passing the Earth, unusually close and a lot bigger than the unrelated Russian meteorite.⁸ Obvious because it is moving, but stop the video and notice how hard it is to spot. Leave the video stopped, wait 10 minutes and see if you can spot it again without re-starting the motion.

As it happens, we now have some space-based protection – NEOSat, Canada's Sentinel in the Sky, a relatively small and cheap satellite launched on February 25th.⁹ That it should be so timely is coincidence, it has been years in the making and was not the first. Nor the last: there are other projects in hand.¹⁰ Overdue, but a menace at last being taken seriously.

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(Endnotes)

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¹⁰ See New Scientist, 20 February 2013 New satellite will be first asteroid sentinel in space.

In Parliament Square I Sat Down And Cried

Mention democracy and it gives most people a rosy glow,

the will of the people you know.

But there are consequences, offences:

invasions,

atrocities abroad, things always remembered:

the dismembered.

I shouted and shouted: Not in my name!

Voted for democracy but got hypocrisy.

No you didn't, democracy also applies overseas,

voted for carrying it in bombers and drones.

Yes you did.

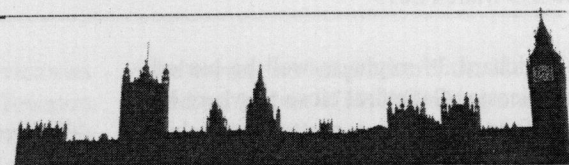
Never mind the shattered bones it's not happening to you.

Go on a demo, go against the will of the people,

that's democracy too.

Wilson John Haire.

Parliament Notes



Dick Barry

Paying For Immigrants Kids

On 4 February the Daily Mail carried a headline that screamed: 'Migrants Handed £1m A Week For Children Back Home'. The headline and the report gave the impression that **all** immigrants with children who live abroad receive family benefits (child benefits and child tax credits). This was based partly on an answer to a question from Labour's Keith Vaz on 28 January, which Migration Watch UK misrepresented in an item published on the same day as the Mail's headline.

On 28 January Vaz asked, "what estimate has been made of the number of migrants residing in the UK who claim benefits on behalf of children living abroad, broken down by country of residence of the child." Replying for the Government, Economic Secretary to the Treasury Sajid Javid said: The main purpose of child benefit and the child tax credit is to support families in the UK. Consequently, the rules for these benefits generally do not provide for them to be paid in respect of children who live abroad. Nevertheless, both child benefit and child tax credit are family benefits under EC Regulations 883/2004. This regulation protects the social security rights of nationals of all member states of the European economic area (EEA), including the UK, and Switzerland when they exercise their rights of free movement under EU law."

According to Javid, "Around 7.5 million families are currently claiming child benefit for around 13 million children and approximately 5.2 million families are receiving child tax credit for almost 9.3 million children. Of that total, at 31 December 2012, there were 24,082 ongoing child benefit awards under EC Regulation 883/2004 in respect of 40,171 children living in another member state and 4,011 ongoing child tax credit awards under the regulation in respect of 6,838 children living in another member state."

Estimates provided by Javid show that the following member states had ongoing child benefit awards with the number of children exceeding 1,000: Poland - 15,499 awards for 25,659 children; Republic of Ireland - 1,281 awards for 2,609 children; France - 1,080 awards for 2,003 children; Slovakia - 1,083 awards for 1,881 children; Lithuania - 1,276 awards for 1,772 children; Spain - 756 awards for 1,275 children; Latvia - 853 awards for 1,117 children. And the breakdown of member states showed that only Poland and the Republic of Ireland had ongoing child tax credit awards for more than 1,00 children: Poland - 2,278 awards for 3,829 children; Republic of Ireland - 611 awards for 1,207 children.

Keith Vaz asked the question again on 7 February and was referred to the reply given on 28 January, but Javid clarified the position regarding payment of child benefits and child tax credits with the following statement: "The EC regulations have detailed rules to decide which national social security scheme a worker should pay into and which member state has responsibility for the payments of benefits, including family benefits. The EC regulations generally provide that workers should pay contributions into the social security scheme of the member states where they work and, in turn, that state is responsible for the payment of family benefits. Consequently, nationals of other member states who are working in the UK and paying compulsory UK national insurance contributions are entitled to claim UK family benefits in respect of children living in another member state"

The position could not therefore be clearer. Anyone, including UK citizens, working in another member state and paying into the social security scheme of that state is entitled to child benefit, even in respect to children who live outside that member state. The scheme does **not** apply to those who are not paying into a national social security scheme. Unsurprisingly, the Daily Mail did not refer to this in its report. Its objection to this EC regulation as it affects immigrants working in the UK can only be based on a hatred of the EU and foreigners. An attitude that features regularly in its emotive headlines.

The Mail's figure of £1 million a week is misleading. The actual figure for child benefit is £36.6 million a year, which equates to almost £704,00 a week. To reach a figure of £1 million a week the Mail has included payment of child tax credit, which is dependent on one's income regardless of whether one is in work or not. With regard to those in work receiving working tax credit, as far as PNs is aware, the Mail has yet to complain that the taxpayer is subsidising private sector employers who pay their workers low wages. Those in work and receiving child benefit and child tax credit are making a contribution to the economy through taxes and national insurance contributions, so the Mail has no grounds for suggesting they are a burden on the state.

On 25 February, Sajid David provided further clarification about the payment of child benefit for non-resident children of immigrant workers. It was largely a repetition of his previous answers to similar questions, but obviously necessary for Daily Mail readers such as Tory backbencher Justin Tomlinson. Tomlinson asked David, "what steps he is taking to

end child benefit payments to non-resident children of migrant workers; and if he intends to copy other European Economic Area countries and apply a residency condition on such payments." Javid told him, "The UK and other EEA member states do operate a residence requirement for the award of child benefit under domestic legislation. However, as things stand, the EU Regulation 883/2004 places an additional requirement on EEA Member Governments to pay family benefits to nationals of EEA countries who are working and paying compulsory National Insurance contributions in their country in respect of members of the family who are residing in another EEA member state." One can only hope that MPs, like Justin Tomlinson, now fully understand the position on this issue and stop making mischief on behalf of the xenophobic press.

A question on the level of and qualifying thresholds to access social security benefits in EU member states was asked by Labour's John Spellar on 14 February. Work and Pensions Minister of State Mark Hoban told him: "Levels and thresholds vary considerably across the EU. In the case of unemployment benefit, for example, entitlement can be based on contributions or periods of employment, ranging from four months to two years. Other benefits may be based on contributions, employment or residence. Levels of many benefits are difficult to compare, as they can be a fixed amount, or a percentage of previous earnings, leading to a particularly wide range of potential amounts. In addition, conditions of entitlement also differ. A report by the European Commission published in 2012 concluded that all central and eastern European countries have less generous unemployment benefit systems than the European average; Belgium, Denmark, Portugal, Spain, Finland and the Netherlands appear to be **relatively generous** compared with the European average, while in the UK, Malta, Slovakia, Estonia, Poland and Romania benefit conditions are **relatively tight**." (my emphasis). PNs expected this to be reported in subsequent editions of the Daily Mail. Alas, it wasn't.

Got A Spare Bedroom?

Being disingenuous is second nature to Prime Ministers. Blair had it mastered to a tee. And David Cameron has followed in his footsteps. In an exchange with Ed Miliband on 6 February on the so-called bedroom tax, Cameron told him that "this is not a tax, it is a benefit." To avoid any confusion he said, "all the time Labour was in government, if somebody was in a private sector rented home and were in receipt of housing benefit, they did not get any benefit for empty rooms. That is important. So it is only fair that we treat people in social housing the same way." And he went on to ask, "Why should we be doing more for people in social housing on housing benefit than for people in private housing on housing benefit?"

Let's cut to the chase: over the three year period 2009-10 to 2011-12, there were 249,000 households in the English social sector in over-crowded accommodation. Over the same period, there were 386,000 households in social housing who were under-occupying. From April, those 386,000 households will have their housing benefit reduced by up to £80 a month. Many of them will be forced to look for smaller accommodation elsewhere, either in the social housing sector or in the private housing sector. But there is already serious over-crowding in the social housing sector and the availability of smaller accommodation in the private rented sector is extremely limited. Furthermore, many tenants in the social housing sector were placed in larger accommodation than they requested due to the shortage of suitable accommodation. They will be punished for this.

Writing in The Independent on 4 February, Owen Jones said: "Thousands of those hammered by the bedroom tax have nowhere to downsize to. According to the National Housing Federation, there were 180,000 English social tenants 'under-occupying' two-bedroom homes, but fewer than 70,000 one-bedroom available social homes." He went on to say: "So let's be clear about who is affected. Nearly two-thirds are sick or disabled. People with box rooms; disabled people with specially adapted rooms or who need carers to stay over occasionally; parents of soldiers with broken marriages who need a room for

their kids to stay; all face being kicked in the teeth."

This is not about fairness, as Cameron claims. It's about cutting the housing benefit bill, pure and simple. And if it's about saving money, here is another way of doing it: reduce the Royal Family's taxpayer subsidy for every spare bedroom in property loaned to them by the state, such as Buckingham Palace, Holyrood House in Edinburgh and Windsor Castle. Buckingham Palace will do as a starter. It has 775 rooms, including 19 state rooms, 52 royal and guest bedrooms, 188 staff bedrooms, 78 bathrooms and 92 offices. Some butlers, maids, kitchen staff and some housekeepers may live there as long as they are full-time employees. But many do not. The taxpayer is paying for unused bedrooms and it's time this benefit was stopped.

The EU Referendum

David Cameron's announcement that a referendum will be held by 2017 on the UK's membership of the European Union prompted a number of backbenchers to support a motion on 6 February. Speaking on their behalf, Conservative backbencher John Baron begged to move: "That leave be given to bring in a Bill to make provision for a referendum in the next Parliament on the question of whether the United Kingdom should remain a member of the European Union; and for connected purposes." This is a critical issue for the UK and therefore Baron's speech deserves to be read in full.

"We, the promoter and sponsors of the Bill, and all those who have expressed support very much welcome David Cameron's commitment to hold a referendum in the next Parliament and his initiative. I have been overwhelmed by the support for this Bill - indeed, there were so many potential sponsors that we had to draw the names out of a hat - and I thank the many people who have contacted their MPs. It is much appreciated. David Cameron is in step with the British public" - Mr Deputy Speaker (Mr Nigel Evans): "Order. The hon. Gentleman cannot refer to the Prime Minister by his name." Mr Baron: "I apologise Mr Deputy Speaker."

"The Prime Minister is in step with the British public. A referendum is only right. The EU has fundamentally changed since we first joined in the early '70s and it continues to change because of the eurozone crisis. The answer to the crisis from the eurozone capitals is more Europe - more political and economic integration. They have realised somewhat belatedly that they cannot have monetary union and save the euro without fiscal union, but that is not why we joined the EU. We joined for trade, not for politics."

"No one can deny that the EU's role in our daily lives, which some would describe as meddling, has grown over the decades and continues to grow, and yet we have not stopped to ask the fundamental question of whether that is in our best interests. The timing of the referendum is sensible in that it allows for a renegotiation so we can know what the 'in' part of the referendum question is. I wish the Prime Minister well - it will be a hard road because the direction of travel is in the other direction - but I hope he can renegotiate a looser agreement or arrangement with the EU that focuses on trade and not on politics. He might well be able to do so, which would appeal to a greater number of people in this country. I hope he does more than Prime Minister Harold Wilson did in 1975. He claimed he had renegotiated and repatriated a lot of powers, but under close scrutiny, it appeared to be a thin claim - it did not amount to a tin of beans."

"Delaying the referendum a touch allows the eurozone crisis to play out and for a proper debate on the merit of membership. All in all, it is a sensible policy. It is right for the country. The British people will finally have their say, having been barred from having a genuine choice by the political establishment for probably more than 30 years, because all the main parties have looked in one direction. That is good news, and we welcome it, and yet the policy is dependent on a Conservative victory in the 2015 general election. The Prime Minister made his promise as leader of the Conservative party. Legislation will be introduced immediately after a Conservative victory, so this has become

a party political issue. As such, many are concerned that there is deep public mistrust of politicians who make promises about EU referendums, because too many have been broken in the past. We question whether the promise will be believed."

"Many people remember Tony Blair's promise on the EU constitution on the Lisbon treaty. We were promised a referendum and he failed to deliver. Instead, the EU constitution was copied and pasted into the Lisbon treaty and rammed through the House using the Labour Government's majority. Even Gordon Brown knew - Mr Deputy Speaker (Mr Nigel Evans): "Order." Mr Baron: "Even the then Labour Prime Minister knew the sham of the situation. He refused to join the photo call and signed the treaty in the privacy of a darkened room. An hon. Friend suggests a darkened room was the right place for it, and I don't disagree."

"The Liberal Democrats have consistently offered a referendum, but have failed to deliver, even in coalition. I see the Minister of State, Department of Health, my hon. Friend the Member for North Norfolk (Norman Lamb), nodding in agreement from the Front Bench. He turned around then. Scepticism about promises made on EU referendums is such that many are critical of the Prime Minister for not delivering on his promise of a referendum in relation to the Lisbon treaty, despite the fact that the ink on the treaty had dried before he came to power. Legislation in this Parliament would therefore address the deficit of trust. A Bill is far more believable than an election manifesto promise, and a referendum would not be dependent on any one party. Any incoming Prime Minister would find it difficult - not impossible, but certainly difficult - to repeal popular legislation."

"Perhaps there is another reason to bring the Bill forward. Legislation now would oblige all parliamentarians to declare their hand and the electorate would then know where they stood. In the past, there has been far too much obfuscation on this issue - no wonder the public have become cynical. I am delighted that the Conservative party has adopted this policy, and I suggest it is

now more united on Europe than it has been for a very long time. Apart from a number of principled hon. members across the House, the Labour and Liberal Democrat Front Benches seem confused. The Labour leader says one thing and the shadow Foreign Secretary says another. The Liberal Democrat election manifesto says one thing, and in coalition the party does another. I suggest to both parties that their positions are untenable. Let us bring forward this Bill and force them to declare their hand."

"To my own Front Bench, I say that the arguments that we cannot bring forward legislation - I am delighted to see the Minister on the Front Bench and I thank him for that - in this Parliament because it would contravene the coalition agreement does not hold water. Same-sex marriage was not in the coalition agreement, yet we voted on it yesterday. I am afraid that this is a very thin argument indeed. Let us not forget that I and my colleagues can see no downside on this. It would be a simple piece of legislation. There is no need even to detail the question, as the 2014 Scottish referendum has proved and which is being drafted in this Parliament. There is therefore no downside to introducing the legislation in this Parliament."

"In short, a referendum will give the British public an opportunity to have their say, something they have been denied for too long. It is about time we had a more positive relationship with our European neighbours. For too long, it has been a strained relationship. In part I think that is because the British people have not been happy with the EU's direction of travel, and in part because they have been frustrated that they have not been able to express their view through the political system, because the three main political parties have all faced in one direction on this issue. That must come to an end. A referendum would lance the boil and, whatever the result, I hope would allow a more positive relationship with the EU based on either trade and co-operation or political and economic union, yet this matter of singular importance to the UK is dependent on one party winning the general election. This issue is far too important for party politics. As such, I urge the House to support the Bill and bring in

legislation in this Parliament."

The Bill was read the First time; to be read a Second time on Friday 1 March. It was supported by James Clappison (Con.), Nigel Dodds (DUP), Richard Drax (Con.), Frank Field (Lab.), Cheryl Gillan (Con.), Kate Hoey (Lab.), Kelvin Hopkins (Lab.), Julian Lewis (Con.), Jim Shannon (DUP), Bob Stewart (Con.), and John Whittingdale (Con.).

The key messages running through Baron's speech are: that politicians are not to be trusted with the UK's continuing membership of the EU; that the political establishment have consistently denied the people an opportunity to express their view; and that this can only be satisfactorily resolved by a referendum of the British people. Fair enough. Let's have a referendum. But Baron and his supporters need to explain how the people are to acquire a sound knowledge and understanding of the UK's membership of the EU in order to make a rational decision. Is this knowledge and understanding to be acquired through the Mail, Express or the Sun, the most widely read, yet Europhobic, newspapers? Through flimsy, fleeting television reports? Through MPs, who are deeply mistrusted?

Baron argues that legislation carried in this Parliament to hold a referendum would "address the deficit of trust." because "any incoming Prime Minister would find it difficult - not impossible, but certainly difficult - to repeal popular legislation." It's clear he does not trust Cameron to deliver on his promise, so legislation is required. Furthermore, he admits a referendum is dependent on a Conservative victory in 2015, about which he seems less than confident. But it would be popular legislation supported by MPs whom the public deeply distrust. So any incoming Prime Minister who ignored the legislation would simply be acting in character. S/he would only be doing what the people expect of a politician. More importantly, Baron knows that one Parliament cannot bind another, which is why he said it would not be impossible for an incoming Prime Minister to repeal popular legislation.

Baron believes that EU membership

is the most critical issue facing the country. He actually says it is a "matter of singular importance to the UK." If this is the case, then he should urge people to vote UKIP, as a UKIP government will not break its promise to hold a referendum. Getting the UK out of the EU is the primary reason for its existence, and it clearly believes the people will vote to come out. Support for UKIP has increased in the last year or so. But the UKIP vote, while able to make a dent in the Conservative majority in a general election, will not be sufficient for it to form a government. And that is because voters do not regard EU membership as the single most important issue. The EU is seen at times as an irritant, due largely to constant negative reporting. Even if a referendum resulted in a vote to stay in, the Europhobe MPs with the support of the right wing press would ensure it continued to be an irritant.

So What's The Answer?

George Galloway asked the following question on 12 February: (1) "With which Arab leaders the Prime Minister has discussed the sale of British arms since 2010; (2) "Whether he insisted in meetings with his counterpart in Arab states that sales of arms and material would be dependent on such states instituting meaningful democratic reforms."

Business and Enterprise Minister of State Michael Fallon responded: "The Prime Minister's international contacts include regular discussions with those in leadership positions in Arab League member states. This Government takes our arms export responsibilities extremely seriously and operates some of the most rigorous export controls in the world. All applications to export controlled goods and services to any overseas destination are rigorously assessed case by case against the Consolidated European Union and National Arms Export Licensing Criteria. The criteria include consideration of a wide range of factors, such as the human rights record and fundamental freedoms of the country concerned, the preservation of regional peace and security and stability. I, and my ministerial colleagues have consistently promoted UK defence and security exports in meetings with our counterparts across the globe as part of

this effort. We will continue to do so, as part of the spectrum of support we are providing to all sectors of the economy. This spectrum of support is a key principle of our industrial strategy." Beautifully obfuscated, leaving Galloway still waiting for an answer.

And PNs question to Fallon is: when, for example, did Saudi Arabia and Uzbekistan, whom we supply with military equipment and arms, become a haven of human rights and fundamental freedoms and a preserver of regional peace and security and stability?

Cameron's "Falsehood"

In a party election broadcast on 23 January, David Cameron claimed that the Government are "paying down Britain's debt." When it was pointed out that this was untrue his spokesmen said that it was a slip of the tongue. But as he was reading from an auto-cue, the content of which had been checked, this was plainly nonsense. And on 12 February the nonsense was confirmed by Sajid Javid, Economic Secretary to the Treasury who told MPs: "As set out in the December Public Sector Finances release, Public Sector Net Debt (PSND) (excluding the temporary effects of financial interventions) was £770 billion in 2009-10, £910 billion in 2010-11 and £1026 billion in 2011-12. As published in its December 2012 'Economic fiscal outlook', the Office for Budget Responsibility has forecast that PSND will total £1186 billion in 2012-13. As a percentage of gross domestic product, these figures are 53.1, 60.4, 66.8, and 74.7% respectively. The Government are taking decisive action to return the public finances to a sustainable position and to provide protection against uncertainty from the global economy. The OBR has judged that the Government was on track to meet its fiscal mandate (to balance the cyclically-adjusted current budget within a rolling 5-year period) a year early, in 2016-17"

Even Fraser Nelson a Conservative supporter, writing in *The Spectator*, of which he is editor, on 23 January, accused Cameron of a "straight falsehood." Nelson wrote: "The party election broadcast the Conservatives have just released is so astonishingly dishonest that it really

would have disgraced Gordon Brown. David Cameron's policy is to **increase** Britain's debt by 60 per cent, more than any European country. To increase it more over 5 years than Labour did over 13 years. Just yesterday, we learned that national debt had hit £1,111 billion and it's heading to £1,4000 billion. By any stretch of the English language can this be described as 'paying down Britain's debt'. What Cameron said is not an exaggeration, it's a straight falsehood, and one that demeans his office."

On 13 February, in an exchange with Ed Miliband, Cameron claimed that at the end of this Parliament (in 2015), "people will be a lot better off than they were under Labour with a record deficit, with unreformed welfare and with a busted banking system. They will have seen a Government who have got the deficit down, cut their income taxes and dealt with the banks." And he said this with a straight face, even when Miliband reminded him that the Office for Budget Responsibility's figures show that, by 2015, people will be worse off than they were in 2010. And the decline was confirmed by the Office for National Statistics which reported around the same time that British workers' average real wages were no higher in 2012 than they were in 2003. Further evidence of a decline in living standards was provided in 'Squeezed Britain 2013', a study by the Resolution Foundation (RF), an independent think tank, published on 13 February. In it the RF says that ten million people on low-to-middle incomes (defined as £12,000 to £41,000 before tax) will have to wait another ten years before their living standards return to their pre-recession level in 2008.

De-Regulation: Has It Delivered?

In a forthcoming Centre for Policy Studies paper, 'Capitalism for the Little Guy - 10 Ways to Extend Competition and Strengthen Consumer Clout', Tory MP Dominic Raab writes that "De-regulation since the 1990s strengthened UK competitiveness and productivity. But, what was it for a London cabbie, or a hairdresser in Newcastle? Plenty. He could fly to Nice on holiday 83% cheaper. She could call her sister in Australia at a fraction of the tariff - or buy her son a football T-shirt at 15%

discount. Whether it was the latest Tom Clancy thriller from Waterstones, or a flu remedy at Boots, it cost them less." But, he adds regrettably, "Since then, capitalism's reputation has been tarnished - from bailed out banks to water executives pocketing bonuses in a year that saw the dual farce of floods and hose-pipe bans. For many, it points to systemic failure. Yet, these flaws point to a lack of competition that should allow consumers to deprive lousy service providers of their custom. The 'big-six' energy suppliers wrap up 98% of the market - yet none rank above ninth place for consumer service. The 'big-four' banks control 78% of the current account market - but are some of the most loathed by customers."

Nowhere in his paper does Raab ask why this has happened? He is interested in the solution not the cause, but it is necessary to understand the cause to get the right solution. The energy market is a good place to start. Gas was privatised in 1986 and electricity in 1990, under a Thatcher government. A prime objective was to introduce competition into the energy market which, it was argued, would drive down costs and lower prices. In its early phase it was declared a success when prices came down. But shortly before privatisation prices were increased to attract investors and after a short period were reduced, enabling Thatcher and co to argue that privatisation was beginning to deliver. And no mechanism was put in place to prevent the larger companies from driving out the smaller from the market. This is what happened and we now have market oligopoly. Raab doesn't like this, but it's difficult to see how his solution would have prevented it. He supports free market enterprise, but his argument suggests that a version of this is only possible in the case of small enterprises. His faith in the virtues of de-regulation have created the energy market we see today.

Ofgem, the Office for Gas and Electricity Markets, have produced figures that show that over the last eight years energy prices have risen at a far greater rate than other consumer products. For example, in January 2004 the dual fuel bill (for electricity and gas purchased from a single supplier) for an average household was £552 a year. By Novem-

ber 2012 this had risen to £1309, an increase of 237%. And towards the end of 2012, the big six announced the following price increases with the effective date: British Gas - 6% in electricity and gas from 16/11/12; eDF Energy - 10.8% in electricity and gas from 7/12/12; e.on - 7.7% in electricity and 9.4% in gas from 18/1/13; npower - 8.8% in gas and 9% in electricity from 26/11/12; SSE (formerly Scottish & Southern Electricity) - 9% in electricity and gas from 15/10/12; Scottish Power - 7% in electricity and gas from 3/12/12. The lowest of these price rises is more than double the current inflation rate of 2.7%. The highest is four times the rate. According to uswitch the consumer rating of the big six is: British Gas - 61%; eDF Energy - 60%; e.on - 64%; npower - 58%; SSE - 69%; Scottish Power - 61%. It is no surprise therefore to learn that encouraging consumers to switch has been a conspicuous failure. What advantage is there for a consumer to switch when the big six have the market sewn up? The 64% of consumers who have never switched supplier recognise the futility.

In his Centre for Policy Studies paper Raab offers no solution to the market oligopoly in energy. He suggests just two proposals which he believes will lower consumer prices. First, he says that the Government should phase-out state-backed subsidies for renewable energy technologies, reducing energy bills for business and homes. Secondly, he suggests the Government should support the development of a secure web-based account switching facility and encourage energy companies to sign up to the online account switching facility through a temporary tax break. Raab faces both ways. His first proposal is to remove Government financial support, a subsidy, for renewable energy technologies. His second is to offer a tax break, a subsidy, to the energy companies. His first proposal will retard the development of renewable technologies just when the industry is taking off and the future for nuclear power looks bleak. His second will never leave the ground, as consumers simply don't see the point in switching which, to be beneficial, has to be done on a regular basis requiring a sound knowledge and understanding of how the energy market works. Raab is a free marketer, but he is powerless in the face of oligopolistic capitalism.

Season of discontent

Two years after the "Arab Spring" revolutions, political turmoil and uncertainty prevail in Tunisia and Libya.

BOTH Tunisia and Libya celebrated the second anniversary of their Arab Spring revolutions this year amid increasing political turmoil and uncertainty. The Tunisian "Jasmine revolution" was the result of a genuine mass upsurge against an authoritarian ruler who had been in the seat of power for long. The political transition that took place in the country after the removal of President Zine El Abidine Ben Ali from power was comparatively smooth. The Ennahda party won the October 2011 election, the first one held after the Arab Spring revolts, bagging 89 of the 211 seats in Parliament. The moderate Islamist party formed a coalition government with two smaller, secular parties. In the coalition, known as the "Troika", Ennahda held most of the key ministerial positions.

Libyan-style democracy, on the other hand, has turned out to be farcical. Two years after the fall of Muammar Qaddafi, the Libyan Parliament has yet to draft a new constitution. The once-united country is now divided by factionalism. Law and order remains a major problem as the government battles secessionist tendencies, increasing sectarianism and tribalism. The country has become a haven for terrorists and jihadists, as is evident from the killing of the United States Ambassador to Libya, Christopher Stephens, in Benghazi by a terror group and the flow of weapons and terrorists from Libya to neighbouring countries such as Mali and Algeria. An Arab commentator called Libya an area of "absolute lawlessness". Larbi Sadiki, an expert on the region, described Libya as "being caught in the midst of a tension between revolution and devolution".

Now, political uncertainty seems to have gripped Tunisia too following the assassination of the popular left-wing leader Shokri Belaid on February 6 in the

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capital, Tunis. His killing occurred when tensions between secular forces and hard-line Islamists were on the boil. Previous months had seen many confrontations between the two sides. The opposition parties have blamed elements in the Ennahda for the serial targeting of opponents for assassination. Sufi shrines that ordinary Tunisians visit in large numbers have been targeted by radical Islamists.

Belaid was a fiery trade union activist who fought for democracy and workers' rights during the authoritarian regime of Ben Ali. He was the leader of the Popular Front bloc, a coalition of leftist and secular parties. His murder is the first assassination of a leading political figure since colonial times in Tunisia.

Belaid's outspoken criticism of the Islamists and his espousal of a socialist ideology had made him a marked man. Interestingly, Belaid, a trained lawyer, was part of Saddam Hussein's defence team when the Iraqi leader faced a U.S.-supervised kangaroo court in Baghdad. He was also a poet. His last poem was dedicated to the Lebanese Marxist philosopher Hussein Mroueh, who was assassinated by radical Islamists in Lebanon in 1987.

Moncef Marzouki, the Tunisian President, who also comes from a socialist background, has warned that the country is being sucked into a vortex of religious bigotry, intolerance and terrorism. Belaid's family has accused the leader of Ennahda, Rachid al-Ghannouchi, of involvement in the murder. The party has strongly denied the charge. Belaid was killed a day after he appeared on national television criticising the increasing political intolerance in the country.

Following Belaid's assassination, Tunisia has seen a surge in violence and nationwide protests. More than 100,000 people marched on the streets of Tunis to protest against the killing and to demand the resignation of the government. The Prime Minister Hamadi Jebali, reacting

to the gravity of the situation, decided to dissolve his Cabinet and try to put in place a government of "national unity" comprising mainly of technocrats, irrespective of their party or ideological affiliations.

Problems worsened

The street vendor, Mohammed Bouazizi, whose suicide sparked the Jasmine revolution and then the wider upsurge in the region, had dramatically highlighted the problems afflicting Tunisia. Those problems have only worsened. Revenue from tourism, which is the mainstay of the economy, is declining because of the recession in Europe. Unemployment stands at 18 per cent today. Before the Jasmine revolution it was only 12 per cent. A third of the unemployed are college graduates.

High inflation has also sent prices of basic food items soaring. The government has not formulated any plan for solving the problems relating to chronic unemployment and poverty. The country's credit ratings were downgraded in late February by the international ratings agency Standard and Poor's (S&P).

In late February, Jebali, having failed in his efforts to form a Cabinet comprising technocrats, threw in the towel and announced his resignation. Hardliners in Jebali's own party, led by Ghanouchi, had rejected his proposal. While announcing his resignation, the Prime Minister conceded that "there is great disappointment among the people and we must regain their trust, and this resignation is the first step".

Jebali is also the secretary general of the Ennahda. Recent events, however, show that his importance in the party has diminished. In the last week of February, the Ennahda chief announced that the party's candidate to replace Jebali was the Interior Minister, Ali Larayedh. Larayedh is identified with the hard-line wing of the party. There is speculation that the open rift between the Ennahda chief and the former Prime Minister

could lead to a split in the party.

Muted celebrations in Libya

In Libya, the second anniversary of the North Atlantic Treaty Organisation (NATO)-led coup was marked by muted celebrations. Western governments have been issuing travel advisories warning their citizens on the dangers of travelling to Benghazi, the city which NATO helped liberate, highlighted the gravity of the security situation in the country. According to reports, policemen cannot venture outside the limits of Benghazi city in uniform for fear of being shot. There has been a proliferation of militias. Many of these, besides fighting each other, also run their own private prisons.

Saif al-Islam al Qaddafi, the former leader's son, is being held by militia leaders in Zintan. They refuse to release him to the central government; they even briefly arrested the representatives of the International Criminal Court (ICC) who had gone to question him. The Libyan government had consented to his trial in Libya under ICC supervision. The ICC wants the trial to be held outside Libya, claiming that the situation in the country will preclude a free and fair trial for Saif.

The Ansar al Shariah, which the Americans blame for the killing of their ambassador last year, remains the most powerful militia in Benghazi. The extremists in eastern Libya have been accused of having links with the terrorists involved in the January attack on an Algerian gas refinery across the border.

Meanwhile, plans are afoot to debar from public life all those associated with the previous government, including those working in the bureaucracy. A leading Islamist politician, Abdel Wahab Ahmed Qaid, has demanded the promulgation of a "Political Exclusion Law", which, if passed, will purge the bureaucracy of government servants who had worked for the previous government, which had ruled Libya for more than 40 years.

The supporters of Qaddafi's egalitarian and pan-African vision will be excluded from participating in the country's politics. Already entire tribes such as the Warfala and towns such as

Bani Walid and Sirte have been labelled anti-national by the new rulers and victimised. The two cities were the last to fall to the NATO-guided rebels who rule Libya today. Qaddafi himself was murdered in cold blood on the outskirts of Bani Walid.

The Misrata and the Warfala tribes are still at daggers drawn. Sections of the Libyan army have helped the Misrata militia in staging attacks on Bani Walid.

There are more than 60,000 internally displaced Libyans living in miserable refugee camps. More than half of them belong to the Tawergha tribe, victimised because of their support for the previous government and also because of the colour of their skin. The Tawerghas were displaced from their town by the Misrata militia. More than 1,300 Tawergha people were either killed or reported missing.

Libya's Foreign Minister Mohamed Abdelaziz, on a recent visit to Paris, called for help from NATO countries to safeguard the country's borders. Libya's Ambassador to the United Nations, Ali Suleiman Aujali, admitted that the top priority for the government was internal security. "Without our security, we cannot build up our country," he said. Christopher Chivvis of the Rand Corporation, a U.S. think tank known for its close links to the Pentagon, has suggested that the U.S. take the lead in doing more for Libya. Otherwise, Chivvis warned, NATO's hard-won gains in Libya would be imperilled.

Corruption scandals

The Libyan government also finds itself enmeshed in corruption scandals. Progressive laws enacted during the Qaddafi era have been rescinded. Libyans are now allowed to take a second wife without the consent of the first wife. This reflects the influence of Islamists in the government.

The oil contracts that the Qaddafi government had painstakingly negotiated for the benefit of the Libyan people are being renegotiated in favour of Western and Gulf oil companies. The West and the Gulf emirates had midwived the so-called Libyan revolution. Foreign companies are now granted many years

of tax exemption and are allowed to retain 65 per cent of the project value of the contracts.

Nearly 80 per cent of Libya's current oil production comes from the eastern region, where Benghazi is located. The central government in Tripoli has allowed the authorities in Benghazi a great deal of autonomy in striking oil deals. The eastern region is also keen to retain the lion's share of the royalties. The other regions, bristling with well-armed militias, will not allow the east to dictate terms. Libya seems to be in for a long tryst with instability despite all its oil wealth and a small population.

It's A Fact

Median gross annual earnings for males and females in England in the years 2008 to 2012 were: 2008-Male £28,023, Female £21,792; 2009-Male £28,657, Female £22,402; 2010-Male £28,552, Female £22,780; 2011-Male £28,833, Female £23,069; 2012-Male £29,102, Female £23,321. Parliamentary Written Answer 5/2/13.

The estimated number of people in England and Wales at April 2012 earning £10 per hour or less was: Earning £7 per hour or less- 4,520,000; Earning £8 per hour or less- 7,040,000; Earning £9 per hour or less- 9,306,000; Earning £10 per hour or less- 11,298,000. PWA 6/2/13.

Estimates for the level of tax fraud (UK figures only) in the years 2007-08 and 2009-2011 are: 2007-08: £15 billion; 2009-10: £14 billion; 2010-11: £15 billion. PWA 7/2/13.

The estimated amount of money lost through benefit fraud and % of benefit expenditure in Great Britain over the last five years was: 2007/08 - £800 million (0.6%); 2008/09 - £1 billion (0.8%); 2009/10 - £1.1 billion (0.8%); 2010/11 - £1.2 billion (0.8%); 2011/12 - £1.2 billion (0.7%). PWA 11/2/13.

Median gross annual earnings for full time employees in the UK in 2011 and 2012 were: 2011-£26,095; 2012- £26,462. PWA 11/2/13.

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