

Labour Affairs

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Sunak's Agenda is Labour's Opportunity

The party which wins the next general election will be the party which presents to the electorate, in the clearest and most convincing way, a view of the role of the state in the society.

No one knows what the position of the Labour Party is on the role and size of the state. Keir Starmer was elected as leader in 2020 on a radical platform which suggested he felt that the state should have a big and important role in British society. However, Starmer abandoned his election program almost as soon as he was elected and so the matter is now unclear. This will not do. A process of mere inertia will likely mean that Labour will regain some of the 58 seats it lost in 2019. But it will not win back enough of those seats to become the largest party and have the right to form a government. For that to happen, the Labour Party needs to have a clear view of the role of the state in a British society and it needs to ensure that the electorate have a clear understanding of Labour's view of that role and how it will pay for it.

Members of the Labour Party should be wary of making Johnson's mishandling of the Owen Patterson business the main line on which to attack the Tories. Sections of the Tory press are also using the affair to attack

Johnson. That should give Labour Party members pause for thought. In fact, the use of the Patterson affair to attack Johnson is not evidence of a sudden preoccupation of Tories with sleaze. It is rather, evidence of the deep fissure that is emerging in the Tory Party over the role of government expenditure in modern Britain and more fundamentally on the size and role of the state.

The Tory Party is currently deeply divided on this issue. Sunak favours a small state and a return to austerity. Johnson favours a state which will be large enough to allow him to implement the levelling up that is needed to win the next general election. It is unclear who will win this struggle but there is no doubt the struggle is underway. And the two most powerful members of the cabinet, the Prime Minister and the Chancellor, are on opposing sides.

Sunak and the Treasury have won important battles in recent months. The £20 uplift in Universal Credit (UC) has been discontinued, the triple lock on pensions has been suspended, a change to the proposed social care reforms means that the wealthier will benefit most and an important section of the proposed new railway in the red wall seats has been abandoned.

It is unclear how strongly Johnson may have argued against these decisions. Did he believe they were not particularly important or did he feel he was not in a strong enough position to prevent them? Either way they are defeats for his levelling up agenda. If Johnson does not move against Sunak in the near future, his continued leadership of the Conservative Party will come increasingly into question.

All of this should be like manna from heaven for the Labour Party. In the 2019 General Election, Labour, at Starmer's insistence, attempted to reverse the Brexit referendum result. And so, 53 'Leave' voting Labour seats were lost to the Tories. Discontinuing the UC £20 pound uplift, revising the social care act so that it is mainly of benefit to those with wealth, cutting back on the railway building plans in the red wall seats, all these are a huge opportunity for Labour.

But the Labour Party may currently be too timid to boldly seize the opportunity. In the shadow cabinet there appears to be little appetite for reclaiming the role of the state in society. Which is strange given that the problems with which society is faced can only be dealt with by a strong and purposeful state.

Labour Party MPs do, of course, constantly refer to these problems. But when pressed for their policies on these matters they have little to say. Or, at least, little that they dare say. Take for instance climate change. In her conference speech, the shadow chancellor, Rachel Reeves, stated that Labour would spend £28 billion each year for the next 10 years on fighting climate change. In early November, while COP26 was in progress, Lisa Nandy was pressed on where this £28 billion would come from. Nandy replied that a main source would be a clamp down on tax evaders. Nandy's response reflects Labour's preoccupation with appearing fiscally responsible. The increased spending would be matched by increased tax revenues (but not by an increase in the tax rate since it's all coming from tax evaders), so the national debt would not increase.

On the £20 Universal Credit cut, while Labour opposed the cut, it refused to commit to reversing it when elected.

When pressed on BBC2's Newsnight on whether Labour would build the rail lines that the Tories had reneged on, Alison McGovern, Labour MP for Wirral South, could only say that Labour would give

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value for money. Her main point was that the Tories had broken their election pledge, not that Labour would commit to building the rail lines. It perhaps became obvious to Labour communications people that this sounded very weak, because the next day, Keir Starmer declared on the BBC Today program that Labour would build the railways.

He was not pressed how he would pay for the railways. Which is perhaps just as well since, in his address to the CBI on 22nd November, Starmer stated “Our public finances are in a fragile state” and that Labour would run a tight ship and be committed to ‘fiscal discipline’.

What can Starmer mean by saying that “Our public finances are in a fragile state”? Does he mean that there is a danger the country might default on its debt? One hopes that he would not be economically illiterate enough to entertain that idea. The markets certainly don’t have any such fears. The markets are just hoping that the Bank of England (BoE) will raise interest rates so that they can then acquire government bonds with a higher yield.

Does Starmer mean that if there was another pandemic that the government would be unable to respond because they had run out of money?

Rishi Sunak acquired £400 billion to get through the Covid pandemic. He did not increase taxes. He simply instructed the Bank of England to mark up the accounts of those he wanted to pay. Since the expenditure had been approved by parliament the Bank of England had to do what it was told. It expanded its balance sheet and created the money for the government. There is an idea that the ‘independence’ of the Bank of England means that it could have refused to make these payments. The Bank of England has no such independence. Nor should it. It would be ridiculous if the Bank of England could reject spending decisions taken by the representatives of the people in Parliament.

Yet by talking about the public finances being in a ‘fragile state’ and about Labour’s commitment to keeping public debt under control, Starmer and his Shadow chancellor reveal

an unacceptable lack of understanding of how a currency creating state works and play directly into Sunak’s austerity agenda.

Sunak’s move to austerity has given Labour a huge opportunity to win back those red walls seats. Starmer must seize it and not talk about fragile public finances and express worries about the size of the national debt. Otherwise Sunak will feel completely confident that he can bring back austerity and still retain many of those red wall seats.

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University or bust part 2.

By Dave Gardner

In part 8 of this series I looked at mass university education in Britain and concluded that it had some significant harmful side effects. This was not a whinge along the lines of ‘more means worse’, a snobbish slogan attributed to the novelist Kingsley Amis in 1960 at a time when 25,000 people a year obtained a university degree. The issue was more one of whether it was wise to send close to 50% of 18–25-year-olds to university when very good alternatives could be made available.

One of these alternatives is to give young people the opportunity to enter higher education without going to university. Another is to break the link between attending university or a higher education institution and leaving one’s home region. A third is to expand the further education sector, including its advanced technical component and a fourth is to expand the number of young people taking on a higher apprenticeship. A fifth is to adopt some mixture of all these possibilities. This will have the supreme advantage of not taking away something that many people value, but providing a more worthwhile education for many young people above the age of 18. To this I would like to add a sixth possibility, to provide more opportunities for adults to continue to study in their spare

time, by funding them to do so and also by providing state financed study leave during their adult working lives. Currently British universities have too much political power, so much so that they are able to distort both the further education and compulsory education sectors to their own benefit. Increasingly too they are turning their backs on educating the British and becoming expensive finishing schools for wealthy overseas students.

Higher Education.

A higher education course involves studying for a qualification at level 4 or above, very roughly the first year of a higher education course. A Higher National Certificate (HNC) at level 4 or a Higher National Diploma (HND) at level 5 are both examples of qualifications gained through higher education. They have been around for a long time and have enjoyed a justifiably high reputation for academic integrity and practical relevance. They have now almost declined into irrelevance although the current government hopes to revive them or something resembling them. Traditionally they have been offered in both the FE sector and in polytechnics when these existed. Nowadays the bachelor degree is seen as the only worthwhile higher

education qualification worth having.

The government is currently considering the future of higher technical qualifications and it is to be hoped that they do not damage what are already good qualifications. However, we are accustomed to think in terms of education as either academic or vocational, the latter usually meaning ‘technical’ and involving some maths and science. ‘Academic’ subjects on the other hand, may involve science and maths but very often a student can avoid these entirely and study maths- and science-free arts, humanities and social sciences, remaining blissfully ignorant of some of the basic everyday knowledge that many people need to practice their occupations. Very often students in this category display an exaggerated horror at the thought of engaging with anything that smacks of mathematics.

Those following technical qualifications together with those who teach them often tend to adopt a very utilitarian view of what they are doing, seeing it as purely job preparation and as having little or nothing to do with developing as a human being or as a citizen. This is hardly their fault as nothing in government of educational propaganda suggests that they

should think about technical education in any other way.

The market-based view of education makes this easier to happen. Students can select courses that they wish to do and avoid challenge if that's what they want. If they deem some material 'irrelevant' then they can ignore it. This is an attitude taken for granted in Britain but not in some other European countries where it is instead taken for granted that preparing for an occupation also involves engaging in some personal and civic development. This attitude has never taken root in Britain. But there is a good reason for continuing to provide more general education as part of a vocational qualification, if we want to produce workers who have a broader vision of what their work involves and their place as workers in society. Likewise, there is no good reason why students in higher education following the social sciences and humanities should be able to dodge some knowledge of maths, statistics and science just because they do not like them. The same reasons could apply to them as to the 'vocational' students. Alternatively, if this sounds too much like compulsion then there should be a much more generous offer in adult education, including inexpensive courses and time off work to study for adults who feel later that they have missed out on important elements of their education. The Labour Party founded the Open University in 1969 to do just that but they have,

when they've been in power later, neglected developing their own creation and have adopted a mean-minded and utilitarian attitude to education generally.

So we can envisage a world in which young people who wish to gain higher education qualifications could stay in their locality and enjoy some of the broader benefits of education beyond occupational preparation. Local universities could continue to offer what they currently do but be gradually steered towards more occupationally relevant programmes albeit with a liberal element. Further Education Colleges would have a big role to play in developing higher technical qualifications relevant to their local economies while also providing more broadly based courses. The balance of funding should be tilted firmly in favour of these institutions and there should be no question of an invidious loan system being introduced to finance students studying in them.

The role of the State.

The Labour Party should revise its previous worship of the market and accept that higher and further education need planning that takes account of regional and local as well as national needs. The government should favour some subjects and disfavour others, so that a better balance is achieved. Students are not the only ones who have an interest in what kind of education young people

receive. Society should also have a say.

All of this is relevant to enabling young people to stay in their home communities if they so wish. There is no automatic mechanism that means that communities will automatically revive if they produce young people with the appropriate education, but if an educated, technically adept population is combined with an attractive environment and good transport and housing, together with incentives such as local buying of goods and services by councils, colleges can play a role in reviving Britain's regions. All this can be done without drastic demolition of what already exists, but through careful and incremental improvement.

I return to the point. Young people's prospects of working and raising families in their own towns and villages depend not just on the presence of education, but on there being jobs, good transport, adequate and affordable housing and an attractive environment. This will not happen without collaboration between central government and local and regional governments, which involves hard work and attention to detail. Is the Labour Party up to it? At local and regional level in many places it may well be, but it is hard to be optimistic about the leadership and the PLP as they are currently constituted.

What Is Socialism?

By John Martin

This is written from an Irish perspective but opens up the discussion for Britain too.

If socialism is defined by how its political representatives act, then its elements can be described quite clearly.

In the Irish context socialists tend to distrust the State. All actions by the State are suspect. The State must be called to account with the presumption of guilt. State initiatives, such as NAMA, are automatically deemed to be suspect: either corrupt ("*the developers bank*") or incompetent ("*will lose billions*").

The State's past record is a nightmare from which we are recovering. Socialists vie with each other for superlatives (e.g. "*Gulag*") to describe the horrors of the past.

But on the other hand, they tend to oppose cuts in public expenditure. They resist any attempt at privatisation of the services provided by the "*corrupt*" State.

However, they rarely advocate nationalisation or workers' control.

Socialists tend to oppose monopolies and support free market competition.

Irish socialists tend to oppose property taxes. They favour increased expenditure on social housing but also favour affordable housing, which is in effect subsidised private home ownership.

Present day Socialists tend to extend the principle of equality beyond the economic and the political. This principle has been used to establish 'rights' for a whole array of groups such as feminists, gays and ethnic minorities.

These positions of present-day socialists are relatively recent. While some of the above are not incompatible with an older version of socialism, others are antagonistic to it, while still others have nothing to do with socialism in the traditional sense.

Up until about thirty years ago, socialism meant the social ownership of the means of production, distribution and exchange.

Disagreements within the broad socialist movement related to how and when this could be achieved. Other struggles, such as women's liberation and gay rights, were subordinate to the objective of social ownership. They certainly were not considered a substitute for this main objective.

Social ownership was desirable because private ownership was considered the means by which the working class was exploited.

If social ownership has been abandoned, it would be useful to know why. Is it necessary for it to be abandoned and, if so, what elements of socialism can be salvaged?

For much of the twentieth century, socialism was considered to be the wave of the future. Its proponents claimed that it was not only a fairer system but also a more efficient way of organising society's resources. Indeed, Marx argued that Capitalism acted as a "*fetter*" on productive resources. The attraction of Marxism was not just that it was a moral denunciation of capitalism but purported to be a scientific analysis of the laws of motion of the capitalist system.

Marx rather convincingly suggested that the capitalist system contained within it the seeds of its own destruction. Its most significant characteristic was that it socialised production. In previous modes of production, a large proportion of production was consumed directly by those who produced it or, if that was not the case, the producers knew who the ultimate consumers would be (e.g. his landlord, other members of his family or community). But Capitalism was "social" in the sense that the vast bulk of production was produced for society. The individual worker had no idea or particular interest in who would be the final consumer. He was part of a vast socio-economic mechanism that provided for the economic needs of the society and whose scope extended way beyond national boundaries.

The system was revolutionary in its effect. It uprooted and destroyed

other forms of production. It could do this because the socialisation of production had enabled a massive increase in productive resources, which was accentuated by the application of scientific methods. Marx thought that Capitalism developed in the Netherlands before other countries because socialisation of production was forced on the Dutch by the challenges imposed by their natural environment.

Marx believed that any attempt to reverse the process was utopian. Instead, the beast must be controlled. The problem was that, even though production was "social" or oriented to society, the "society" had no control over that production. Ownership and therefore control was in private hands. Another way of putting it is that capitalism was "*indirectly social*". Social needs were provided for as an indirect consequence of the drive for surplus value or profits.

What could be more logical than social needs being provided for directly by society? But how could this be done?

The means by which this would be achieved was by the State. The State would represent society's interest. Communists believed that their party, with its understanding of scientific socialism, was best placed to act in the social interest by taking control of the State. Other strands of socialism believed the State should be representative of the society.

So where did it all go wrong? In many ways it didn't! Practically all the developments that Marx identified in the nineteenth century have been accentuated in the twenty-first. In particular, an increasing proportion of life has been "*socialised*".

A feature of many of the services offered on the Internet are that many are free at the point of use. This doesn't make them socialist, but neither are they capitalist in the traditional sense.

Social media has enabled the sharing of personal data which can be easily manipulated. Never before has the question of social ownership and control been more pertinent.

The problem has always been: how can social ownership and control be made effective?

It was thought, following the collapse of the Soviet Union, that the State was incapable of providing for the complex demands of a consumer society. But recent developments in capitalism make that point moot.

The technical capacity to store vast amounts of information has enabled corporations to anticipate demand before the consumer is even aware of what his needs are. Indeed, it could be said the corporations determine what those needs are. Thirty years ago, except perhaps in France, it never occurred to anyone that telephone communication could be visual or that any individual could access a bewildering number of services through a centralised database, or that people could be constantly connected to such information through a hand-held device. No one demanded these facilities, but once experienced, it is almost inconceivable that life could continue without them.

The idea that companies compete with each other to satisfy the arbitrary and pre-existing demands of consumers is an illusion. In the new economy production and consumption is centrally planned.

In France the impetus for such developments was the State (Minitel). In the US it was large corporations (or small companies that had unlimited access to capital at the development stage). The common factor in each case was a willingness to forego profits. US companies such as Amazon were prepared to lose billions for many years.

Indeed, it could be said that one of the reasons inflation has not been prevalent in recent years in the world economy, despite an expansionary monetary policy is that a large proportion of funds have been sunk into creating the architecture for a new economy. There hasn't been a consumer boom.

The question arises: why was the French attempt overtaken by the Americans? The answer is that the Americans had deeper pockets and had a global reach. The French system was really only for the French. But, apart from that, the approaches

were similar. The Americans had to abandon all hope of obtaining a short-term economic return. The stock market could cope with that by giving investors capital gains, rather than cash dividends. The capital gains only occurred because of the weight of money invested in the companies. To a rational investor schooled in the old economy such investments looked like gigantic Ponzi schemes. And indeed, many of them were, but enough of them had substance to justify the massive outlay.

The relative success of the Americans compared to the French illustrates a problem. In order to be successful the operation had to extend beyond national boundaries. This applies to all industries.

Marx, of course, was aware of the internationalisation of capital but the implications were not really explored. The State is the means by which capital can be controlled. But the State is organised along national lines. How can the State control international capital? The answer is, on its own, it can't.

Multinationals decide where in the world they want to organise production. States compete with each other to attract such companies. If a multinational leaves, there is not a lot the State can do.

A few years ago a subsidiary of a multi-national closed down in Ireland. A left-wing TD called for the company to be nationalised. But, of course, such a proposal was impractical. The subsidiary most likely sold its products to other companies in the group. It was not a stand-alone company but merely a component in an integrated system of international production.

The obvious solution is some form of cooperation between States. But that is easier said than done.

In the meantime, it is very understandable that the Republic of Ireland should attempt to attract multinationals. The negative publicity about Ireland is as a result of the country being so successful. Recent moves by the OECD on tax harmonisation will have the effect of benefiting the larger countries since tax will be based on where the product is consumed rather than

where it is produced. It is easy to be virtuous when it coincides with one's self interest!

While the global reach of multinationals has made social control—never mind social ownership—impossible without international political cooperation, there are vast swaths of the economy in which social ownership/control does make sense.

The obvious area is the financial sector. What benefits to society has free market competition had in the banking sector? A strong case could be made for the opposite: competition, particularly from foreign banks, precipitated the financial crisis.

The solution to the crisis was to nationalise the banks: a longstanding socialist policy. And yet, now that the crisis has been surmounted, there is no serious resistance (socialist or otherwise) to their privatisation. There is no socialist vision for how the economy might run.

Similar arguments can be made for social ownership of the insurance and pensions sector.

In general, operations relating to infrastructure should be under social ownership or control.

What about the building sector? It is widely believed that this sector has not served the social interest. It is not necessary to nationalise every small firm in this sector, but there is a case for the State controlling what traditional socialists called the "*commanding heights*".

Many of the large building companies are in effect employment agencies subcontracting work as the need arises. Why can't the State deploy such resources to achieve desirable social objectives?

If socialism is to advance politically, it must have an overarching vision of how society should be organised. In the absence of such a vision, it will lapse into incoherence and be a prey to special interest groups.

Withdrawal Of Whip From Jeremy Corbyn: 1st Anniversary

By Michael Murray

A year ago, 19 November, 2021, the Chief Whip is reported as writing to Jeremy Corbyn, suspending him from the Parliamentary Labour Party (PLP) for 3 months pending investigation into whether he had broken the PLP Code of Conduct. The day before, the 18th, Starmer said he, as Party Leader *and* as PLP Leader, had taken the decision not to restore the whip. So, what *is* the PLP Code of Conduct? What does it say about suspension and restoration of the whip; who has the authority to do it and the procedure to be followed? Read it below in full. You may come to agree with us this was a *wrongful withdrawal* and ought to be rescinded forthwith.

What's another year?

A week is a long time in politics? If that's true, the withdrawal of the Labour whip from Jeremy Corbyn, is an eternity. Certainly, that's what it feels like. But it wasn't supposed to be like that. We were told the suspension would be reviewed within three months, or sooner, pending the outcome of an investigation. Now, a year later the world is no wiser. And tens of thousands of members have left the party, cancelling their contribution standing orders on their way out and voting for cuts in their union's political donations to Labour. Plunging the party into a financial - and moral - crisis.

So, tell us again. What was the reason for the suspension? How was it authorised? According to which Labour Party rules, precisely? Why has there not been any mention of the "*investigation*" into Jeremy's alleged offences since the announcement of the whip withdrawal in November 2020?

Asked last weekend on a Sunday BBC show how much longer was Corbyn to be in Limbo, Keir replied "*He (Jeremy) knows what to do.*" How long more is this crack going to go on? Until the calling of a General Election and a rushed decision to be made about whether Jeremy, or A.N. Other, is to be the official Labour candidate? The shit show that's going to create in Islington North - and wider afield - if it's not resolved?

We'll start with a look at the disciplinary procedure that ought to be involved - but doesn't seem to be - in the withdrawal of the whip from a Labour MP.

The Labour Party Rulebook 2020

Chapter 1 Clause 1 of the Labour Party Rulebook begins: "*Its purpose (the Labour Party) is to organise and maintain in Parliament and in the country a political Labour Party.*"

From that one might assume that in its 157 pages (2020 edition), dealing with the party structure, comprising organic "*party units*" and "*affiliated organisations*," the Parliamentary Labour Party (PLP) would take up a lot of space. Not so. How little it is featured and the implications of this, is discussed later.

To find the disciplinary rules that apply to the particular case at hand - the withdrawal of the Parliamentary Party whip, from Jeremy Corbyn - you have to look elsewhere than in the main text of the Labour Party Rulebook and its copious appendices.

So, to make sense of what happened last November, and having scoured the Rulebook I began a search for the rules governing the withdrawal of the whip from a Labour Party MP.

I came across a correspondence in November 2020 between an individual, who shall remain nameless here - and the House of Commons Library. They (I'm obliged to say "*they*," I think) had made a Freedom of Information (FOI) request for a copy of the extant PLP Standing Orders and was sent a copy of the 2000/1 version, which had a handwritten note on it - "*most recent copy.*" As the one posited in the H of C Library by the Labour Party. (It can be found on the internet by googling "*Parliamentary Labour Party Standing Orders, January 2000.*")

Then, low and behold I came across another, later version, including the 2014 amendments. If there is a later substantially amended version I haven't managed to find it.

The contrast between the easy availability of the latest Labour Party Rulebook compared to the PLP's Standing Orders/Code of Conduct tells us a lot about the PLP relationship with the Labour Party.

That said, perhaps a quick guide to Labour Party structures, and, in particular the relationship of the Parliamentary Labour Party to the - can we say "host"? - Labour Party might be appropriate.

This Code of Conduct begins by stating that all Members (ie MPs) are, first, members of the Labour Party and, as such, are governed by the rules of the party.

Chapter 5. IV. 3. Points out that all nominees shall undertake, if elected (to House of Commons), to accept and comply with the Standing Orders of the PLP.

Chapter 5 Clause 2.3.B of the 2020 party rulebook lays down, inter alia:

The PLP and the Labour Party

That the Parliamentary Labour Party (PLP) will operate under standing orders, which must be endorsed by the NEC;

That there shall be a Parliamentary Committee elected by the Parliamentary Labour Party, in accordance with PLP Standing Orders;

(The Parliamentary Committee is the de facto executive committee of the PLP);

That there shall be a Chair of the PLP, elected by the PLP in accordance with PLP Standing Orders.

Chapter 1. VII. says: There shall be a leader and deputy leader of the Party who shall, ex-officio, be leader and deputy leader of the PLP (Parliamentary Labour Party).

For the purposes of the Constitution of the Labour Party, the Code of Practice adopted in 1968 as amended in 1996, 2006, 2011 and 2014 shall be regarded for all purposes as part of the Standing Orders of the PLP. The Code of conduct shall be attached to the Standing Orders.

Appendix to the Standing Orders of the Parliamentary Labour Party:

The Code of Conduct The Code of Conduct begins: "All Members have a duty to conduct themselves at all times in a manner consistent with membership of the PLP," and, under three broad, predictable headings:

(1) General Conduct: attendance; working relationships with other Members; acting in harmony with PLP policies; not bringing the Party into disrepute;

(2) What's called "Coordination and Collective Action": Regional/departmental working groups with PLP authorisation only; Chief Whip's role in coordinating motions, etc., and Members' compliance;

(3) Voting in the House: Arranging appropriate abstentions with Chief Whip.

There follows the procedure for handling disciplinary issues arising from breaches in the above, the role of the Chief Whip and the Parliamentary Committee in expediting them and the range of sanctions: from a verbal reprimand to Precautionary and Administrative Suspensions from the PLP

Rule on Withdrawal of the Whip

The section referring to the Withdrawal of the Whip is:

4 (d) Discipline

Withdrawal of the Whip

Following the conclusion of an investigation into a Member's conduct or in exceptional circumstances, withdrawal of the Whip (ie expulsion from the Parliamentary Labour Party) may be decided upon by a meeting of the Parliamentary Party at which prior notice of the motion has been given by the Parliamentary Committee.

The notice of motion shall include the terms of the proposed withdrawal including the length of time the withdrawal is proposed to last.

Withdrawal of the Whip shall be reported to the NEC and to the CLP of the Member concerned.

Member's Right to be heard:

Any member against whom disciplinary action is proposed under paragraph 4 (d) shall be given at least three days' notice, and shall have the right to make representations to the next meeting of the Parliamentary Committee prior to a motion being put to the vote.

Jeremy's initial suspension from Party membership automatically incurred the withdrawal of the whip, as per the PLP disciplinary code. So the obverse should apply: that lifting the suspension automatically lifted the withdrawal of the whip. But Keir Starmer chose not to see it that way.

Starmer: "Judge me on my action, not my words."

Keir Starmer began his tweet, announcing Jeremy's departure thus: "*Since I was elected Labour leader, I have made it my mission to root out antisemitism from the Labour Party. I know I will be judged on my actions, not my words.*"

"Jeremy Corbyn's actions in response to the EHRC report undermined and set back our work in restoring trust and confidence in the Labour Party's ability to tackle antisemitism.

"In those circumstances, I have taken the decision not to restore the whip to Jeremy Corbyn."

I will keep this situation under

review." (Keir Starmer @Keir Starmer, Tweeted 18 November, 2020)

Let's be clear. Jeremy made a comment on the EHRC report that Keir Starmer felt undermined his antisemitism "mission." Keir, as leader of the Labour Party felt obliged to act. After all, when Corbyn was first suspended from party membership, automatically incurring the withdrawal of the whip from him, Keir had said "*those who pretended it (Labour antisemitism) is exaggerated or factional are part of the problem.*" (Guardian, 29 October, 2020).

But did he have the authority to deny the whip to Jeremy summarily, off his own bat? Especially after a disciplinary panel of the NEC had unanimously lifted Corbyn's suspension the previous day?

In the same tweet, he claimed he had that authority: "*I'm Leader of the Labour Party, but I'm also the leader of the Parliamentary Labour Party.*" Note that he is not claiming here the authority to expel Corbyn by solely on the basis of being party leader, but as leader of the PLP. The Labour Rulebook establishes him as PLP leader arising from his party Leader position, it's true. But does being PLP leader give him the authority to withdraw the whip, or suspend, MPs? Not by any objective reading of the PLP Disciplinary procedure it doesn't. Not by a mile. But it does draw attention to the relevance of the PLP's disciplinary procedure to the Corbyn case - and in Corbyn's favour, not Starmer's.

Contrasting accounts of the withdrawal of the whip from Jeremy Corbyn

Contradicting Starmer's account, that the action against Corbyn was on his own initiative, the Mirror's Political Correspondent wrote: "*The decision not to restore the whip to Mr Corbyn was made by his successor as party leader and the Chief Whip, Nick Brown.*" (Oliver Milne, Political Correspondent, The Mirror, 18th /updated 19th November, 2020.)

So, that's alright then? Is that how it works according to the PLP disciplinary procedure above? The Leader of the Labour, in his capacity as Party Leader/cum PLP leader, together with the Chief Whip come to a decision, perhaps over the phone in these Covid times, to summarily withdraw the whip from Jeremy Corbyn without any reference to procedure as laid down in the PLP Disciplinary rules which, in turn, are required by Rule to be endorsed by the NEC?

There is no mention in the PLP code of conduct of the Leader of the Parliamentary Party - or the Party Leader - having the authority to withdraw the whip from an MP.

Jessica Elgot, the Guardian's Chief Political Correspondent, in her piece (19th November, 2020) had a *slightly* different

version to that of her Mirror colleagues of how events unfolded.

She reported that the Labour Chief Whip, Nick Brown, wrote to Corbyn on Thursday night saying "*the whip had been withdrawn for three months - suspending him from the parliamentary Labour Party - pending an investigation into whether he had broken the PLP code of conduct. Corbyn has been told the decision will be kept under review and his conduct during the suspension will be taken into account.*"

So *who* - Starmer on the 18 November, or Nick Brown on the 19 November - *formally* notified Corbyn of the withdrawal of the whip?

And, either way, was Corbyn informed by either of them about his "*Member's Right to be Heard*" spelled out in 4 (d) of the PLP disciplinary procedure above?

All the questions above are rhetorical questions. They may be taken as a "*discovery exercise*" for Labour members to scrutinise the PLP's Standing Orders and Code of Conduct, including the Disciplinary procedure as it applies to MPs, in order that they be enabled and empowered to come to their own conclusions about the dragged-out withdrawal of the whip from Jeremy Corbyn which, it is argued here, was a *wrongful withdrawal* of the whip and should be rescinded.

The PLP and Party membership: Time for a rule change

There is another learning point that ought to be mentioned here.

It concerns the relationship between the PLP and the general membership. The Rulebook says in its opening lines, as was cited above: the purpose of the Labour Party "*is to organise and maintain in Parliament and in the country a political Labour Party.*"

So why doesn't the PLP report to annual conference? The NEC does. And the National Policy Forum (NPF).

The "*Campaign for Labour Party Democracy*" (CLPD) believes it should.

At the 2021 conference it attempted, but failed, to get a motion on the agenda calling for the PLP to be accountable to annual conference. The substantive part of the motion called for the following:

"The NEC shall present to conference the report of the PLP, which shall include: a summary of its activity during the previous year, including its work to advance or implement the Labour Party's policy or programme;

Continued On Page 10

Introduction to Sahra Wagenknecht's 'The Self-Righteous'.

Labour Affairs is pleased to publish our own English translation of the Foreword to Sahra Wagenknecht's '*The Self-Righteous*', published in Germany earlier this year. The book has had a significant impact in Germany where Wagenknecht is a well-known public and political figure, and reached no.1 in *Der Spiegel*'s non-fiction bestseller list.

This is not altogether surprising as the author is a fluent writer and original thinker who, until 2019, was the parliamentary leader of the left party 'Die Linke' whose origins lie in the former German Democratic Republic. However, Wagenknecht is now out of favour with left-wing activists and political elites although her views resonate with many Germans, particularly those who still care about the well-being of the working class and less well-

off sectors of society.

She is out of favour because she thinks that the first priority of left-wing parties is to defend the interests of working people and not to pursue identity politics. In '*The Self-Righteous*' she argues that the political left in German (Die Linke, the Social Democratic Party and the Greens) have been taken over by 'left liberals', an intolerant and self-obsessed clique who only talk to each other and ignore their traditional electoral support. As the recent *Bundestag* general election results have shown, Die Linke, which has traditionally relied on working class support suffered particularly badly, being almost wiped out of the *Bundestag*. Wagenknecht however retained her seat.

Left liberals advocate a multicultural, multi-gender, globalist form of identity politics. Their

electoral and activist base lies in those with university degrees in relatively well-paid and secure jobs, who have benefitted from immigration and free trade. They can afford to have their domestic needs served by low-paid immigrants. They live in their own social bubbles and have little contact, other than purely transactional, with those whom they exploit. Above all, convinced of the virtue of their progressive lifestyles and attitudes, they scorn and despise traditional working-class values and solidarity. It is hardly surprising that the left liberal takeover of the leadership of Die Linke led to electoral rout. Whether the 'self-righteous' will draw the appropriate political lesson is doubtful, but for now Wagenknecht's diagnosis cannot be ignored. The political outcome that she feared and predicted for the left in Germany has come to pass.

British readers cannot fail to notice that what Wagenknecht observes and criticises in Germany has significant parallels here. Identity politics threaten to consume the left and the Tories, gloatingly, instigate so-called 'culture wars' to emphasise the cultural differences between Labour Party activists and working-class voters. *Labour Affairs* has an unremitting focus on working people's interests and well-being and our politics are dedicated to pursuing them, irrespective of the ethnic, religious or any other background of working people. We publish the Foreword to Wagenknecht's book in the hope that the left in Britain will heed her message before it is too late.

Die Selbstgerechten: Mein Gegenprogramm – für Gemeinsinn und Zusammenhalt. Campus, Frankfurt am Main 2021,

Continued From Page 9

"An addendum by the Chief Whip detailing any, or all, disciplinary action taken, or ongoing, in relation to any MPs who were elected to Parliament as Labour MPs;

"Conference shall confirm, or shall void, any decision taken to suspend, or expel, from the PLP, any MP elected to Parliament as a Labour MP;

"The decision of conference in determining these matters, as it sees fit, shall be final."

The failure to cut through in today's Labour Party isn't surprising. And the already overflowing pile of documentation around all the other rule changes at this year's conference, the limited time and facilitation to discuss them adequately, didn't help.

For those interested in looking more closely at this proposal it's strongly recommended they look at the CLPD's "*Let's Make the Parliamentary Labour Party Accountable to Conference.*" You'll find it on: clpd.org.uk Scroll down to: *Labour Party Conference 2021.*

But, what about

With the CLPD article is a useful "*Frequently Asked Questions*" (FAQ) appendix which addresses such matters as the legality of such a proposal - in the context of Labour as an "*unincorporated association*" where conference has the authority to amend Party rules as it sees fit. How are private disciplinary details handled? How is members' data protected? Does this proposal mean that conference would be taking on itself the authority to suspend or expel members? Just some of the questions posed - and answered.

As the CLPD claims, and, we hope, this article reinforces: "*There is currently a gaping hole in the Labour Party rulebook in that the PLP is not accountable to Annual Conference. The work carried out by the PLP to advance or implement Labour Party policy and discipline within the PLP are not reported to conference, nor do delegates have a say on disciplinary decisions they believe are of concern.*"

Jeremy Corbyn, in his 12th month of banishment from the PLP is a victim of the current, unfit for democratic purpose Labour Party rules, procedures and structures.

And the 34,000 odd who voted for him to be their Labour Party MP in Islington North: where do they come in? Do the "outward-facing" strategists of Starmer's Labour care?

The Self-righteous: My Counter-programme - for Social Cohesion and the Public Good.

By Sahra Wagenknecht

Die Selbstgerechten: Mein Gegenprogramm – für Gemeinsinn und Zusammenhalt. («The self-righteous: my counter-scheme – for public spirit and social cohesion.») Campus, Frankfurt am Main 2021. Not yet translated into English.

Foreword.

While this book was being written, controversy was escalating in the United States. Trump supporters faced Trump opponents. Rarely has a democratic change of government been accompanied by so much uncertainty, hatred and violence. On the day of the inauguration of the new U.S. president, the Capitol in Washington was like a fortress in a state of war. Even though the dividing lines in the U.S. are particularly deep and the social antagonisms particularly strong, even though the heated climate there is particularly dangerous because many U.S. citizens own guns, America is not an isolated case. Unfortunately, it is likely that the images from the United States show us our own future as through a magnifying glass— if we do not find the courage to take a new path as soon as possible.

For Germany, too, is deeply divided. Here, too, social cohesion is disintegrating. In our country too, social togetherness has been replaced by a set of groups largely hostile to each other. The common good and public spirit are words that have virtually disappeared from everyday language. What they denote no longer seems to fit into our world.

Emotions replace arguments

Things got particularly bad with Covid. While millions of people in often poorly paid jobs were still doing their best to maintain our social life, on many news outlets, online media, and Facebook and Twitter, a civil war atmosphere prevailed. The rift went through families and ended friendships. Are

you for or against the lockdown? Do you use the Covid warning app? Did you get vaccinated? Anyone who questioned the sense and benefits of lockdown and the benefits of closing day care centres and schools, restaurants, shops and many other venues even partially, were subjected to accusations that they did not care about human lives. Those who acknowledged that Covid-19 is a dangerous virus, were similarly aggressively attacked by those by those who saw it all as scaremongering. Respect for the dissenter? An objective weighing of arguments? Not a chance. Instead of talking to each other, people shouted each other down.

But the culture of discussion had disappeared from our society even before Covid. Even earlier, controversies were conducted in a similar way. People moralized instead of arguing. Concentrated emotions replaced content and reasoning. The first debate in which this was obvious was the one about immigration and refugee policy, a topic that overshadowed all others for almost three years after Germany opened its borders in the Autumn of 2015. At the time, the government's narrative was not lockdown, but welcome culture, and dissent was at least as unwelcome as it was in Covid times. While the political mainstream at the time dismissed anyone expressing concern or pointing out the problems of uncontrolled immigration as racists, on the opposite side of the political spectrum, a movement was emerging that saw the imminent demise of the West. The tenor and tone of debate were as hostile as in the discussion about a sensible Covid policy. The climate debate that dominated 2019 was equally dominated by emotion. Now it was no longer a question of the downfall of the West, but of the entire human race. Climate enthusiasts who thought panic was an appropriate reaction, fought against real and supposed climate deniers.

Those who continued to drive their old diesel car, bought their schnitzel in cheap supermarkets and struggled with higher electricity and fuel prices, were treated with no mercy. Meanwhile the AfD¹, which is now represented in the Bundestag as the largest opposition party, attacked the “left-green opinion dictatorship”. It seems that our society has forgotten how to act without aggression and to discuss its problems with a minimum of decency and respect. In place of democratic disputes, emotionalized rituals of indignation, moral defamation and open hatred have taken their place. This is frightening. For the path from verbal aggression to actual violence is short, as developments in the United States show. The question therefore arises: What is the source of the hostility that now divides our society on almost every major issue?

Who is poisoning the climate of opinion?

The usual answer to this question is that the ever growing right is to blame.

It's the fault of politicians like Donald Trump, who stirred people up with his rabble-rousing and vicious tweets inciting people to rancour and enmity. Parties like the AfD, that stir up hatred, are blamed. Finally, social media, that give lies and hate comments a huge resonance and where everyone moves in their own bubble are also blamed. All this is true. Politicians of the far right do contribute to poisoning the political climate. The U.S. after Donald Trump is an even more deeply divided country than the U.S. before Donald Trump.

When the AfD politician Björn Höcke casually wants to ‘smoke out’ dissidents without further ado, one can certainly be horrified. That social media promote aggression and calumny, because they are

¹ Alternative for Deutschland, a radical right wing German political party.

programmed to do so, is also true. None of this has improved the climate of debate. But it's still only part of the explanation. Because the truth is that the climate of opinion is not being poisoned just by the right. The right is not the cause, but itself the product of a deeply divided society. There would have been no Donald Trump and no AfD had their opponents not prepared the ground for them. On the economic level, they have prepared the rise of the right by destroying social safeguards, unleashing markets and thus increasing social inequality and life insecurity to an extreme degree.

Many social-democratic and left-wing parties have also supported the rise of the right politically and culturally, by siding with the winners, and many of their representatives have since poured scorn on the values, way of life, grievances and anger of their own voters.

Left Liberalism: neither left nor liberal.

For some time, the term 'left-liberalism' has been used to describe the world view of these new leftists who have switched sides. Left liberalism in this modern sense of the word is the subject of the first part of this book. It is a relatively recent intellectual-political movement that has only gained social influence in the last few decades. The name 'left liberalism', however, is misleading. Strictly speaking it is neither left-wing nor liberal, but rather contradicts both political tendencies on core issues. An important claim of any liberalism, for example, is tolerance of other opinions. Typical left-liberals, however display the opposite: extreme intolerance towards anyone who does not share their view of things. Liberalism also traditionally fights for legal equality under the law, whereas left-liberalism fights for quotas and diversity, i.e. for the unequal treatment of different groups.

On the other hand, it has always been part of the left's self-image to stand up for those who have a hard time and for whom society wants higher education, prosperity and

opportunities for advancement. Left liberalism has its social base in the well-to-do university educated middle class in the big cities. This does not mean that every graduate with a good income who lives in a big city is a left-liberal. But left-liberalism is at home in this milieu, and its opinion formers come from this comparatively privileged stratum. Left liberal parties appeal above all to the better educated and higher-income earners and are primarily elected by them.

Left-liberals thus do not deserve either of these names: they are neither left nor liberals, i.e. liberals who stand not only for freedom but also for social responsibility. Such liberals have existed in the FDP² for a long time, and there are probably even more of them today outside the Free Democrats. These have nothing to do with modern left-liberalism. But neither are left-liberals liberal leftists, i.e. leftists who distance themselves from totalitarian and illiberal traditions.

Taking a stand against this trend, this book is an explicit plea for a liberal, tolerant left instead of the illiberal position, which for many today goes under the label 'left'. Liberal leftists in the literal sense of the word are therefore not what is meant when left-liberalism is mentioned in this book.

Illiberalism and intolerance.

Left-liberalism has played a major role in the decline of our culture of debate. Left-liberal intolerance and right-wing hate speech are interrelated phenomena that need each other, reinforce each other and live off each other. Whether refugee policy, climate change or Covid, it is always the same pattern: left-liberal arrogance cedes ground to the right. And the louder the invective from the right, the more left-liberals feel strengthened in their position. Nazis are against immigration? So every critic of immigration must be a Nazi in disguise! Climate deniers oppose carbon taxes? So anyone who criticises higher fuel and heating oil prices is also a denier! Conspiracy

theorists spread false information about Covid? Those who think prolonged lockdowns are the wrong answer, are probably under the influence of conspiracy theories! In short: Anyone who is not for us is a right-winger, a climate denier etc. The left-liberal world is as simple as that.

Probably also because of this way of conducting the debate, the left no longer stands for justice in the eyes of many, but rather for self-righteousness: for a style of debate that makes many feel hurt, morally degraded and repulsed.

In the summer of 2020, 153 intellectuals from different countries, including Noam Chomsky, Mark Lilla, J. K. Rowling and Salman Rushdie, wrote a public letter condemning left-liberal intolerance and illiberality. Their indictment read: "The free exchange of information and ideas ... is becoming more restricted by the day. While we expect this from the radical right, an atmosphere of censorship is also spreading in our culture." With concern they see "Intolerance of dissent, public denunciation and ostracism and the tendency to turn complex political issues into moral certainties". And they point to the consequences: "We are paying a high price, in that writers, artists and journalists no longer risk saying anything because they fear for their livelihoods as soon as they deviate from the consensus and do not howl with the wolves."

However, the similarity between right-wingers and left-wing liberals is not limited to their intolerance. In terms of content, too, right-wingers and left-wing liberals are not in any fundamental way in opposition to each other. 'Right-wing' in its original understanding means the advocacy of war, social austerity and great inequality. But these are positions shared by many Greens and left-liberal social democrats. It is deemed incorrect, on the other hand, to say that immigrants are misused for wage dumping, that it is hardly possible to teach a class in a school where more than half the children do not speak German, or that we also have a problem

² Free Democratic Party, the main German liberal party.

with radical Islamism in Germany. Whether intentionally or not: a left that denounces a realistic approach to problems as right-wing, does the right's work for it.

Loss of common ground

Anyone who wants to understand the reasons for the emergence of left-liberalism as well as for the decay of our culture of debate, must look at the deeper causes for the increasing division of our society. They must deal with the loss of security and common identity, with the dismantling of the welfare state, globalisation and liberal economic reforms.

In the decades after the Second World War, there was a long period of economic upswing in all Western countries. At that time people were optimistic about their own future and that of their children. Today, fears about the future dominate, and many fear that their children will be worse off than they themselves are. There are reasons for this. In international comparison, we are falling behind economically. Technologies of the future are increasingly being developed elsewhere and no longer in our country. The European and German economies are in danger of being crushed in the trade war between the USA and China. At the same time, inequality in the countries of the West has grown enormously and social security for sickness, unemployment and old age has become more precarious.

The winners look at the game differently

It is above all the so-called ordinary people whom the unregulated, globalised capitalism has turned into losers. For many, income has not risen for years, and they struggle to maintain their standard of living. A few decades ago, children from poorer families still had real opportunities for advancement, today their personal standard of living once again depends on their parents' background. The winners of the new era are first and foremost the owners of large financial and business assets. Their wealth and their economic and social power

have grown enormously in recent decades.

But the winners also include the new university-educated middle class of the big cities, in other words the milieu in which left-liberalism is at home. The social and cultural rise of this class can be traced back to the same political and economic changes that have not only affected industrial and service workers, but also many craftsmen and small tradesmen. The winners naturally have a different view of the rules of the game than those who have drawn the losing card.

While the differences in income, outlook and attitude to life have grown, so has the distance between them. Half a century ago, the better-off and the less privileged often lived in the same district and their children sat in the same classroom. Now, skyrocketing house prices and rents make that impossible and poorer people live among their own kind. As a result, there are fewer and fewer contacts, friendships, partnerships or marriages beyond the borders of one's own social milieu.

In the bubble of their own milieu .

This is where the most important causes of dissolving cohesion and increasing hostility lie. People from different backgrounds have less and less to say to each other because they live in different worlds. If well-off urban graduates meet the less advantaged in real life at all, it is as the underpaid service workers who clean their flats, deliver their parcels and serve them sushi in restaurants.

Social bubbles exist beyond social media. Four decades of economic liberalism, social cuts and globalisation have so divided Western societies that many people's real lives are conducted within the confines of their own social bubble. Our supposedly open society is riddled with walls, social walls that make it much more difficult for the children of poorer families to access education now than in the second half of the last century. And there are also walls of emotional coldness that keep those who know no life other than abundance from those who would love to live without existential

fear if they could.

Reducing division and fear

As life has become much more uncertain and the future more unpredictable, there is much more fear involved in today's political debates. How fear can harden the climate of debate has been demonstrated by the struggle over the right Covid policy. Its particular aggressiveness was, of course, because Covid is a disease that can lead to death in many very old people and in certain cases of younger people. Conversely, the long lockdowns mean that many feared for their social survival, their jobs or the future of their life's work. People who are afraid become intolerant. Those who feel threatened do not want a discussion, they want to defend themselves. That is understandable. It becomes all the more dangerous when politicians discover that you can play politics by stirring up fear. And that, too, is by no means the preserve of the political right.

Responsible politics should do exactly the opposite. It should be concerned with reducing division and fears about the future, and increasing security and protection. It must initiate changes that will stop the disintegration of our societal cohesion and prevent our impending economic decline. An economic order, where the majority expects the future to be worse than the present is not fit for purpose. A democracy in which a considerable part of the population has no voice and no representation is one in name only.

We can produce differently, more innovatively, more locally and in a more nature-friendly way, and we can distribute the results better and more fairly. We can shape our community democratically, instead of leaving the decisions about our lives and our economic development to interest groups that are only interested in their own profit. We can find our way back to good, solidarity-based coexistence that ultimately benefits everyone: those who have lost out in recent years and are now afraid of the future, but also those who are doing well, but who do not want to live in a divided country that might end up

where the United States is today. The second part of this book proposes a new path to a common future.

Addressing the majority.

In this book, I have also set out the lines of conflict that contributed to my resignation as parliamentary party leader in 2019. However, I would not have written a book about it if this discussion did not go far beyond the Left Party. I think it is a tragedy that the majority of the social democratic and left-wing parties have taken the wrong path of left-liberalism, which has theoretically gutted the left, leaving it to a large extent alienated from large parts of its electorate. This is an aberration that strengthens neoliberalism as a political philosophy, even though there have long been majorities in the

population for a different policy: for more social balance, for a sensible regulation of financial markets and the digital economy, for stronger workers' rights and for a smart industrial policy oriented towards the preservation and promotion of a strong Mittelstand.³

Instead of appealing to these majorities with a programme that is attractive to them, the SPD and the Left have helped the AfD to its electoral victories and made it the leading "workers' party". They have accepted the Greens, in a way that is self-undermining, almost as an intellectual and political vanguard. They have thus distanced themselves from the possibility of assembling

³ translators note: small and medium businesses with a sense of social responsibility

their own majorities.

This book is also about what it means to be left-wing in the 21st century. A left beyond clichés and fashionable phrases. For me, this also includes: What should the left learn from enlightened conservatism? The programme outlined in the second part would be that of a genuine social people's party. A party that does not contribute to the polarisation of society, but rather to the revitalisation of common values.

With this book, I find myself in a political climate in which cancel culture has replaced fair debate. I do so in the knowledge that I too could now be "cancelled". But in Dante's Divine Comedy the lowest level of hell is reserved for the "lukewarm," those who sit on the fence ...

It's Time For Transformative Socialist Economics:

An Occasional Short Reading And Viewing Guide

By Michael Murray

(1) The problem stated:

"The Labour Party believes that a Labour government can only spend what it has levied in taxation, or borrowed from the private sector. But it also wants to be a party of low taxation and low national debt. The result? Incoherence. Labour needs to develop a more coherent story around government spending, taxation and borrowing."

(Labour Affairs, November 2021 Editorial 1 - extract)

(2) "Where's the money coming from?"

It's time Labour re-visited the point where the only serious, widely publicised, internal party debate on the economy left off: when, in the first leadership election Yvette Cooper asked Jeremy Corbyn what she thought was her "killer" question: *"So, Jeremy, Where's the money coming from?"* (ie for his programme.) And he told her.

Labour Leadership Debate: "Where's the Money Coming From, Jeremy?" Sky News - Youtube.com.

https://www.youtube.com/watch?v=viHvSyJTd_A

(3) Two critical lessons of the pandemic:

"The first is that when faced with a national emergency it's always the State at all levels that we rely upon to play the key role to meet that challenge.

"The second is that never again can any Tory Chancellor argue that the resources cannot be found when they are needed.

"Throughout the years of austerity can you remember we were told the resources could not be found to fund our public services, or pay the wages or have benefit levels that people can survive on ?

"Yet to deal with the pandemic even a right wing staunch neo-liberal Thatcherite Tory Chancellor was forced to find the resources needed.

"You don't have to be a full-blown advocate of Modern Monetarist Theory to appreciate that with the political will the resources can always be found when necessary."

The John McDonnell Lecture on "The Political Economy to Secure Socialist Change in 21st Century" - Arise Festival, November 29, 2021 - YouTube

<https://www.youtube.com/watch?v=x3kJLWks0Y> (from minute 11)

The tyranny of the middle-class worldview

The Melancholia Of Class, By Cynthia Cruz. Repeater Books £10.99

CHRIS MOSS (Morning Star Monday November 22 2021) recommends a perceptive analysis of the dichotomy between working-class identity and its repudiation by contemporary society.

Aspiration, assimilation, alienation and class are knottily intertwined in contemporary Western societies. Success is deemed to be synonymous with moving up assorted ladders – social, property, career – and, by default, leaving behind whatever defined your parents' reality.

As Cynthia Cruz argues in her highly original polemic, which comes with the subtitle *A Manifesto for the Working Class*, the middle class disappear the working class in different ways: by assuming all the “typical” working-class jobs have gone to China; by thinking of the working class in anachronistic and gendered terms, as white, male and employed at a factory; and by seeing non-whites, who make up the bulk of shop assistants, drivers, nannies and construction workers in the US and in many areas of Britain, as a class apart, as something else. They insist there is no such thing as class, and that everyone can prosper, while simultaneously ensuring the vast majority of those born poor stay there.

Cruz's thesis, that this disappearance results in a profound, multi-faceted melancholia, is made more persuasive by her grounding it in her experiences as a young woman growing up in Santa Cruz, California, where she was viewed and labelled as “white trash” and “trailer trash” by middle-class peers.

Citing theorists including Freud, Marx, Pierre Bourdieu

and Mark Fisher but also filmmakers, musicians and singers, she posits that melancholia is a “reduction of the sense of self” and that the working classes, in “experiencing a symbolic death,” of their class, live in a perpetual zombie or ghost mode, hopeless and stricken by a dark energy.

Lacan is invoked and the concept of the “death drive” to suggest the doubled-edged power of melancholia, which can turn inwards to self-abnegation or outwards into aggression, collectivism and activism.

This is a bracing, daring book and if the above sounds high-brow, it is to Cruz's immense credit that she renders it in a manner that is flowing and penetrable; the author is a poet as well as a critical theorist, and the book's rhythm never lags. She also hangs as much of her argument on her eclectic artistic passions – The Jam, mod fashions, West Coast punk, Clarice Lispector – as on the big textbooks.

She is especially incisive on assumptions so widespread they are assumed to be “normal” or rational – for instance, that feminists should somehow side with powerful women such as Hillary Clinton to challenge male hegemony – an example, Cruz illustrates of “vertical solidarity,” which emerged in the 1980s and replaced the infinitely more valid “horizontal solidarity” of the working class of yore.

It is, she points out, impossible for a working-class person to escape being defined and pigeonholed by the middle or ruling class (Cruz uses these terms and “bourgeois” interchangeably).

The success of an artist or academic born into the working class – Shane Meadows, Zadie Smith, Amy Winehouse, Cruz

herself – is measured by her/his incorporation into institutions founded and largely directed by the middle classes: Faber books, Oxbridge colleges, BBC and ITV, any periodical or newspaper.

Cruz argues there were once working-class artists and writers but “this is largely no longer the case,” so absolute is the tyranny of the middle-class worldview. She suggests that most portrayals of the working class are for the middle class.

While many of the books references are to US culture, British readers will find this manifesto-laced-with-memoir totally relatable. Great swathes of Britain's population inhabit an inter-class, a no woman's or man's land between what they think they remember about their ancestors and what society wants them to be.

Much of what is reported as a “mental health crisis” stems from an existential despair allied to economic hardship; but, even when a working-class person turns a corner and secures a job, income and home, they will drift, unmoored, or fall through a chasmal psychological gap.

Our melancholia will either grind us down, or compel us to revolt. Cruz's theory is the political equivalent of radical therapy; read it and weep, and then go out and smash something.

It is impossible for a working-class person to escape being defined and pigeonholed by the middle or ruling class.

https://morningstaronline.co.uk/system/files/pdf-editions/M_Star_221121.pdf

Notes on the News

By Gwydion M. Williams

[Canada Drowns, Business Hesitates Government: It's Not a Bad Habit](#)
[China: the New Civilisation that the Soviet Union Failed To Be](#)
[Snippets](#)
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[Covid: Survival of the Worst](#)
[China's Sputnik Moment?](#)
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[Did Modern Humans Invent Cold-Blooded Murder?](#)

Canada Drowns, Business Hesitates

“Atmospheric rivers are typically several thousand kilometers long and only a few hundred kilometers wide, and a single one can carry a greater flux of water than the Earth’s largest river, the Amazon River.”¹

And now descending on Western Canada.

“British Columbia has been besieged this year by record-breaking heat, wildfires and floods. The disasters have killed hundreds — including three people in the recent rains — and caused hundreds of millions of dollars in damage.”²

It gets much more attention than worse disasters for poor people. But at least it gets attention.

COP26 was not a complete failure. But everyone tried to shift the costs onto someone else.

We killed off most of our wildlife. Our governments will not properly pay poorer countries to keep alive wildernesses where

the rich like to play.

We burnt most of our coal. We let our governments seek to dump the cost onto impoverished India and middle-income China.

Both India and China are strong. They got back control of their own lives after World War Two mauled Europe’s colonial empires and boosted the anti-imperialist Soviet Union.

Elsewhere, the weakest suffer:

“Rich countries still don’t want to pay their climate change tab

“Climate change has a central injustice: The parts of the world that contribute the least to global warming stand to suffer the most as temperatures climb.

“Rising sea levels, hotter heat waves, and more frequent torrential downpours disproportionately hammer low-lying coastal areas, islands, tropics, and deserts that are home to people who historically haven’t burned that much coal, oil, or natural gas.”³

I was also offended by the President of COP26 wearing a red poppy while apologising for a weak deal. Back in the 1980s, I myself would wear the poppy, taking it as respect for the dead. But now it is seldom seen in Britain except among the old and among public officials and politicians. It has become symbolic of the West’s foolish greed and aggression after the Soviet collapse.

“Rich nations have been reluctant to agree any mechanism for providing funding for loss and

damage, in part because some of the debate has been framed in terms of ‘compensation’, which rich countries cannot countenance...

“Mohamed Adow, director of the Nairobi-based thinktank Power Shift Africa, took a harsher view: ‘The needs of the world’s vulnerable people have been sacrificed on the altar of the rich world’s selfishness...’

“Many poor nations accepted defeat on their pleas to put stronger provisions on loss and damage into the text, in the closing hours of the conference, in order to allow the broader deal to go through.”⁴

“The carbon footprint of the world’s richest 1% is on track to be 30 times higher than what’s needed to limit global warming to 1.5C, a study says.

“But emissions of the poorest 50% will continue to be below climate goals.”⁵

Well-off Westerners don’t want to personally do more

“Citizens are alarmed by the climate crisis, but most believe they are already doing more to preserve the planet than anyone else, including their government, and few are willing to make significant lifestyle changes, an international survey has found.”⁶

And a lot of wealth is at stake:

⁴ <https://www.theguardian.com/environment/2021/nov/13/cop26-countries-agree-to-accept-imperfect-climate-agreement>

⁵ <https://www.bbc.co.uk/news/world-59157836>

⁶ <https://www.theguardian.com/environment/2021/nov/07/few-willing-to-change-lifestyle-climate-survey>

¹ https://en.wikipedia.org/wiki/Atmospheric_river

² <https://www.nytimes.com/2021/11/21/canada-flooding-climate-change.html>

³ <https://www.vox.com/22774622/cop26-climate-change-glasgow-money-finance-aid>

“Half world’s fossil fuel assets could become worthless by 2036 in net zero transition”⁷

No one wants that happening to *their* assets. But a fair sharing would make people ask just what the very rich have done to merit their tens of millions

My response is to adapt a famous 1971 hit *I’d Like to Teach the World to Sing*. A song used to push Coca-Cola:

I’d like to feed the world cocaine
And fill their minds with lies
And spew out tons of greenhouse gas
To kill the turtledoves.

It sold the false promise of a nice globalisation based on US values.⁸

It could be a hymn of love. But the reality has been a refusal to be burdened by the needs of others. Including turtledoves.

Someone with musical talent might build on my small beginning. Hope for a new meme.

But please don’t say *extinction*, which spreads hopelessness.

I do fully expect climate chaos to cause at least as many avoidable deaths as the wars of the 20th century. But we got through that, and we will get through this.

Government: It’s Not a Bad Habit

1960s rebelliousness turned into cynicism in the 1970s, when people bumped into the real problems of remaking the real world.

Many things were successfully changed. Hierarchies weakened. Women and non-whites are less unequal than they used to be. And the fight for actual equality continues.

But in the 1980s, lots of people got talked into believing that the government and state machine were inherently their enemies. A new era of low taxes and small government was promised, with capitalism unchained to make everyone so much richer.

None of this was true.

None of the advances from the 1980s differ in kind from what happened in the 1940s to 1970s: the era of Mixed Economy, sometimes called Keynesianism. Actually more radical and democratic than Keynes himself wanted, but it is a good enough label.

Capitalists given more freedom to act did not become Superior Wealth-Creators. They mostly took more for themselves.

They did not speed up the growth in wealth in Britain or the USA. Elsewhere in the West, countries once noted for their Economic Miracles descended to British and US levels of mediocrity.

Trying to move with the times, the magazine *The Economist* said this:

“The world is entering a new era of big government

⁷ <https://www.theguardian.com/environment/ng-interactive/2021/nov/04/fossil-fuel-assets-worthless-2036-net-zero-transition>

⁸ [https://en.wikipedia.org/wiki/I%27d_Like_to_Teach_the_World_to_Sing_\(In_Perfect_Harmony\)](https://en.wikipedia.org/wiki/I%27d_Like_to_Teach_the_World_to_Sing_(In_Perfect_Harmony))

“How should classical liberals respond?...

“Three forces are at work. The first is obviously malign. Inertia and mission creep make government hard to pare back. Voters and lobbyists who benefit from a regulation or item of spending have every reason to work hard at preserving it, whereas the many taxpayers who pay for pork barrels have better things to do than petition politicians to get rid of them. The bureaucrats in charge want to defend their turf and careers. When a programme fails, its supporters say it could still succeed if only it were given more money.

“The second force is a fact of life. Prices of the services welfare states provide, such as health care and education, grow faster than the economy because of their high labour intensity and low rates of productivity increase. Though government inefficiency can make things worse, this “cost disease” afflicts the private and public sectors alike. It comes with the territory.

“The third force is that governments today have more things to get done. As voters became richer over the 20th century they demanded more education and more of the expensive health care that takes advantage of the latest science. Today, as they age, they want to keep up spending on the elderly. And, increasingly, they want governments to do something about climate change.

“These three forces are plain to see in the true impact of Margaret Thatcher and Ronald Reagan, the anti-government free-marketeers who loom largest in the public imagination. They are often said to have laid the groundwork for the ‘neoliberal era’. In fact, they did not leave a sustained legacy of smaller government. In 2019 America’s federal government spent a higher share of its GDP than in any of the ten years preceding Reagan’s presidency. Three decades after Thatcher left office—one of those decades being defined by austerity—Britain’s Conservative government will soon preside over the highest sustained spending as a share of the economy since the pre-Thatcher era.

“The lasting victory of Reagan and Thatcher—and other reformers in Sweden, New Zealand and elsewhere—was over the first of the forces for big government. They realised that the state is at its worst when it is swollen by the distorted incentives of insiders to seek ever more control. Governments rightly sold off nationalised firms, cut back regulations, simplified some taxes and promoted competition. A consensus emerged about the limited role of government in liberal societies. Its adherents welcomed markets in most of the economy, but permitted redistribution and spending on public services to make the world fairer.”⁹

⁹ <https://www.economist.com/leaders/2021/11/20/>

But as I said, moving from state control to state-subsidised profit-seeking has not improved overall growth. Even when it is not scandalous, it benefits the few at the expense of the many.

But when Jeremy Corbyn was a serious opposition to this unfairness, he got a chorus of hate from the media. Including even the liberal-left *Guardian*.

Which is a paper that loses money, and gets subsidised. Some from ordinary readers – I am one. But it seems that much comes from rich people who like social radicalism. But don't want anything to get in the way of their increasing 'scoop-up' of money that should go to ordinary people.¹⁰

Those who pay the piper, call the tune.

China: the New Civilisation that the Soviet Union Failed To Be

In 1936, the noted Fabian socialists Beatrice and Sidney Webb published *Soviet Communism : A New Civilisation?* And dropped the question mark in later editions.

They didn't want a Soviet Britain. But they recognised that Stalin had successfully established a whole new way of life. One that fitted Arnold Toynbee's notion of a great number of alternative civilisations, not graded as 'higher' or 'lower' as most Western historians did. There was a lot wrong with his viewpoint, but his basic insight has become the norm. And is an improvement on Marx, who saw the sequence in Western Europe as an evolution, and largely ignored the advanced civilisations found elsewhere.

Leninism was more genuinely global, with Lenin writing *Backward Europe and Advanced Asia*. It helped the wider world get some confidence in their own cultures. Just add socialism to the best of your older values, and you'd be ahead of the world!

China has actually achieved this.

Meantime the Soviets under Khrushchev and Brezhnev blundered

[the-world-is-entering-a-new-era-of-big-government](https://www.ft.com/content/09efaf1c8-6bb8-4855-a63e-e26c3afa3eb0) (pay site)

¹⁰ <https://www.rt.com/op-cd/540780-guardian-funding-billionaires/> (pay site)

their way out of a very strong position. Gorbachev moved much too late, and foolishly thought that the West was friendly. He trusted a vague verbal assurance that NATO would not advance to the borders of Russia if the Soviets withdrew. He could have got a binding agreement: he saw no need.

Yeltsin was worse: he shrank the economy after trusting Western advice.

Putin stopped the rot. And now a shrunken Russia leans on China for support.

Deng insisted that the goal was still socialism. And showed this in practice, by always keeping strict control on both foreign capitalist and the new rich who were allowed to emerge within China.

By never allowing the free flows of borrowing that damaged the Asian Tigers in 1997.

By allowing family farms, but keeping ownership collective.

From Deng to Xi, Chinese leaders have correctly guessed that each individual global corporation would care mostly about itself. In the abstract, they might like to see Chinese socialism trashed. But their own fortunes come first. And this is something which most Western journalists avoid noticing:

"Wall Street and the Chinese military industrial complex..."

"This year's report ... lays out the ways in which the Chinese Communist party (CCP) is building up global economic, political and military power to push forward a 'new model for human advancement'. The party is doing so with plenty of help from Wall Street ... how long will this divide last? Is it possible to have American financial institutions indefinitely funnelling capital in and out of a country that supports forced labour; has low environmental, social and governance standards; and is the US's chief strategic adversary?"

"I think the answer is no, but I must say I'm gob smacked that the hypocrisy of American banks and asset managers pouring money into companies that might endanger US security isn't getting more attention..."

"In plain language, US investment banks and institutional investors can

still buy, sell and profit off of Chinese military related companies as long as they are not doing so in the United States and only involve non-US citizens. If we are really interested in protecting US national security rather than simply appearing to, this loophole should be closed, as the commission recommends."¹¹

Much worse things happen outside of China than in China. And much of it is hyped. In the 2010s, when the West felt threatened by Islamic extremism, few outsiders were bothered by Beijing crushing Uighur separatism and extremism. Only from about 2017 have routine social controls been hyped as an atrocity, as I have detailed elsewhere.¹²

Western journalists somehow put out of their minds, things they must have known about a few years ago.

As for a 'security threat', US insiders must know that China is never going to attack the USA. China has just put itself in a position where they can be confident that the USA will never attack them. They saw Iraq saved in 1987 after its aggressive war against Iran.¹³ But then the same regime set up for destruction when the USA thought it was World Boss. And with Iran and North Korea listed next in an 'Axis of Evil' that could easily have been extended to People's China.

But then why the hype?

The whole fuss is to limit the influence of the '**new model for human advancement**'.

The New Right is losing influence. But most critics stop short of calling for a simple return to older state-dominated methods that worked much better for most people.

China has a much more authoritarian version of the Mixed Economy that the West still operates. But currently operates in twisted ways that give far too much to the rich.¹⁴

¹¹ <https://www.ft.com/content/09efaf1c8-6bb8-4855-a63e-e26c3afa3eb0>

¹² <https://mrgwydion-mwilliams.quora.com/West-Reports-Only-Propaganda-on-Xinjiang>

¹³ <https://labouraffairsmagazine.com/very-old-issues-images/magazine-001-to-010/magazine-004-october-1987-why-the-west-saved-saddam-hussein-in-1987/>

¹⁴ <https://labouraffairsmagazine.com/>

Just by existing, China threatens to be a model for a reformed Western system. I'd expect us to remain tolerant politically. But not running economics to favour the rich.

Snippets OLIMBY

Most people know NIMBY – Not In My Back-Yard. Something useful like a railway or wind farm is fine somewhere else. But not where I live.

Let's add 'OLIMBY': **only** in my back yard. People want something for themselves and for their sort of people. But not for others, or not if it would cost them.

The rich got themselves bailed out after the crisis they caused in 2008. But demanded that market forces were applied ruthlessly to everyone else.

The liberal left want the state to do less. But not when it comes to the rights of women, non-whites, gays, and most recently transsexuals. (But strike out whichever of these you don't count as part of your own back yard.)

Maybe for climate change. But George Monbiot is typical in wanting everything to be local and small scale, despite repeated defeats for such forces.

Maybe for on-line harassment. But they also don't want something like an on-line passport that would expose most of it.

None of this works well.

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Covid: Survival of the Worst

There's a lot of OLIMBY over the current pandemic.

No one likes lockdowns or compulsory mask-wearing. But they worked in China. They were working in places like New Zealand, until those hurt by the precautions forced a premature opening-up.

And while a minority reject vaccinations, most people wanted to get theirs as soon as possible.

But don't want to pay more taxes to help foreign countries.

So millions suffer.

[com/problems-magazine-past-issues/the-mixed-economy-won-the-cold-war/](https://www.theguardian.com/problems-magazine-past-issues/the-mixed-economy-won-the-cold-war/)

Each victim has a bloodstream that is a sea of virus particles. And Natural Selection favours mutations that are better at spreading.

When a lot of people have immunity, beating that immunity is also favoured. And flu does this all the time, which is why the old get repeated annual shots.

Until recently, the main menace was the Delta variant, much more infectious than the original. But worse was feared.¹⁵

Now we have Omicron, which may be worse than Delta.¹⁶ And sadly unlikely to be the last.

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China's Sputnik Moment?

I said earlier that China wants to be safe from US attack.

They get better all the time:

"China launched second missile during July hypersonic test, reports say

"The separate, previously unknown, missile release reportedly took place while the vehicle was soaring at hypersonic speeds...

"The potential role of the released missile was unclear. It could be used to target or deflect an enemy country's defences against a hypersonic attack."¹⁷

From the 1960s, I remember the idea of anti-anti missiles. Extra missiles that defend the main missile.

If China has these, its small nuclear force would be certain to get through the anti-missile systems the USA has been working on ever since Reagan's 'Star Wars'.

The objection at the time was that the USA might gain First Strike capability. They could do a surprise attack, with reasonable hope that retaliation would not be so bad.

It looks increasingly less likely

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15 <https://www.theguardian.com/world/2021/nov/21/is-delta-the-last-covid-super-variant>

16 <https://www.bbc.co.uk/news/health-59418127>

17 <https://www.theguardian.com/science/2021/nov/23/china-launched-second-missile-during-july-hypersonic-test-reports-say>

Unhappy Rich People

"What could possibly be challenging about being a billionaire, you might ask. Well, what would it be like if you couldn't trust those close to you? Or if you looked at any new person in your life with deep suspicion? I hear this from my clients all the time: 'What do they want from me?'; or 'How are they going to manipulate me?'; or 'They are probably only friends with me because of my money.'"¹⁸

From a therapist who finds many of them unhappy.

It's a lousy system.

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Did Modern Humans Invent Cold-Blooded Murder?

An academic study says so, but puts it in jargon:

"Groupishness is a set of tendencies to respond to group members ... in ways that transcend apparent self-interest. Its evolution is puzzling because it gives the impression of breaking the ordinary rules of natural selection. Boehm's solution is that moral elements of groupishness originated and evolved as a result of group members becoming efficient executioners of antisocial individuals, and he noted that self-domestication would have proceeded from the same dynamic. Self-domestication is indicated first at ~300,000 years ago, ... I propose that a specifically human style of violence, targeted conspiratorial killing, contributed importantly to both self-domestication and to promoting groupishness. Targeted conspiratorial killing is unknown in chimpanzees or any other vertebrate."¹⁹

But with a legal system, justice and peace become possible.

*

Old newsnotes at the magazine websites. I also write regular blogs - <https://www.quora.com/q/mrgwydionmwilliams>

18 <https://www.theguardian.com/commentisfree/2021/nov/22/therapist-super-rich-succession-billionaires>

19 <https://www.cambridge.org/core/journals/evolutionary-human-sciences/article/targeted-conspiratorial-killing-human-selfdomestication-and-the-evolution-of-groupishness/B70C0490CEFFFB3B5231A5426A1D1577>

This Month in Parliament

Irresistible Things



This article joins together two others in this issue, on the one hand the editorial and the question ‘how will you pay for it’, and on the other hand the series on ‘What shall I do next?’ on youth employment.

It refers to the 2021 Lords Youth Unemployment Committee Debates and Report, where the question of funding came up repeatedly. There is a political decision to put all the money into university students, hard done by as they feel with the loans round their necks, and immensely less for the other 50% of young people. They are left with patchy and insufficient provision. Whereas their peers have the UCAS (University and Colleges Admission Service) to help them find their way into higher education, those going into Further Education or apprenticeships have no equivalent service.

Whereas students are funded by the government (via loans), there are no equivalent sources of funding, which deprives at the same time potential students and the colleges themselves.

Kenneth Clarke and Kenneth Baker, members of the Committee, are both very active and eloquent on these topics. What do they think about funding?

Here is Ken Clarke (actually during the Skills and post 16 education debate):

“On the questions of expenditure that we have been asking, it is certainly the case that noble Lords kept referring to my being a former Chancellor. I am also a former Minister of Employment and Secretary of State for Education. As a former Chancellor, I am quite traditional; I am fiscally responsible—a bit of a fiscal hawk, sometimes—but I do think there are two subjects on which it is unavoidable for the present Government to spend more money. That means I would probably be at least as hawkish as the present Chancellor in resisting all the other lobbies which are inevitably piling

in as the atmosphere of free money prevails. Social care and skills training—filling the skills gap—are irresistible things to which we must devote more resources.”

So Ken Clarke, former Chancellor, is saying that money is available.¹

Money is available for ‘irresistible things’.

The Treasury finds other things irresistible. It is a political choice, what you find irresistible.

The 2020 lockdown was particularly harmful for young people stuck in unsatisfactory housing with little to do and few resources. The government had a grand gesture and appointed an Education Recovery Commissioner, Kevan Collins, who set about a costed programme. “But about a month ago at one of the meetings, he was asked to leave the room, according to one source. “Suddenly the Treasury were not playing ball. They thought it was all too much.”” (Guardian 2/6/21)

The Treasury made sure that less than 10% of his programme was financed. Kevan Collins resigned. It may be another instance where Boris Johnson’s spending plans are countered by the Treasury:

There was

“a row with the Treasury over the funding after Tes revealed that the new announcement represents only a fraction [of the £15 billion that the Department for Education and Downing Street had been hoping to secure from the Treasury](https://hansard.parliament.uk/Lords/2021-07-19/debates/AEC59D02-6B02-425C-B795-10908C197C83/SkillsAndPost-16EducationBill(HL)?highlight=youth%20unemployment%20committee#contribution-6166A6E6-E63D-4BDB-8D18-A326B2A63E1A) and does not include extending the school day, [which was expected to be central to the plans.](https://hansard.parliament.uk/Lords/2021-07-19/debates/AEC59D02-6B02-425C-B795-10908C197C83/SkillsAndPost-16EducationBill(HL)?highlight=youth%20unemployment%20committee#contribution-6166A6E6-E63D-4BDB-8D18-A326B2A63E1A)” (TES 2/6/21)

Some of the Committee’s guidelines to tackle youth unemployment

1 [https://hansard.parliament.uk/Lords/2021-07-19/debates/AEC59D02-6B02-425C-B795-10908C197C83/SkillsAndPost-16EducationBill\(HL\)?highlight=youth%20unemployment%20committee#contribution-6166A6E6-E63D-4BDB-8D18-A326B2A63E1A](https://hansard.parliament.uk/Lords/2021-07-19/debates/AEC59D02-6B02-425C-B795-10908C197C83/SkillsAndPost-16EducationBill(HL)?highlight=youth%20unemployment%20committee#contribution-6166A6E6-E63D-4BDB-8D18-A326B2A63E1A)

the National Curriculum should take into account the needs of society and of industry. As one of the witnesses questioned by the Committee on 23 March, Sope Otulana, said:

[There is] potential for DfE to think about industrial strategy when developing the curriculum, but there is also an opportunity for industry to recognise its role in supporting future workers in developing skills and influencing curricula. That cross-government and cross-sector dialogue is part of getting schools to where they need to be to develop young people with the skills they will need for the future of work. The weight of it should not rest solely on educators.

The Report says:

The Government must develop a long-term national plan for identifying, measuring and addressing skills gaps and shortages with a focus on anticipating and meeting the needs of emerging and growth sectors such as the digital and green economy.

Reform the apprenticeship levy. At the moment firms get government money for managers’ MBAs. Tesco admitted only 20% of their ‘apprenticeships’ went to people under 25.

A new careers advice service. It is needed, as Lord Davies said: ‘to bridge a gap that successive generations of young people have had to cope with: coming out from school with little idea of what the world of work demands or even, for that matter, what it offers.

Better funding for the non university sector. Another witness on the same day, Sam Windett, said: ‘The one partner you mentioned that has not stepped forward quite as much is the Treasury. A lot of these partnerships formed for the benefit of

Continued On Page 21

This Month in Parliament (2)

The Government and China



Questions in Parliament, 24th November 2021

Matthew Pennycook (Lab)

Q7. The Government's integrated review has concluded that the Chinese state poses a systemic challenge to our national security, and the Prime Minister has made it clear that when it comes to China, we must remain vigilant about our critical national infrastructure. Can he therefore confirm unequivocally today that plans for China General Nuclear to own and operate its own plant at Bradwell in Essex have been abandoned, and explain to the House precisely how and when his Government intend to remove CGN's interest from the Sizewell C nuclear project? (904336)

Boris Johnson

I thank the hon. Gentleman for raising this important issue. Clearly, one of the consequences of our approach on critical national infrastructure in the National Security and Investment Bill is that we do not want to see undue influence by potentially adversarial countries in our critical national infrastructure. That is why we have taken the decisions that we have. On Bradwell, there will be more information forthcoming—[*Interruption.*] What I do not want to do is *pitchfork* away wantonly all Chinese investment in this country, or minimise the

importance to this country of having a trading relationship with China.

Boris was interviewed by John Micklethwait of Bloomberg News on 24 October in which he was even more of a Sinophile - after his remarks Micklethwait asked him if was the last Sinophile in the cabinet (<https://www.bloomberg.com/news/articles/2021-10-18/boris-johnson-interviewed-by-bloomberg-news-transcript>)

Extract on China

JM: Can I ask you about another big country? You look around the world, the biggest source of investment at the moment, the biggest source of FDI is China, 130 billion dollars they're investing overseas at the moment. You've come up with a strategy saying that you will let them invest in non-strategic assets, which seems to mean not Huawei, not technology and not nuclear power -- and I wondered what sort of things will they be allowed to invest in? You've talked about infrastructure, they're the biggest infrastructure...

BJ: Si monumentum requiris, circumspice. Okay, so when I was running London, I went out several times to China and had fantastic trips there...

JM: But things have changed...

BJ: Well -- there's no -- So investment in stuff that drives jobs and growth in this country whether it's in development, look at what's happening in Greenwich, Vauxhall Nine Elms, things have taken off there because of Chinese investment so I'm not going to tell you, John, that that **the U.K. government is going to pitchfork away every overture from China, of course not. China is a gigantic part of our economic life and will be for a long time -- for our lifetimes** -- but that does not mean that we should be naive in the way that we look at our critical national infrastructure, the way you look at -- you mentioned nuclear power -- you mentioned 5G technology, those are all legitimate concerns that any government, many, many other governments around the world have. But I've said this many times, it's worth repeating, I am no Sinophobe very far from it, I think --

JM: Do you think you're the last Sinophile in the cabinet?

BJ: No, I expect there's a lot of -- look China is a great country..

The Government is at odds with some of the conclusions of the Foreign Affairs Committee, which wants China accused of genocide over the Uyghur question. Here is the government's reply:

We are clear that these actions [treatment of Uyghurs] represent gross violations of human rights, for which China must be held to account. However it is the long-standing policy of the British Government not to make determinations in relation to genocide. Genocide is a crime and, like other crimes, whether it has occurred should be decided after consideration of all the evidence available in the context of a credible judicial process."

<https://committees.parliament.uk/publications/7818/documents/81312/default/>

Continued From Page 20

young people are based on love, but not a lot are based on funding and resourcing. That is one partner that could come to the table a bit more.

In the last Budget [pre march 21], there was very little focus on young people, which was really disappointing.

To which lord Davies replied: 'I notice that there is a codicil constantly attached to every response, which is, "We think the Treasury is involved in this". By heavens, the Treasury has to be, if we are to make these schemes a success.'

The Government must appoint an independent Young People's Commissioner for youth aged 16 to 24 with specific reference to youth unemployment, education and skills, including the new Youth Hubs.

The summary of the report can be read at:

<https://publications.parliament.uk/pa/ld5802/ldselect/ldythunemp/98/9804.htm#idTextAnchor007>

How to pay for it. The case of Universal Credit

By Michal Lerner

To win the next general election, Labour must give bold answers to the question 'How will you pay for it?'. Let us therefore imagine an interview between an interviewer (I) and a member of the Shadow Cabinet (L) and suggest how the dreaded question should be dealt with in the context of Universal Credit:

I: Labour say that it was wrong to end the £20 rise in Universal Credit. How would Labour have found the money to pay the £6 billion it would have cost to retain the payment?

L: A Labour government would have paid for it in the way British governments pay for everything that has been approved by parliament. It would have instructed the Bank of England to mark up the bank accounts of those entitled to the payment.

I: But what happens if there is not sufficient money in the government's account?

L: There will always be sufficient money in the government's account because the Bank of England will simply expand its balance sheet and loan the government whatever funds have been approved by Parliament.

I: But the Bank of England is an independent institution. It might decide not to do that.

L: It is exactly the job of the Bank of England to finance whatever debts the government issues which have been approved by Parliament. By law it has to do so. As Neil Wilson et al make clear in their detailed account of the UK Exchequer:

"Once Parliament has authorised Supply there is no mechanism within the UK monetary system to stop that spending happening. The Bank has no power to refuse and there is no legal mechanism by which a balance has to be checked for available funds. The Bank accommodates the expenditure by balance sheet expansion ... Parliament effectively legislates money into existence." An Accounting Model of the UK

Exchequer, Andrew Berkeley, Richard Tye & Neil Wilson p116.

I: So the government is printing money?

L: Printing money is a rather outdated phrase. The government, for the most part, just increases the balance in people's bank accounts. Creating money might be a more appropriate description.

I: Either way, printing or creating money, it is increasing the national debt. That cannot be a good thing.

L: Why is it not a good thing? It will take a lot of stress off some 5 million people on Universal Credit.

I: But it's increasing the national debt which our children will have to pay off.

L: It's true that the government is spending money that has been not been matched by an increase in taxation. But it has been loaned the money by the Bank of England. And the Bank of England is owned by the Treasury. So really the government is just borrowing from itself. And therefore never has to pay it back. Our children and grandchildren will have nothing to worry about. In the national accounts it will be shown as an increase in national debt. But it is certainly open to question if it makes any sense to call borrowing from oneself 'debt'.

I: But this is madness. Why does the government not therefore increase Universal Credit by £1,000 per week.

L: The government can certainly do that. In fact it did something like that very recently. During the pandemic some 20% of the population were put on Furlough. Furlough was a nice way of saying they were made unemployed by law. The government decided to pay them 80% of their previous earnings. It instructed the Bank of England to mark up the accounts of those on Furlough with the appropriate amount. The Bank of England did what it was legally required to do. There was no issue about the government finding the money. It should also be noted that the creation

of all this money and the huge increase in the national debt did not cause inflation and left everyone in a much better position to deal with the pandemic.

I: But did the government not issue bonds to cover the debt, did it not borrow the money from the non-government sector?

L: The government does, as a matter of course, issue bonds equal to the difference between what it spends and levies in taxation. It has no need to do this. In fact issuing bonds is really just a gift to those who don't want to spend all their income. It allows them to put what they don't spend into a riskless, interest earning asset. Issuing bonds is really just a hangover from the days when money was based on gold. Some 75% of the bonds issued by the government during the pandemic were bought by the Bank of England. So the government owes that money to itself – since the Treasury owns the Bank of England.

I: But why does the government not just spend money without limit?

L: Because it doesn't have resources without limit. Government spending of money into the economy when there aren't things to buy will just push prices up. That's a major cause of inflation. The government should only spend when the effect on the society is good. Creating and spending more money during the pandemic, than had ever been created and spent outside of a war situation, was good for the society. The same applies to taxation and borrowing; if it's good for the society then it should tax and borrow. How the spending, taxation and borrowing affect the national debt is a matter of no relevance which is not even worth recording.

I: How does a government decide whether its spending will have a good effect on society?

L: One critical indicator of whether government spending is good is its impact on the rate of unemployment and inflation. If there is unemployment in the society, then

that means that the non-government sector is not generating enough demand to employ everyone who wants to work. In this situation the government should spend to employ the unemployed without any concern about the effect of that spending on the national debt.

I: When is it good to tax?

L: Any tax introduced will change and/or reduce demand in an economy. For instance a tax on a particular fuel type will reduce demand for that fuel type. This will create unemployment in the industrial sector that produces that fuel type. Demand for other fuel types may increase and that may lead to increased employment in other sectors. If a government decides to increase the tax rate on those earning over £100,000 that will also reduce demand and therefore increase unemployment – perhaps in the yacht building sector. The main point of taxation is to redirect resources towards socially desirable objectives. A fuel tax may be levied for environmental reasons. An income tax may be introduced for equality reasons. But the initial effect of both taxes is to reduce the spending capacity of the non-government sector which may result in increased unemployment. If the increased unemployment is not absorbed by the non-government sector then a progressive government must increase its spending to bring those made unemployed into useful employment. The important point, however, is to realise that the objective of taxes is not to raise money but to redirect resources. Currency creating governments never need to ‘raise’ money. They have an infinite amount of money. They don’t have infinite resources.

I: So governments never need to tax?

L: A government will almost certainly need to tax. It will have policies around education, health, housing, defence etc that it wants to implement when in power. It then has to acquire the resources to implement its policies. Taxation is the way a government acquires resources from people to implement its policies. Since it has been elected by the people on the basis

of the policies that it proposes to implement, it is implicit that people are prepared to give up resources to allow the government to implement its policies. People experience a tax as a reduction in their personal income. It is natural to think that they are transferring their money to the state and that the state will then use that money to buy the resources it needs to implement its policies. However that’s not really an accurate description of what is going on. It is more accurate to say that a tax is freeing up resources (people and materials) because a tax has reduced people’s purchasing power. The state will then buy those resources with money that it creates. This distinction may seem subtle but it becomes crucially important if there are unemployed resources in the society.

If there are unemployed resources (workers and materials) in the society, the state can acquire them without taxation. So in the 2008 Global Financial Crisis (GFC) there was a huge increase in unemployed resources – particularly workers as unemployment increased. In this situation the government should have created and spent money without increasing taxes. And so the national debt (the difference between government spending and taxes levied) would have gone up. Raising taxes in 2008 would have been the wrong thing to do because it would have taken demand out of the economy. Since the economy was already suffering from a lack of demand, government spending should have taken place without an increase in taxation. A currency creating government can always spend without increasing taxation. This would have been a moment to do that.

I: When is it good for a government to borrow by issuing bonds?

L: A currency creating government never needs to borrow. A government bond is a riskless asset that earns interest. It allows those with cash savings to change their portfolios to holding an interest earning asset rather than just cash. A government may choose to issue bonds for welfare reasons. For

instance George Osborne issued a bond which could only be bought by the retired and there was a maximum amount that each individual could buy of £20,000. Its purpose was to increase pensioner welfare and not to raise money.

I: Will government spending not create inflation?

L: It could do. But only if the government is competing with the non-government sector for resources. It will not be the case if the government is employing resources that the non-government sector does not wish to employ. I cannot see how an extra £20 per week for Universal Credit would result in the government competing with the non-government sector for resources. Particularly when more than 1.5 million people are unemployed.

George Osborne should have engaged in extra government spending in 2010 since the economy was suffering from insufficient demand. But instead, Osborne chose to use the Global Financial Crisis (GFC) to realise his objective of a small state. Osborne pretended the size of the national debt was the most important problem that society had to deal with. He cut state spending to slow the rate of increase of the national debt and was prepared to let unemployment grow. With disastrous consequences.

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in Syria, in Iraq. (...) You can only blame your president, François Hollande.”

Asked by a lawyer for civil parties about the fact that his name is mentioned three times in this recording, François Hollande replied:

“It was a learned formula, a sort of refrain saying that it was my fault if there had been this attack. What was the intention? It was twofold: the first was to make us give up our intervention in Iraq and Syria. The second was to divide us, to make sure that even within our country there could be doubt”.

Contributed by Cathy Winch

Russian Gas or Ukrainian Freedom?

A Labour Affairs Report

Johnson used his speech at the Lord Mayor's banquet 15 November to raise the 'Russian gas versus Ukrainian freedom' issue and at this time it is surely significant. Note the headline in this report from the Guardian.¹

<https://www.theguardian.com/politics/2021/nov/15/west-must-choose-between-russian-gas-and-supporting-ukraine-pm-warns>

Russian gas or Ukrainian freedom has become Johnson's battle-cry. Whether it works will depend on Germany's continued willingness to assert its own sovereignty in this matter or whether it succumbs to the limited freedom that the US is prepared to cede to any state which defies its geopolitical agenda.

The actual question surrounding the Russian gas deal isn't, and never was, Russian gas or Ukrainian freedom but continues to be, Germany's freedom to access the best energy deal available and Russia's right to sell its natural resources. In other words it's not about Ukraine's freedom but rather Germany's and Russia's sovereignty.

The fear is that the new post-Merkel Germany will choose to fall into line with Johnson and Biden and that Johnson's speech last night was a forerunner to a German reneging on an energy deal with Russia in much the same way that Johnson has reneged on the Chinese nuclear deal. If that proves to be the case then the chances of an armed conflict involving Russia and the West immeasurably increases as no country can fail to respond when it is

¹ <https://www.theguardian.com/politics/2021/nov/15/west-must-choose-between-russian-gas-and-supporting-ukraine-pm-warns>

deprived of exercising its right to sell its natural resources to what was, before US intervention, a willing customer.

In this speech Johnson also said:

So when we say that we support the sovereignty and integrity of Ukraine, that is not because we want to be adversarial to Russia, or that we want in some way strategically to encircle or undermine that great country.

And never let it be forgotten, in this season of remembrance, that it was Russian blood that enabled us to defeat Nazism.

Of course, Johnson left it vague who 'us' represent. It could be 'the Allies' and imply that the Soviet contribution was the determinant one, which would be the truth, or it could be us, the Brits. 50 % of British people, when interviewed, said Britain had won the war. Johnson is not exactly saying that without Russian blood Nazism could not have been defeated. He's actually saying that it merely enabled "us" (with "us" meaning the Brits and the US) to do the defeating. The Russians as enablers is not exactly the same thing as Russia making the victory. He hasn't mentioned the Red Army as such nor the word "ally".

Amazingly the US are in a position to interfere with Germany getting gas from Russia via the NordStream 2 pipeline. Sanctions were decreed under Trump if this supply went ahead. Under Biden it looks as if Germany will be allowed, under certain circumstances. We will write more on this in our next issue.

Bataclan Terror Attacks: Probable Cause?

Was the terrorist attack in France (Bataclan, 13 November 2015) due to French interventions in Iraq and Syria? Amazingly, this question is being debated at a trial which is taking place at the moment in Paris. It is debated because the one survivor makes it one of his defence arguments. And also because the terrorists are heard saying as much in an accidental recording made during the shooting.

Le Monde discusses this in the article translated in part below. The paper unsurprisingly concludes that the attacks were not a response to French bombings!

Extract :

Were the attacks of November 13 a response to French bombings? [...] Was France attacked for what it is or for what it does? This question has been at the heart of the trial for two months now. Over the weeks, several factual elements have been brought to the debates.

Was France attacked for what it stands for, or because of its military interventions in Iraq and Syria against the Islamic State organization (IS)? This question has been present in the trial of the 13 November attacks since its beginning. It was raised on September 15, on the sixth day of the hearing, by the main defendant, Salah Abdeslam:

"François Hollande says that we are fighting France because of your values and to divide you. This is an

obvious lie. When François Hollande made the decision to attack the Islamic State, he knew very well that his decision carried risks."

Two months later, the testimony of the former president of the Republic, heard as a witness on November 10, sounded like a response to these words from the box :

"This terrorist group has struck us not for our modes of action abroad, but for our ways of life right here."

It was not always easy, during the hearings, to decide between these two explanations. The complexity of the facts, the sometimes-floating chronology of some of the participants and the very length of the trial have rarely made it possible to grasp this question in its entirety. However, over the weeks, the debates have provided many elements of an answer.

Were the attacks a response to the intervention in Syria?

On October 28, an audio excerpt from a Dictaphone left behind by a spectator, which recorded the two and a half hours of the Bataclan massacre, was played at the hearing. In it, between two rounds of shooting, a terrorist was heard justifying the attacks:

"Why are we doing this? You are bombing our brothers

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