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Front cover / Sunset, City of London - photo by Brendan Abolivier

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Britain has left the European Union and exited from the year-long transition period on 31st December 2020. This is four and a half years after the vote to Leave and it is not over yet. In *Brexit is done – or is it?* Frieda Park spells out that even after years of negotiation there remain many unresolved issues. Services, particularly the financial sector, are not included in the Agreement and are still to be negotiated. Fishing rights remain subject to an extended timetable with the current settlement working in the interests of big business and the EU, rather than small boat owners – an issue addressed by Simon Korner in *Fishing sell-out serves big monopolies*.

In addition, the UK-EU Trade and Cooperation Agreement creates permanent structures binding the EU and the UK together in constant negotiation. The objective is to keep the UK “aligned” with the EU. The Agreement enshrines neo-liberal principles meaning it remains impossible to implement progressive state intervention in the economy through tools such as state aid and nationalisation. Nevertheless this deal is better than Teresa May’s original offering, making it possible for a UK government to challenge the EU and to exit the Agreement if necessary. However, it does not conclude Brexit nor offer any easy way out of the straightjacket of neo-liberalism, privatisation and misery for ordinary people.

Much is often made of how the EU supposedly protects worker’s rights, but in the real world legal safeguards are very limited and are not keeping pace with developments in the market for labour. One of the most notorious aspects of this has been the huge growth in the gig economy. In, *Deliveroo benefits in the pandemic but not its workers* Alex Davidson explores the operations of this pioneer in slashing workers’ rights and their terms and conditions of work.

Decline of British imperialism

Returning to Brexit, Park argues in *British Capitalism’s Crisis* that it will leave British capital weaker and marks another significant step in Britain’s imperial decline. She sets Brexit in the context of the historical problems that Britain has had over the last hundred years as it tried to manage its downward trajectory in relation to other imperial powers, particularly the United States. Britain always had an uneasy relationship with the EU, with different alliances and ambitions from France and Germany. Having said that the dominant sectors of British capital, whose interests were tied up with the EU, were not in favour of Brexit. However it did happen due to the continued tensions within the British ruling-class about its world role, the incompetence of its political representatives and alienation in communities which had suffered neglect over decades. In itself this is a measure of how weakened British capitalism had become. The full impact of Brexit remains to be seen, but there is bound to be a hit on the financial sector which dominates the economy. There is also the prospect of the break-up of the UK with majority support currently for Scottish independence and the reshaping of Northern Ireland’s relationship to the UK and Ireland by the Brexit process.

All this is happening against the backdrop of a long term decline in British capital’s share of the world economy, an increasingly parasitic domestic economy and the disastrous handling of the coronavirus pandemic by the UK government and the devolved administrations. This does not inspire any confidence that the government will be able to establish a strong position for the UK in a world which is becoming more unstable and characterised by conflicts between rising assertive powers and established dominant ones.

The USA and China

One of the hallmarks of this increasingly dangerous world has been the growing hostility of the US towards China. In *China’s rise and how the USA got it wrong*, Moshe Mella and Noah Tucker look at the conflict from the point of view of Chinese development since its revolution and the aspiration that the United States had to bring it into its orbit as a capitalist economy serving US economic interests. When it became clear that China would not follow the path prescribed for it by the US and was seeking to develop its own direction, including nurturing hi-tech industries, the US responded quickly to try to halt this. These moves began in earnest under President Obama and were continued by Donald Trump. President Biden will not depart from this path but will seek to collaborate more with US allies, alienated by Trump’s approach, to put pressure on China. The question is whether or not China can overcome attempts to isolate it and the barriers created by sanctions designed to strangle the development of its hi-tech industries?

The threat of war

Whilst big rivals confront each other in a new cold war, the tactics involved in this of sanctions, boycotts and bullying are also being underpinned by military might. In *Preparing for war* Pat Turnbull describes the concerning build up of nuclear weapons and the lowering of the threshold for their use by the USA and NATO. There are nuclear and other threatening manoeuvres directed at encircling Russia and China. Britain too is increasing its arms spending and exports, is developing a new National Cyber Force and is still set on renewing Trident nuclear weapons. As Turnbull notes, “British manufacturing needs developing – but for peace, not war.”

BRITISH CAPITALISM'S CRISIS

by Frieda Park

Britain's departure from the European Union is a major crisis for the ruling class. It represents the failure of the UK to assert its interests within the Union and is the result of contradictions created by the effort to manage its imperial decline. The crisis has been made worse by the embrace of parasitic neo-liberalism and the Covid pandemic, and has happened in a world where there is increasing conflict between new and existing power blocs.

How Brexit happened

While the media focused on Labour's problems around Brexit, the big story was really the eventual capture of the paramount party of the British ruling-class, the Tory Party, by Brexiteers promoting a policy which the overwhelming majority of the ruling elite was opposed to and was never even meant to be on the agenda. It seems like an age ago now, but it is worth remembering that Brexit was opposed by employers and organisations like the Confederation of British Industry; the majority of the capitalist media, including the Financial Times; and all the main political parties, including the Tories themselves, at the time of the referendum.

After the vote to Leave, the ruling class tried hard to avert Brexit, other arms of the state were deployed. A long war of attrition was fought by Remainers in parliament, which included all kinds of

shenanigans by the Speaker of the House of Commons, John Bercow. There was action through the courts and there was the campaign for a second referendum, which was termed a People's vote, as though the people hadn't already voted. Even the Church of England and the Church of Scotland weighed in with prayers against a No Deal Brexit. These persistent and blatant attempts to undermine the democratic vote only served to harden Brexit sentiment in the Tory Party and the country and led to the election of Boris Johnson as leader and Prime Minister. He then gained a huge majority at the 2019 general election. The manoeuvres by the ruling class, therefore, had the opposite of the desired effect, handing the Tories to the anti-EU wing of the party, now powerful enough in parliament to ensure that Brexit would happen. This was something many were sceptical would be allowed - surely the ruling class would find a way to impose its wishes. Eventually the only way

out would have been for it to have thrown its weight behind Corbyn and Labour at the election and that was not going to happen.

Brexit is momentous. How could the world's oldest and most experienced capitalist class allow its dominant interests to be subverted by a minority within its own ranks? What does this political crisis and Britain's exit from the EU say about British capitalism's place in the world?

As well as having its origins in Britain's decline as a world power, Brexit was also the result of the crisis of neo-liberalism. This brand of capitalism worships the market and relegates politics to the back burner. The politicians it produces are, therefore, largely shallow non-entities who rely on managerial solutions, consultants and spin. Their political incompetence was a key factor in how the agenda spun out of control over Brexit. In addition to the incompetent politicians, the other significant problem was

that the neo-liberal model breeds discontent and disenchantment not happy consumers. As industries were destroyed, services slashed and children's futures looked increasingly bleak, and crucially without an organised movement fighting back, people became disinterested in and cynical about politics. New Labour certainly did not pose an alternative. So when the incompetent political class in the shape of David Cameron promised a vote on EU membership the scene was set for that previously unexpressed discontent to manifest itself in the Leave vote.

The reason Brexit became the pivotal issue was because of the long-term conflicts and contradictions produced by Britain's decline as an imperial power.

Britain's decline

At the outbreak of the First World War Britain had reached its peak in terms of empire - with a third of the world infamously coloured pink on the map - the biggest physical Empire in human history. Yet the challenge to Britain's dominance began some decades before that. Both Germany and the USA had already overtaken it in manufacturing output. It was no longer the workshop of the world. By the end of the second world war, US dominance was clearly established and the Empire had to respond to demands for independence from subject nations.

Britain's failed invasion of Egypt (along with France and Israel) in 1956, aimed at toppling Gamal Abdel Nasser, who had nationalised the Suez Canal, was a defining moment. By then Britain seemed resigned to accept its relative decline. Aiming to bolster some position of power it opted to align itself closely as a junior partner with the United States. Britain likes to term this "the special relationship", a phrase coined by Winston Churchill in 1946. There has undoubtedly been close collaboration over foreign policy, security



Boris Johnson signs the Brexit withdrawal agreement 24th January 2020

and war fighting capabilities and leaders on both sides of the Atlantic have talked the relationship up. That is until relatively recently when President Obama cast doubt on its specialness.

But if the British ruling class saw itself as aligned with the US how did it end up in the EEC/EU, a developing rival bloc? As Britain was trying to manage the decline of its former empire, new neo-colonial relationships and cement its junior partner alliance with the US a complication was added to the mix. That was the emergence of the transnational bodies which would eventually become the European Union. On its doorstep the other two big powers in Europe, France and the relatively recently defeated Germany, were making a clear bid to become another capitalist power centre and push back against US dominance. The Treaty of Rome, founding the EEC out of the previously existing institutions was signed in 1957, a year after Suez.

The question was what to do about this further threat to British power – should Britain stand aloof from, or against, these developments or be part of them both as a benefit and to assert British interests against Germany and France? But this would be

at the expense of other power bases, since committing to the EEC would inevitably weaken other bonds. (1) Thus the long-term crisis of managing Britain's imperial decline was exacerbated by the foundation of the EEC. The ruling class was divided about what to do. The dominant faction supported membership. Britain would be part of the EEC and maintain a special relationship with the US – being also a bridge into the EEC for the US, including increasingly for financial services via the City of London. Britain's weakened bonds with the Commonwealth/Empire also served US interests. This tangle of inter-imperialist rivalries and Britain's dual relationships with the US and the EU as well as asserting its own interests are a fine example of the contradictory nature of imperialist rivalries and alliances. What R Palme Dutt called "antagonistic partnership".

However, those opposed to EEC membership remained unhappy and today's Tory Brexiteers are heirs to that viewpoint.

Britain and the EU

As a member Britain worked to gain influence in the EU, but was often at odds with its direction of

travel. Perhaps the high point was Margaret Thatcher's crucial role in shaping the EU Single Market in her neo-liberal image. The Commissioner responsible for drawing up the Single European Act was Lord Cockfield, appointed by Thatcher, and working under Jacques Delors. But she failed to have excluded from the final Act moves towards further political integration and a common currency which would later become the Euro.

Successive Tory leaders struggled with the Party's persistent and influential Eurosceptic wing. This was exacerbated by the continued movement of the EU beyond being a trading bloc and in the direction of currency and political union with increasing numbers of EU laws and regulations governing domestic life. Even those who were pro-EU were also unhappy with this. Such half-heartedness meant that little was done to counter Euroscepticism or promote pro-EU sentiment. In recent decades as Germany emerged more than ever as the dominant force in the EU and as its direction of travel diverged from British wishes, Britain became less influential within it. This increasing alienation also played its part in facilitating the Brexit vote.

However, after 46 years of membership Britain had become embedded in the EU – the bulk of the capitalist class did not see leaving as an option. The EU is Britain's biggest single trading partner, accounting for 49% UK trade, up from 30% when the UK joined in 1973, and at times it has been higher at over 50%. Crucially, the City of London is the EU's main financial hub. In 2018 Britain had nearly a third of EU financial markets, by far and away the biggest chunk of the markets of any EU country - as much as the next two (France and Germany) combined.

After Brexit

But Brexit has happened and in its new world, British capital's ties with

its key powerbases and alliances will be weakened. It will be on the edge of the EU where it will be less useful to US interests and its former colonies will be less accessible than they once were. It was a sign of the Tories' inability to carve out a new place for Britain in the world that they caved in to US demands to ban Huawei from the development of the 5G network. The financial sector will continue to suck the life out of the economy and there is a prospect that the UK itself will cease to exist. The accidental Brexit surely marks

agreement with the EU, the biggest by far is a deal with the USA, and that is still outstanding. A big part of the Tories' post-Brexit strategy was rebuilding the special relationship with the US which looked more promising under Trump, whereas Obama had effectively repudiated it, describing Angela Merkel as "his closest international partner". Obama also intervened directly in the debate over Brexit, probably not helping the Remain cause, saying that Britain would be at the back of the queue for any trade deal with

It is interesting that England's oldest colony continued to cause it difficulties as it became the centre of a tussle between competing imperial powers over Brexit, the EU, the US and Britain.

a qualitative moment exposing just how far British imperialism has declined. From dominating the world through its colonies and economic and military might it has become less powerful politically and economically and, it seems, not even in control of its own destiny.

A No Deal Brexit was averted by the ejection of Dominic Cummings from Downing Street. The deal that was done, the UK-EU Trade and Cooperation Agreement, is a big improvement on Theresa May's offering, however, its intention remains to keep Britain closely aligned with the EU. Inevitably that means that the divisions around the UK's relationship to the EU will rumble on. (For analysis of the deal see Brexit is done – or is it? by Frieda Park in this issue of The Socialist Correspondent)

The government has been doing trade deals with other countries, notably with Japan, but after the

the US. Part of the specialness of Britain to the US was its membership of the EU providing a bridge for its interests, so the US establishment was not for Brexit either, nor does it have as much use for Britain outwith the EU. Going against this grain, Trump was supportive of Brexit and a trade agreement might have been achieved more easily with him. Although even under Trump it hadn't actually happened. But with Joe Biden as President things will be harder. The Tories have blotted their copybook with the Democrats by cosying up to Trump and with Johnson's personal attacks on Obama.

Nor did the Tories' use of the Irish border as a negotiating ploy help relations with the Democrats. Biden has Irish roots and the US has always taken an interest in Ireland as part of its rivalry with Britain. The talks which led to the Good Friday Agreement were chaired by

US special envoy George Mitchell. As well as a strong relationship with Germany, the US might also cultivate Ireland as another back door into the EU now that Britain is out. It is interesting that England's oldest colony continued to cause it difficulties as it became the centre of a tussle between competing imperial powers over Brexit, the EU, the US and Britain. Thus its status as the most oppressed country in Europe was cemented, with the Irish political establishment keener on selecting the most agreeable oppressor rather than challenging this status. Even if there was more impetus to forge a deal with Britain over trade, Biden will have a huge amount on his plate when he takes office. An agreement with Britain's second biggest market is currently in limbo.

More problems

Aside from Brexit there are other structural problems besetting Britain. The Big Bang of 1986 facilitated the growth of the City of London and the financial sector and the further neglect of other industries which had already experienced decades of decline and underinvestment. Around 1950 Britain was responsible for over 6% of the world's GDP, now it is around 2%. Since 2005 alone the world share of market capitalisation of British firms has fallen from 7% to 3%. It's share of cross border investment by multinationals has fallen from 10% to 6%. These falls are both bigger than for any other large European economy. (2) In its total embrace of free market dogma, Britain effectively put up no barriers to foreign takeovers including of privatised services. Huge swathes of the former public sector such as the railways are now foreign owned as are one in four large companies.

On top of this there is the mismanagement of the coronavirus pandemic by the Tories which will leave the economy weaker. Predictions for the contraction of UK economy

seem to go from bad to worse. By the end of last year the OECD club of rich countries was predicting that the UK economy would contract by 11.2% and that by the end of this year the economy will still be 6% smaller than it was before the pandemic. This is worse than every other of the OECD's 37 members apart from Argentina. Public debt is now in excess of £2tr, the biggest in peace time. Unemployment was 1.7m in December with many more redundancies to come as chaotic on/off coronavirus restrictions put more companies out of business. Government policies have neither saved the economy nor saved lives.

On the wider world stage as well as China, there are other growing assertive powers, particularly Russia, Iran and Turkey. Their rise is being countered by the US and other established imperial powers with trade wars, armed wars and sanctions. Into this conflict-riven and uncertain world a weakened British capitalism has to navigate its future outwith the EU. This would be no easy task for the most skilled politicians, however we have the cunning, but inept Tories, with Johnson at the helm.

The break-up of the UK

The fallout from Brexit and Covid makes the possibility of the break-up of the UK very real. What would that say about the state of British capitalism if the UK ceased to exist as a nation state?

Despite its failures over the coronavirus pandemic and the rumbling scandal in the wake of the Alex Salmond trial, the SNP retains huge support. In part this is as simple as Scottish people looking at Johnson and the Tories and preferring Sturgeon and the SNP. Many people in Scotland now view England as another country which has little to do with them. It is worth noting that if people in Scotland had voted Labour in the 2017 general election in anything like the numbers

they used to, then Corbyn would have been in number 10. It wasn't only the right of the party that kept Labour out but nationalist blinkers in Scotland where people believed that Corbyn was happening somewhere else, irrelevant to them and that he could never be elected in backward England.

The majority vote in Scotland in favour of remaining in the EU, the unjustly perceived competence of Sturgeon over the coronavirus pandemic and the horror show that is the Tory government are all drivers of increased support for independence. Since June 2020 opinion polls in Scotland have reversed and now consistently show majorities in favour of independence rather than against, with a good number putting support at over 50%. On their current direction of travel the SNP will win a convincing majority at the May Holyrood elections and then demand a referendum from the UK government which has to agree for it to be legal. Johnson could just hold out and deny the powers – he is quite capable of that, but as a strategy that becomes harder as time goes on, entrenching pro-independence sentiment in Scotland. In these circumstances how long can a UK government resist?

The other fault line is Ireland. The Tories played fast and loose with the North in the Brexit negotiations and their actions have annoyed both nationalists and unionists. The North also voted Remain in the EU referendum. Support for reunification seems to be edging up. Unity with the rest of Ireland is more attractive now that the Republic is less of a repressive theocratic state and unity with a UK, which has used the province as a political football, is less attractive. With the North remaining in the EU Single Market and a customs border with the rest of the UK down the sea, Ireland will become a more distinct economic entity from Britain. The Irish government has said that post-Brexit, it will fund emergency health care

in the EU and the Erasmus student exchange programme for people in the North. Nevertheless unionism remains deeply entrenched so unity may not be an immediate prospect, but the case is growing stronger. If Scotland goes – whither Northern Ireland and Wales?

The Tories, meanwhile, are doing nothing effective to combat these tendencies towards fragmentation nor are they even uniting England with northern councils and mayors in rebellion over coronavirus policies. Johnson's promises to working class voters in the North of England, whatever they might have amounted to, have gone AWOL in the face of the virus.

The future of British capitalism

Brexit has served both to expose the extent of the weakness of British capitalism and to deepen its crisis.

Despite its marked decline, however, Britain has not yet slipped into the ranks of minor capitalist countries. It is still an imperialist power. According to the IMF it has the 5th biggest economy in the world, houses some major companies especially in financial services, where the City of London remains, next to New York, the top financial centre in the world. Although in decline it is still a major source of foreign direct investment. It has a thriving arms industry which gives it clout and nuclear weapons. It has a marked willingness to go to war, remains a key part of NATO and the west's spying capability and has a permanent seat on the UN Security Council. It retains a capacity to act in its interests, exploiting markets and countries across the globe.

So the position of Britain is somewhat contradictory. It remains relatively strong in some ways, however, its underlying economic health continues its chronic decline. It is certainly not what it was in 1880, 1914, 1939 nor pre-Brexit. The

unwanted and unplanned for exit from the EU will mean that British capitalism will continue to decline, and its influence wain. How serious and how rapid any such decline is and what its impact will be remains to be seen.

Political responses

As part of the political response Johnson has engaged in overblown nationalist rhetoric and tried to promote culture wars, attacks on the legitimacy of dissent and socialist ideas and shoring up reactionary ideology that has always pervaded the working class. Priti Patel has eagerly promoted an authoritarian agenda, attempting to outlaw progressive ideas in schools equating them with radical jihadi views and introducing repressive legislation such as the Spy Cops Bill which would effectively place the coercive arms of the state above the law. The security services and army are having their capacity to deal with domestic dissent boosted.

Partly this is an ideological crusade to promote a glorious post-Brexit nationalist vision of the UK and to delegitimise socialist and revolutionary ideas, but it is also practical policy to ensure that the ruling class has the repressive tools at its disposal to crush any resistance to its policies. Clearly the government is concerned about the potential for civil unrest. But there is no certainty that people will look to socialist or progressive solutions as Britain's crisis deepens. We see that all the time in the success of divide and rule tactics like racism and other forms of hatred. Throughout the coronavirus pandemic we have been encouraged to blame each other for not following the rules, for robbing the young of their futures, for killing our grannies and regions and nations have been pitted against each other.

There needs to be a strong socialist movement to counter that and build unity. But since the neo-liber-

al onslaught of the 80s, the working class and its organisations are still very weak – as is its ideological understanding. At least there is a left now, a positive outcome of the Corbyn surge, and trade union membership has been growing during the pandemic. But it is a left which needs a lot of development. Clearly the ruling class do not regard the mere election of Starmer as enough to remove the danger of socialism from the Labour Party. Hence the suspension of Corbyn in the hope that the left will crumble and/or be followed with more suspensions and expulsions.

We need a left that is rooted in working class communities and organisations including trade unions, that is politically educated and tactically mature and principled. That is the work in progress. Our world needs to be the concerns of working class people and not the self-serving wafflings of Guardian columnists, identity politics and culture wars which pass for political discourse. We need to stand shoulder to shoulder with working class people and fight with them day in and day out, not just come looking for votes at election time. In this dangerous and conflict-riven world of declining and rising capitalist powers we need a strong internationalist perspective which opposes imperialist aggression and fights for peace. It is becoming clearer that British capitalism is increasingly unable to either thrive or provide decent futures for its people so we must also put the alternative of socialism on the table.

[1] See also Brexit and capitalist rivalries by Alex Davidson Issue 34, Summer 2019 The Socialist Correspondent. And EU intransigence – division and weakness in Britain by Alex Davidson Issue 32, Autumn 2018 The Socialist Correspondent

2] Amazing journey?, The Economist 2/1/21

Brexit is done ...or is it?



PHOTO BY ALLEN WATKIN

by Frieda Park

When Dominic Cummings was ejected from Downing St it represented a victory for the faction in the Tory party and the ruling class that wanted to avert a No Deal and have an agreement in place between Britain and the EU when the transition period ended on the 31st of December. This inevitably meant a softer Brexit than a No Deal and they got their wish with the UK-EU Trade and Cooperation Agreement (TCA) being passed at the eleventh hour.

The TCA is designed to protect British and EU capital and largely seeks to align the UK with the EU. Statements of principles within it are familiar neo-liberal territory. For example, in talking about competition policy, it says: 'The Parties recognise the importance of free and undistorted competition in their trade and investment relations. The Parties acknowledge that anticompetitive business practices may

distort the proper functioning of markets and undermine the benefits of trade liberalisation.' [1]

Positives

Before considering the limitations of the TCA, however, it is important to acknowledge that it is a big advance on the first deal proposed by Teresa May. It does not keep Britain within, or automatically tied to, the Single Market or Customs Union, although Northern Ireland remains in the Single Market and applying EU customs rules, creating a border in the sea between Britain and Ireland. The EU will not have formal powers to direct the UK to follow its rules and the European Court of Justice will have no locus in policing the Agreement. It is easier for the UK to withdraw from the Agreement, to dispute interpretations of its provisions and have them reviewed. The Agreement allows the UK some limited free-

dom to set its own rules. All of this will be helpful to any future British government that wishes to implement progressive policies against EU neo-liberal hegemony.

Ironically, this deal was facilitated by the obstructive tactics of the Remainers in parliament who blocked May's much softer deal. So the arch-Remainer Keir Starmer ended up whipping Labour MPs to support the deal in the interests of British capital, when he could have had, from his point of view, a better outcome months before.

The most lurid claims of Remainers about economic collapse, shortages and wars in Ireland or over Gibraltar have not come to pass.

Negatives

But there are major constraints within the agreement. Although

the rhetoric has been about Britain regaining its sovereignty it will be bound by the terms of the Agreement and limited by its continuing economic and political relationship with the EU, so is not free to act just as it wishes without consequences. The agreement on fishing is a prime example of this. Britain may have regained nominal control over fishing rights, but in practice gave a huge amount of ground to the EU. [2]

While the TCA nods in the direction of being able to implement different state aid policies and EU public procurement rules will not be binding, in effect these are negated by the other provisions of the Agreement. Any actions by the UK must not, as noted earlier, be anti-competitive nor distort markets, trade and investment. In reality this give little leeway for radical state intervention through investment and public procurement policies. This also applies to workers' rights, but as others have noted, rights are so diminished anyway that this will likely have little impact. Environmental and other standards might be more of an issue.

The Agreement is based on a neo-liberal consensus that neither side will depart from, but rather both will continue with privatisation and free-market economics. Allowable state aid interventions appear to be quite localised, small scale or applicable to public services. But small scale subsidies were always possible under EU rules, they just did not allow the kind of action that would enable progressive planning in the economy, so it is not clear that the agreement substantially departs from these EU norms. For example, under the TCA, it would surely be impossible for Britain to nationalise rail operators which currently have a number of EU based companies running the services. The EU could clearly argue that, in the terms of the Agreement, nationalisation was anti-competitive. Publicly owned services are required by the TCA to act like private companies.

If a future government were to go down a route of intervention through investment and procurement policies that could be interpreted as against the Agreement's provisions, then dispute resolution mechanisms would kick in. Joint arbitration bodies will rule on these matters. There are also provisions to ensure "re-balancing" where EU/UK legislation diverges on things like environmental standards. Ultimately the EU or the UK can take counter-measures in reprisal for breaches of the Agreement's provisions. There are also issues, like fisheries, which are subject to transitional arrangements. And there are five yearly reviews of the Deal. The status of financial and other services remains unclear. This set up ensures a continuing close relationship between the EU and Britain.

While the government held out against the UK automatically adopting EU rules and standards, nevertheless the purpose of the agreement is clearly to keep these similar through the review and rebalancing processes. In essence we are talking about Britain aligning with the EU as it already has EU standards built-in due to its past membership of the Union. The EU therefore starts from a position of power with the assumption that its standards are the default and the impetus will be to keep the UK aligned with changes in the Union rather than the other way round. There is a possibility that we end up in endless rounds of negotiations and disputes with the EU in the arbitration system and the courts. The EU is bigger and stronger, which gives it an advantage, especially since the liberal establishment in Britain is biased in its favour. Where state aid provisions, for example, are disputed by the EU the British courts may find against the UK government. British capital, having managed a reasonable alignment with the EU in this Trade Agreement, may also seek to avoid disputes by going along with the EU and trying to keep relations with it hidden from public view. A

softly, softly approach will help the cause of those who still see Britain re-joining the EU at some point. In this scenario the UK will in effect become a passive rule-taker.

The implementation of the TCA will be overseen by a joint EU/UK Partnership Council with 16 sub-committees and 4 working groups under it. These are no doubt designed to try to head off any overt conflict but these structures mean that Britain and the EU will be permanently tied together in negotiating mode. Yet some disputes will undoubtedly emerge and conflict between the pro and anti EU factions of the Tory Party and British capital will continue. But there will be a new dynamic post-Brexit. Will the interests of British capital increasingly shift away from the EU? Will that raise the possibility of a second Brexit from this agreement? How will Eurosceptic Tories respond?

Financial sector

Services, which account for 80% of the British economy, are omitted from the Agreement. Within that, financial services are of critical importance to the UK given their dominant position and that the City of London is the EU's main financial centre. Clearly the EU would not accept City firms being able to continue operating as though Brexit had not happened. On the basis that any deal would have disadvantaged the City, the UK ducked the issue; it will, however, have to be dealt with.

On the first two days of dealing after the end of the transition period almost half of the value of euro-denominated shares normally traded in London went instead to Amsterdam and Paris - £6bn daily. Prior to the end of the transition period, British financial companies had transferred well over £1tr of assets, 7,500 jobs and parts of their operations to EU countries.

The crunch will come at the end of March when an EU-UK memoran-

dum of understanding on financial services is due to be agreed. However by then a lot of damage will have been done to the City and the EU will be in a relatively stronger position as business moves away from London. A shift over this period will enable EU financial centres to adjust, preventing the disruption of a sudden break with London. France and Germany, look set to take a big chunk out of the British financial sector.

The EU

The EU of course is not without its problems due to the economic and political diversity of its member states and it would have preferred to have kept Britain in the club. It too will have to deal with economic and political fallout from Brexit. Managing all this and maintaining its dominance in the EU will be a complicated and time-consuming problem for Germany. Britain's departure will lead to tussles between it and the second biggest power in the EU, France. France has become more assertive internationally, recently in the Eastern Mediterranean and

Libya against Turkey. There was also Macron's Napoleonic entrance into Beirut, after the devastating explosion in the city. This is on the back of other French interventions in Africa and the Middle East, where it has historical rivalries with Britain. With Britain gone, France will be the EU's only nuclear-armed power and is positioning itself as the EU's leading military force.

Tied to EU

A lot of ink has been spilled regarding the TCA as commentators have picked over the contents and tried to discern the precise implications of its terms. Much of this misses the political and economic context of the Agreement, which will be very important in how it is implemented, especially since some of it remains unsettled. With its drive to align EU and UK interests, the number of issues that still need clarifying, the many joint bodies, reviews, extended timetables, as with fishing, and the unclear future of financial services requiring further negotiation, Brexit remains a work in progress.

Despite the positives in the TCA that will make it more possible to diverge from the EU, nevertheless the EU will not accept any actions which threaten its interests or the freedoms for capital that it cherishes. If the UK were to attempt to implement progressive state intervention in the economy, that would mean a big battle, ultimately requiring a second Brexit from this Agreement. In reality only a radical left government can fulfil the potential of Brexit by breaking out of the straightjacket of neo-liberalism domestically and internationally and by building alliances and agreements with other countries on the basis of equality and mutual respect. For now, however, we remain in continuing negotiations with, and closely tied to, the EU.

[1] Agreements reached between the United Kingdom of Great Britain and Northern Ireland and the European Union, page 179

[2] See: Fishing sell out serves big monopolies, by Simon Korner in this edition of The Socialist Correspondent

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FISHING SELL-OUT SERVES BIG MONOPOLIES

by Simon Korner

The Brexit deal has exposed Boris Johnson's false claim that Britain would gain total control of its fishing after Brexit. In fact, the deal has only given Britain an increased 25% share of the fish within its waters. It's a far lower figure than the Tory promise of 80%.

The Daily Express (Dec 28th) reported that Britain's fishing industry was "furious" with the deal, believing the government had "caved in". But the fishing industry – worth £950 million a year (2019 figures) – is not a monolithic bloc in the way *The Daily Express* suggests. Instead, there is a sharp divide between an oligopoly of giant companies and thousands of smaller boat owners. Fishing for Leave says the big companies do not speak for the industry as a whole.

Monopolising quotas

65% of the UK's fishing quota is controlled by 25 families on *The Sunday Times* Rich List. 20% of the UK quota is controlled by big Spanish, Dutch and Icelandic companies. Medium-sized firms control around 10%. The 4,760 small fishing boats (under 10 metres in length), which make up over three quarters of the fishing fleet and employ half of all fishing workers, control just 2% of Britain's quota.

It was the EU, combined with British government policy, that speeded up the concentration of British fishing. Before the EU's Common Fisheries Policy was introduced in 1983, the sea could be fished up to other countries' territorial waters – though the 1970s cod wars between Brit-



A trawler leaving the port of Ullapool, north-west Scotland

ain and Iceland revealed growing rivalries over fishing. When the EU introduced a quota system in 1983, it effectively privatised fish stocks within the seas around the single market – a licence for an allocated quota was required to be allowed to fish. The EU national quotas were based on a country's average catch sizes during the previous decade. In Britain's case its national quota was low because most fishing had been off Iceland in this period and outside what became the EU zone, one of Britain's recurring complaints ever since.

It was Tory policy to apportion Britain's national quota boat by boat and to encourage a trade in quotas. But it was the Blair government in 1999 that radically deregulated the market for quotas. Licences to fish were now made freely transferable rather than attached to particular vessels. Quotas became a traded

commodity in their own right, divorced from fishing, with investors snapping up quotas to sell on.

One Whitby fisherman said: "It's all investors now. I'm fifth generation. My eldest son, who takes the boat out is sixth generation, and we are having to go to these people cap in hand."

Emma Cardwell a researcher at the Oxford University Centre for the Environment, calls the 1999 deregulation, introduced under the banner of conservation of fish stocks, "the biggest property grab since the Norman invasion".

The inshore fishing boats had already suffered from competition from larger, long-distance British trawlers, which harvested fish more cheaply off Iceland than was possible in inshore UK waters. And they suffered again from the EU quota

system – their depleted inshore average catch sizes yielded them a tiny quota. Meanwhile, European boats, which had been catching more in British coastal waters than the UK inshore fleet, gained the lion's share. Unlike British fishing, other European countries did not deregulate their industries as radically. Taking advantage of the UK's liberalised sector, British trawler owners sold their boats to Spanish and Dutch companies, or to brokers who sold them on. With the sale of the boats went the sale of the attached quotas. This practice by European fishing companies of 'quota hopping' – buying British trawlers and their fishing rights – was eventually challenged by the UK government, but was upheld under EU law in several significant court cases.

The major UK fishing companies saw the Brexit deal as a way of cutting out their European rivals from British fishing waters, while claiming they were acting out of patriotism. At the same time, these

firms have been fiercely resistant to any redistribution within the UK fishing industry post-Brexit – on the grounds that big firms should be rewarded for their investments over the past twenty years. They argued that any extra quotas for the smaller boats or for new fishermen should come, not from the existing quota distribution, but from an enlarged fishing quota post-Brexit.

Small boats

While the fishing oligarchs have done well under the EU's quota system, the inshore boat owners have not, and are unlikely to benefit from the Brexit deal that has failed to win a decisively larger national share of fishing. With the big firms refusing to redistribute the existing quota, the decline of UK coastal fishing will continue. And the chances of a rise in Britain's 25% share once the five year transition period is up are slim. If Britain tried to reduce EU fishing in British waters the EU would impose stiff tariffs on Britain's fish exports on which UK fishing depends.

The small boat fleet argues that fisheries should be made a public resource with a post-Brexit government redistributing quotas for social and environmental good. Against the big business argument that smaller boats lack capacity or markets to fulfil bigger quotas, they argue that this problem could be rectified by investment in onshore facilities and by improving the supply chain infrastructure, enabling them to process and sell their catches more easily.

The Department for Environment, Food and Rural Affairs claimed in a 2018 paper on Brexit that the government "will decide who can access our waters after 2020...for the first time in over 40 years." But such access to "our" waters will be effectively reserved for the big fishing companies, UK and European. Increased sovereignty after Brexit could be used to benefit Britain's 24,000 fishing workers and impoverished fishing ports, but that would mean breaking the icy grip the capitalist 'Codfathers' have on British fishing.

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FORTRESS EUROPE

THE EU IS KILLING REFUGEES

Outskirts of Moria refugee camp, Lesbos

PHOTO BY CATHSIGN

by Simon Korner

The EU's image is not what it was – and not just because of internal tensions over a Covid bailout to the poorer European countries. According to Remainers, the EU was supposedly the guarantor of a more progressive politics than neo-liberalism, a voluntary pooling of sovereignty that produced a harmonious continent, freedom of movement within the single market area and a civilized sharing of cultures and languages that prevented European wars. The idea of the EU as a social democratic haven took off with Jacques Delors' 1988 promise to the TUC Congress of a 'social Europe' – offering apparent protection against Thatcher to a British labour movement demoralised by the miners' defeat.

The benign image was shattered when the troika – the European Commission, the European Central Bank and the IMF – forced austerity onto Greece, against a massive majority "No" vote in a 2015 referendum on whether to accept stringent EU bailout conditions. As President of the European Commission, Jean-Claude Juncker, put it in response to Syriza's earlier election victory:

"There can be no democratic choice against the European treaties".

The relentless driving down of wages across Europe, as well as the brutal, sometimes deadly, police tactics in quashing the *Gilets Jaunes* in France, independence protestors in Catalonia and abortion rights demonstrators in Poland have also shown the notion of a gentler Social Europe to be a mirage.

EU abuses refugees

But perhaps the starkest sign of the EU's true nature is its racist treatment of refugees fleeing wars and poverty – in most cases caused by the very European countries now refusing them entry.

An article in *Spiegel* in 2017, described the Moria camp on Lesbos in graphic terms: "The dreadful stench of urine and garbage greets visitors and the ground is covered with hundreds of plastic bags. It is raining and filthy water has collected ankle-deep on the road. The migrants who come out of the camp are covered with thin plastic capes

and many of them are wearing only flipflops on their feet as they walk through the soup... Welcome to one of the most shameful sites in all of Europe." The article called Moria camp the "ground zero of European ignominy." The camp, built to house 2,000 people, ended up with 13,000 people crammed in – all of them left without shelter when a huge fire completely destroyed the camp in September 2020.

Replacing the burnt out Moria camp is a new encampment at Kara Tepe, a former rifle range on Lesbos. Here 8,000 people, mostly young families, exist in tents that have already flooded three times during recent downpours. The camp has no shower facilities, almost no running water or sewage drains, and inadequate health provision. Food is scarce and of poor quality, according to Oxfam. Children are being inoculated against tetanus because of rat bites. Journalists are denied access, and so are lawyers. Inmates are not allowed to leave. Access to the sea near the camp is sealed off by barbed wire. The EU's latest affront to decency is its new Pact on Migration and Asy-

lum – described by Ursula von der Leyen, head of the EU Commission, as a “new beginning”. The purpose of the Pact, von der Leyen claims, is to establish “predictable and reliable system for migration management.” Meanwhile, the EU Migration Commissioner, Ylva Johansson, blurts out the Pact’s real purpose: “The message is: You will return.” The Pact will effectively destroy the right to claim asylum, forcing refugees to return to their country of origin – in many cases to their deaths. The new system will detain refugees for 5 days in holding pens. These prison camps will be on European soil, but will not officially be counted as European. By this sleight of hand, the refugees will be deprived of any right to claim asylum as they will not be deemed to have reached a foreign country in which to do so. They will be in no-man’s land, without recourse to appeal to any European court. The decision to deport will be made by immigration officials. The new camps will screen all refugees, and deport anyone coming from a country with a high record of economic emigration – regardless of a person’s individual circumstances.

The Pact will also transform Frontex – the EU agency that polices Fortress Europe and has already deported 15,850 refugees – into a regular uniformed service, in effect a new EU standing army, patrolling Europe’s increasingly militarised borders.

An equally vile aspect of the Pact on Asylum and Migration is the new ‘deportation partnerships’. Harder-line countries like Poland, Hungary and Austria that refuse to take in an EU-allotted quota of refugees from Greece and Italy will be able to pay for those people to be deported back to their countries of origin. “Those who are not ready to contribute to relocation [of migrants from hardest-hit EU countries like Greece and Italy] would assume on behalf of the European Union the obligation to organise and carry out returns,” according to Margaritis Schinas, vice-president of the European

Commission. An ‘EU coordinator for repatriations’ is to be appointed.

More than 20,000 refugees have died trying to cross the Mediterranean, yet the EU countries have withdrawn search and rescue missions. In one case, French military jets from the aircraft carrier Charles de Gaulle buzzed a drifting refugee boat, but did nothing to help it. Sixty-one people on board died of thirst, hunger and cold. This year has seen the Greek coastguard ramming overcrowded boats in distress and shooting towards them to send them back into Turkish waters. The Covid pandemic has only reinforced the EU fortress. Italy and Malta have closed their ports to rescue boats. In France, Macron has destroyed migrant camps and tightened asylum laws – making deportation quicker. The same hard-right polices have been adopted across the EU. Hungary’s authoritarian ruler Orbán said in 2016: “The positions which were once condemned, despised, looked down upon and treated with contempt are becoming jointly held positions.” This is the real European Union – a vicious hegemon, whose member states show no solidarity either to desperate people or to one another.

Britain no better

Not that Britain can hold its head high. Our government has been considering the construction of what is effectively a concentration camp on Ascension Island in the South Atlantic to house refugees.

Meanwhile, the British coastguard has been busy pushing away migrant dinghies in the dangerous waters of the Channel, at the behest of the Daily Mail, Farage and Patel. Former Royal Marine Dan O’Mahoney, the new Clandestine Channel Threat Commander, will use nets to ‘disable’ migrant dinghies. Drowning tragedies in the Channel, like the one in October that killed four migrants including two children, will not deter Britain from its routine brutality.

More than 20,000 refugees have died trying to cross the Mediterranean, yet the EU countries have withdrawn search and rescue missions.

From The Socialist Correspondent 10 years ago

“Israel is as guilty in international and humanitarian law as the apartheid regime once was. Israel’s illegal conquest and occupation, with the avaricious land grab represented by its monstrous apartheid wall and the relentless expansion of its illegal settlements (in contravention of the Fourth Geneva Convention) has reduced the West Bank to several disconnected pockets amounting to a mere twelve per cent of the land that formerly constituted Palestine.”

Issue 11 Spring 2011
**Israel and apartheid:
abundant similarities**

Ronnie Kasrils

PREPARING FOR WAR

by Pat Turnbull

The Treaty on the Prohibition of Nuclear Weapons officially became international law on January 22 2021. 51 countries have ratified the agreement, with a further 86 signing it. The Campaign for Nuclear Disarmament (CND) says: 'Although the nine nuclear-armed states currently state they will not support it, the treaty is a significant pointer towards changing international attitudes to nuclear weapons.' [1]

Nuclear manoeuvres in Europe

Every autumn in Germany the exercise Steadfast Noon takes place. As part of so-called 'nuclear participation', the German air force practices the manoeuvres necessary if German pilots are to drop US atom bombs. 20 US bombs are stored underground at the Buechel air base and German armed forces practice transporting them to fighter jets. The manoeuvres are officially secret, however, the fact that they are taking place is 'leaked' to the media. Far from attempting nuclear disarmament, the governments of the US and Germany are preparing to modernise atomic weapons and the fighter jets which can drop them. The new atom bombs, Type B61-12, can be deployed with less explosive power, lowering the threshold for nuclear war, since it is argued that the nuclear fallout is less. German fighter jets are to be replaced by US Boeing F-18s. Experts estimate the costs at between 7.7 and 8.8 billion euros. Last autumn Belgian, Dutch and Italian fighter jets were also reported to be participating in Steadfast Noon. Twenty US atom bombs are stationed in each of the three countries, according to expert circles. 50 atomic bombs are



Boeing F/A-18F Super Hornet at takeoff

PHOTO BY SLAUGER

also said to be stored in Turkey. Last year in parallel to Steadfast Noon, the Resilient Guard 2020 manoeuvre took place. Two air defence rocket groups of the German armed forces practiced 'defending important infrastructure from threats from the air' – a hint that the infrastructure meant is the US bomb stores. In conjunction with this, practice is conducted with the Patriot air defence system.

All this is in the context of the current US strategy, *Nuclear Posture Review* which was published on 2nd February 2018. It envisages the conduct of a supposedly limited nuclear war with atom bombs of comparatively lower explosive power, so that they can be deployed in regional battlefields. This is alleged to be purely preventative, to deter Russia or China from a 'limited' nuclear attack. Remembering that the USA is still the only country to have dropped atomic bombs on human targets, Hiroshima and Nagasaki in 1945, fears are justified that the US would not confine itself to 'deterrence'.

An anonymous German foreign correspondent who works in Brussels and has connections reported in June 2020 that NATO has intensified its

preparations for a possible nuclear war. According to him the NATO state and government chiefs at their summit in July 2018 had taken note of 'a document classed as secret' which 'for the first time' confirmed that 'conventional defence and nuclear deterrence are no longer as has been usual in NATO up to now' to be separated from one another, in future they must be considered 'both together'. Further, the NATO defence ministers had agreed at their meeting in mid-June 2020 a further 'top secret' paper, presented by NATO Supreme Allied Commander in Europe, US General Tod D. Walters. It was directed against threats in the whole field of operations – land, sea, air, cyber and outer-space – with all 'defensive and offensive [NATO] capabilities from rocket defence to nuclear first strike'. In addition the alliance intended to station conventionally armed middle range rockets in Europe which could, if required at any time, 'be nuclear armed'. [2]

Russian concerns

This is the background to the concerns of Russia about the build-up of NATO forces on its borders, expressed once more by Russian foreign minister Sergei Lavrov on Octo-

ber 9 2020. He described the ‘unsettling increase in NATO military activity on Russian borders’, adding, ‘We noted the numerous proposals seeking to normalise the situation and to build confidence in our common region that Russia has sent to NATO, including proposals to move the exercises away from the contact line between Russia and NATO countries, as well as an agreement to decide on a minimum distance, which must always be respected by the navy and air force. We have not received any response from NATO to these constructive proposals so far.’ The foreign minister added, ‘We are very worried about the resurgence of arrogance in Germany.’ The memory of the brutal invasion of the Soviet Union by German forces in the Second World War is the background to these justified fears. [3]

On 2/12/20 RT reported that the previous week the US had conducted a series of test rocket launches during NATO exercises in Romania, firing long-range missiles into the Black Sea with the capability to hit Russian territory. According to the deputy head of the Public Chamber of Crimea, Alexander Formanchuk, ‘provocations against Crimea have become more frequent.’ The Crimean people voted overwhelmingly in a referendum to become part of Russia, but it seems NATO does not want to accept their democratic decision. Nor does the EU, which has used this as an excuse to throw out previously existing cooperation mechanisms with Russia.

It is not only in Europe that Russia is confronted by military provocations. RT reported on 1/12/20 that the USS John McCain, a US destroyer, had been detected two kilometres inside Russian waters, off the coast of Russia’s Far Eastern capital, Vladivostok. This incursion prompted Russia to ready for action an advanced air defence system on the Kuril Islands in the Sea of Japan. In June 2020 Russia scrambled fighter jets to intercept two US air force B-52 bombers that had flown over the Sea of Okhotsk,

also in the Far East region. The US had 55,245 personnel on active duty in Japan in September 2019.

All this is in the context of other US moves which negatively affect the preservation of peace. The US has unilaterally withdrawn from the Open Skies agreement which allowed for transparency over the movement of troops and military hardware. Russia will not be able to fly over US territory, but other NATO members will still be able to fly over Russia and report back to the US what they see. President Trump also withdrew from the Intermediate-Range Nuclear Forces Treaty which had banned a number of highly destructive weapons with ranges of between 500km and 5,500km.

Scott Ritter reported, ‘On Tuesday [17/11/20], the US Missile Defence Agency (MDA) announced it conducted a test of an Aegis Ballistic Missile Defence (BMD) System-equipped Arleigh Burke-class destroyer, the USS John Finn, against what was termed a ‘threat-representative Intercontinental Ballistic Missile (ICBM) target using a Standard Missile-3 (SM-3) Block 11A interceptor.’ The test took place in the Pacific. The system tested ‘is identical to those recently made operational in Romania and under construction in Poland’. Ritter added, ‘Russia has long held that the deployment of anti-ballistic missile systems in Europe...empowered a potential US/NATO nuclear first-strike scenario, in which US nuclear-armed missiles would be launched against Russian strategic nuclear forces in an effort to pre-emptively destroy them....the US has made the New START treaty irrelevant overnight.’ This treaty, signed in 2010, and due to expire in 2021, limits the number of nuclear warheads of Russia and the US to 1,550. [4]

The US is conducting its share of provocative actions against major competitor China as well. On December 31 USS John McCain and USS Curtis Wilbur sailed through

the Taiwan Strait which separates China from Taiwan. This was the thirteenth such mission in 2020. Chinese Foreign Ministry spokesperson Wang Wenbin said, ‘US warships have repeatedly flaunted their prowess in the Taiwan Strait, provoked and stirred up trouble.’ The US has previously sold fighter jets and anti-ship missiles to Taiwan. [5] President of Taiwan Tsai Ing-wen, Democratic Progressive Party, elected in 2016, questions the 1992 consensus between China and Taiwan of the one-China principle, and has oriented her government more firmly towards the west, in particular the USA.

British arms spending

Looking at Britain’s role, the government has announced the biggest increase in military spending in 30 years, an extra £16.5 billion in addition to sums already agreed, adding up to £21.5 billion on top of the Ministry of Defence’s annual budget of £41.5 billion. The UK already has the sixth largest military budget in the world and the biggest in Europe. [6]

That these sums are far from necessary for ‘defence’ is indicated by the wide spread of British military bases overseas. The 145 sites include 60 the UK manages itself, plus 85 facilities run by its allies where the UK has a significant presence. This does not include staffing commitments at NATO administrative sites in Europe or most of its special forces deployments, which are largely unknown. Picking out one or two notable examples, in Estonia and Lithuania, close to Russia’s border, the RAF bases Typhoon fighter jets, from where they can intercept Russian jets over the Baltic as part of NATO’s air policing mission. The UK has 17 separate military installations in Cyprus, with 2,290 British personnel, handy for the Middle East, along with permanent bases in the UAR and Qatar, a naval base in Bahrain, UK personnel across 15 key sites in Saudi Arabia and 91 UK troops on loan in Oman. [7]

The UK has military base sites in five countries around China, including Singapore where it occupies a commanding position overlooking the Malacca Straits, the world's busiest shipping lanes, connecting the South China Sea to the Indian Ocean.

Meanwhile the UK could be the second biggest arms dealer in the world, after the US. In 2019 the UK won orders worth £11 billion. British government figures give the US as having 47% market share, the UK 16%, Russia 11%, and France 10%. Between 2010 and 2019 the aerospace sector by value accounted for almost two thirds of UK arms exports. [8]

As Philip Cunliffe noted, 'Boris Johnson announced the increased military spending by saying that the "era of retreat" was over. Given the fact that Britain has been permanently at war since 1997, in areas ranging from West Africa, the Balkans, the Middle East through to North Africa and Central Asia, Mr John-

son's promises do not bode well. If permanent war counts as "retreat", what might the prime minister's notion of advance look like?' Mr Cunliffe also suggests Britain should use the opportunity presented by achieving independence from the European Union to reset its foreign and defence policies. [9]

new agency for artificial intelligence (AI). It will invest more in drones and lasers. And it will beef up cyber capabilities....the NCF...brings under unified command for the first time personnel from GCHQ, the Ministry of Defence and MI6, Britain's foreign intelligence agency, and the Defence Science and Technology Laboratory (DSTL). The force is thought to number in the hundreds, with the aim of growing to 3,000 staff over the next decade.' Recently retired national security adviser Mark Sedwill says of cyber operations: 'They are largely covert, can be deployed flexibly and don't have to be disclosed to or debated in Parliament or the press.' In this new NCF 'a mixture of soldiers and civilians [will] handle everything from criminality to all-out war.' [10]

Britain has also signed a military agreement with Israel. Most of the agreement is said to be 'highly classified' but 'Both militaries share a commitment to improving and

integrating their multi-domain capabilities in maritime, land, air, space, and cyber and electromagnetic.' Bicom reports, 'Since 2010, the two countries have cooperated on the development of unmanned aerial vehicles (UAVs) through the Watchkeeper programme, which has been deployed by British forces in Iraq and Afghanistan...The British Army hopes to learn from the Israeli experience as it transitions to a more digital army.' [11]

Britain is also one of the nine nuclear armed states and proposes to replace its nuclear weapons at the cost of at least £205 billion. When discussion comes up of the arms industry, jobs are always mentioned, understandably since the arms industry is one of the few branches of manufacturing left in Britain. As CND points out: 'The skills of the workers would be welcome in building conventional ships or in the rapidly developing industries such as renewable energy...a consortium of UK companies came together to produce medical ventilators. Several arms companies ...joined the consortium...Workers at Barrow shipyard, where BAE Systems is building the Dreadnought submarine, have also been put to work on producing medical equipment.' [12]

British manufacturing needs developing – but for peace, not war.

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[1] Nuclear Ban is Here CND, 10/12/20.

[2] German Bundeswehr's Nuclear combat exercise, german-foreign-policy.com, 14/10/20.

[3] Joint news conference following talks with Foreign Minister of Denmark Jeppe Kofod, 9/10/20.

[4] US successful ICBM intercept test brings us closer to a nuclear war and proves Moscow's concerns were well grounded Scott Ritter, RT, 17/11/20.

[5] China says it's 'ready to respond to all threats' after US sends two warships through Taiwan Strait RT, 31/12/20.

[6] Boris Johnson and the magic money tree for war, Terina Hine, Stop the War Coalition, 24/11/20.

[7] Revealed: the UK military's overseas base network involves 145 sites in 42 countries, Phil Miller, Declassified UK..

[8] UK remains world's second-biggest arms dealer, figures suggest, BBC news website, 6/10/20.

[9] Unconquerable and pacific: a new security and defence policy for Britain, Philip Cunliffe, Briefings for Britain, 2/12/20.

[10] Britain assembles a new cyber force of soldiers and spies, The Economist, 3/12/20.

[11] UK and Israel sign military agreement: Bicom – British-Israeli Communications and Research Centre, 7/12/20.

[12] CND submission on the Integrated Defence Review.

CHINA'S RISE

and how the USA got it wrong...

by Moshe Mella & Noah Tucker

It is evident already that the rise in US hostility to China which took place under President Trump was not a temporary blip or aberration in United States policy. But the change in the US stance towards the People's Republic of China – from being main strategic partner and sponsor of its internal reforms, to the 'new Cold War', involving intense rivalry, military encirclement and economic sanctions – has been astonishing.

Despite the People's Republic of China (PRC) conceding under US pressure to a deal which involved increasing its imports from the United States, the economic attack on the PRC gathered steam in 2020. From May to August that year, 68 Chinese companies, universities, and other institutions, including the software giant Qihoo 360 Technology, were blacklisted by being put on the USA's so called 'entity list', adding to the dozens of Chinese organisations already subject to sanctions. Then in September 2020, the US Department of Commerce issued an edict preventing companies from selling goods or services to SMIC, China's largest producer of semiconductor chips, unless they obtained special permission.

Under Trump, tariffs were slapped on many Chinese imports, alongside increasingly shrill state and media attacks on China, and harassment, for example, the attempt to extradite senior Huawei executive Meng Wanzhou to the USA, for allegedly violating US sanctions on Iran and Cuba. Huawei itself was placed on the 'entity list' in May 2019 and the USA banned the sale of semiconductors to the company. It has relent-



Joe Biden raises a toast in honour of Chinese President Xi at a state luncheon at the State Department in 2015. Will there be presidential dialogue in 2021?

lessly pressurised its allies to cancel contracts with Huawei and even to strip its equipment from existing infrastructure. Huawei, as well as being the world's biggest manufacturer of smartphones, is the key player in the deployment of 5G. The United States, on the other hand, has no large companies competing in this league. This is not merely about internet speeds. 5G technology is the driving force of developments in artificial intelligence, robotics and the 'internet of things'. Clearly, the USA does not want to leave the leadership of this technical field in the hands of China.

But the current US hostilities against China did not start with the Trump presidency, nor are they the result merely of nationalist populism fuelled by the impact on US workers of competition from products manufactured in China. Less than a decade after the United States had crowned its patronage of China's market reforms by backing the

PRC's accession to the World Trade Organisation in 2001, the anti-China realignment began under Obama. This included the adoption of the 'Air-Sea Battle' doctrine (the integration of US naval and air force capabilities with a view to potential war with China) and the 'Pivot to Asia' strategy, which focused resources on the military encirclement of China.

On the economic side, the Obama administration accused China of currency manipulation and pressurised the PRC to further revalue its currency, despite the Chinese having pegged the Yuan to the US dollar from 1994 to 2005, and then allowed it to appreciate by 19% relative to the dollar. The US campaign against Huawei also began under Obama, with an official investigation concluding (with astounding hypocrisy, given the mass international surveillance by American intelligence services via communications firms) that Huawei posed a danger to national security. From 2012, the

US banned companies from using Huawei networking equipment, and a process was instigated to destroy the company via denying it access to world markets.

Nor is the US alone in its turn against China. Speaking in June 2020, NATO General Secretary Jens Stoltenberg warned: "...the rise of China is fundamentally shifting the global balance of power. Heating up the race for economic and technological supremacy. Multiplying the threats to open societies and individual freedoms." Referring to cooperation between China and Russia as a particular cause for alarm, Stoltenberg urged like-minded countries to join with the NATO military alliance in countering what he called "bullying and coercion". [1]

"The gamble has failed"

If we are to believe former US Secretary of State Mike Pompeo, the reason for this shift in policy by the US and its allies is that China has become 'more aggressive': "It's a different Chinese Communist Party today than it was 10 years ago [...] This is a Communist Party that has come to view itself as intent upon the destruction of Western ideas, Western democracies, Western values. It puts Americans at risk." But Pompeo then undermined that claim by rooting the issue in something which has remained the same over the years – the fundamental

This labelling of China as an existential threat has gone unchallenged by the incoming Biden team. Despite its recognition of the need for action on climate change, which Biden's Climate Envoy John Kerry, has acknowledged requires extensive cooperation with China, the indications are that the administration will continue the anti-China stance, seeking to make it more effective via a multilateral approach which is better at bringing on board US allies.

In a sense the escalating US hostility to China marks a reversion towards the norm in relations between big powers. Irrespective of ideology and their relatively similar economic systems, for many decades the major capitalist and imperialist powers existed in perennial rivalry over resources, markets and colonies, bursting regularly into war with each other until, following World War 2, they were corralled by the USA into a united front against communism. This was an alliance within which the United States was overwhelmingly dominant so as to preclude any challenge.

As we shall see below, the rapprochement between the US and the People's Republic of China in the 1970s encompassed the temporary entry of China into that alliance with the US against the Soviet Union, hastening the demise of the latter. An article in the Chatham House publication *International Affairs*

order by deepening trade relations and encouraging it to become, in the words of then US Deputy Secretary of State, Robert Zoellick, a 'responsible stakeholder' – a phrase that nicely captures both the strategy and the underlying world-view of America's China policy throughout the post-Cold War period." [3] A 'responsible' stakeholder, of course, would be one which upholds the US-led world order. And 'political freedom' as an objective in US policy, as shown by United States backing for coups and dictatorships the world over, has never been much more than a gloss for national political arrangements which facilitate US influence.

Forty years after China began its market reforms in partnership with the USA, *The Economist* magazine pronounced those US ambitions regarding China dead and buried. Its March 1st 2018 editorial, headlined "Geopolitics: How the West got China wrong", declared: "It bet that China would head towards democracy and the market economy. The gamble has failed." [4]

Nationalism and communism

The Chinese roots of this major geopolitical setback for the USA and its lesser imperialist allies can be found in the 100 years of struggle by the Chinese communists to transform their country, and in the dynamics of conflict within Chinese society during the more recent of those decades. Growing rapidly from communist groups which sprang up in the largest urban centres in 1920, the Chinese Communist Party (CCP) initially worked in close cooperation with the Chinese Nationalists in the Kuomintang (KMT). The Nationalists sought to end 150 years of humiliation imposed on China by the European colonial powers and Japan. They aimed to replace Imperial China with a modern bourgeois nation state that would fight to free the parts of the country under European and Japanese colonial occupation, and put an end to the reign of the

In a sense the escalating US hostility to China marks a reversion towards the norm in relations between big powers.

ideology of the Chinese Communist Party: "This is deeply embedded in an ideology. This is bigger than any one person. The threat from the Chinese Communist Party emanates from the nature of the Party's doctrine and ideology." Pompeo added: "We're gonna have to be at this for a while." [2]

summed up the US standpoint on China under presidents Clinton and Bush: "...as one of promoting economic and, ultimately, political freedom, and also, not unimportantly, opening the doors to US capital. The goal then was still to incorporate China into the US-led liberal world



Huawei Honor 8 pro smart phone

opium warlords in the countryside. The new Chinese republic promised the people a constitutional democracy, land reform and trade union rights. But the increasing popularity of the Chinese labour movement in the industrial hubs of Canton and Shanghai spooked the KMT and their capitalist sponsors. In 1927, Nationalist army chief Chiang Kai-shek suspended the democratic constitution and ordered the murder of all the communists and trade union activists in the big cities. Establishing himself as a military dictator, Chiang Kai-shek was openly endorsed by powerful bankers and industrialists with ties to European colonial powers. The Nationalists were now reneging on all their political pledges to the Chinese people.

Hence, the communists led an armed struggle for 21 years to dismantle the repressive apparatus of the bourgeois nation state created by the Nationalists. From 1930 onwards, every inch of territory liberated by the communist Red Army was turned over to Soviets (elected

councils) of workers and peasants, tasked with replacing private ownership with socialist collectivisation. The revolutionaries no longer considered themselves merely as leaders of a Chinese national liberation movement. Instead, they viewed the Chinese Communist Party as an equal partner to the Soviet Communist Party in attempting to replace global imperialism with international socialism. In their long fight to free and unify China, the CCP and its Red Army battled a series of wars against Japanese invasion, the Nationalist army, and the warlords. Some of the warlords were proxies for the British Empire, narco-clients of our good bankers at HSBC, some were proxies for the French colonialists in Indo-China, and some collaborated with the Japanese.

Finally, the PLA People's Liberation Army (PLA), as the Red Army was renamed after 1945, had to confront the United States. In 1950 the US sent the 7th fleet to protect the Nationalist dictator Chiang Kai-shek, and then proceeded to install military bases on Chinese territory on the island of Taiwan, where the Nationalist forces had fled after being ousted by the revolution. Before leaving the mainland, Chiang Kai-shek stole the entire Chinese treasury. Thereafter, this dictator, guarded by thousands of US troops equipped with fighter bomber aircraft, cruise missiles and nuclear warheads, was recognised by the 'international community' as the sole legitimate ruler of China. Until 1971 it occupied China's seat at the UN Security Council. The USA continues to this day to oppose Taiwan's restoration to China; just as they are now beginning to dispute Chinese sovereignty over Hong Kong, although the British occupation ended in 1997. Another confrontation took place in Korea. Following the invasion of Korea by US forces in 1950, Chinese troops entered that war in solidarity with the Democratic People's Republic of Korea, with the Chinese suffering 180,000 deaths at the hands of US forces.

Grand bargain

Emerging from the devastation of foreign invasion and many years of civil war, and despite a trade embargo by the United States and its allies, the economy of the new PRC expanded very rapidly with the assistance of the Soviet Union, which provided technology transfers and sent thousands of specialists to assist the development of China's industries. However, from the late 1950s, disagreements burgeoned into open political conflict between the Chinese Communist Party and the new post-Stalin leadership of the USSR. Unhappy with Nikita Khrushchev's conciliatory approach to the USA, and Soviet reluctance to provide China with nuclear weapons technology, the more radical factions led by Mao Zedong and Zhou Enlai triumphed in power struggles against the mainstream technocratic communist faction. The Great Leap Forward, initiated in 1958 against Soviet advice, called for development of industrial production in people's communes in rural areas, attempting to eliminate differences between workers in the cities and the countryside, and eliminating monetary exchange in the communes.

Following sharp disagreement on issues including China's border dispute with India, in 1960 Khrushchev withdrew technical advisors and drastically reduced trade with China. These clumsy actions not only triggered economic disruption and food shortages, they also had the political effect of unifying all the rival Chinese communist factions in permanent hostility to the Soviet Union. Subjected to both severe sanctions by the Western world, and a breakdown of relations with the USSR, and with its industry still very underdeveloped, China's growth was henceforth restricted. Despite notable achievements, including in public health, improvements in living standards were slow. The right-wing reformist faction led by Deng Xiaoping claimed that Chinese socialism resembled a monastery

run by a religious cult, in charge of rationing rice handouts rather than building communism. Deng argued that the overriding priority was to raise the technical level of the productive forces.

As the pro-Deng reformists got the upper hand during the 1970s, China gradually entered into a grand bargain with the USA. The US agreed to recognise the People's Republic as the sole legitimate government of China, to lift trade sanctions and to allow China access to Western technology. The essence of the deal was that the Chinese Communist Party promised to stop being revolutionary, and the USA promised to stop being counter-revolutionary in regard to China. In global affairs, the bargain involved China becoming actively counter-revolutionary, assisting the USA in opposing left movements and governments, and thus helping the West win the Cold War. Notable examples included covert joint action by the USA and the PRC in supporting the anti-government military forces in Cambodia and Afghanistan.

Response to unrest

The end of the US-imposed embargo against China allowed a resurgence of rapid economic growth. However, what followed was not a smooth process of lifting Chinese people out of poverty. The Chinese market reforms which accompanied the ending of sanctions involved industrial privatisations, de-collectivisation of farming and removal of price subsidies, resulting in mass unemployment, rising inequality and a few ecological catastrophes. New social antagonisms emerged, in what was previously one of the most equitable societies on Earth.

The first decade of market reforms culminated in the violent suppression of the Tiananmen Square revolt. Contrary to common perceptions, this rebellion was not purely made up of a bunch of idealistic students brandishing pro-democracy placards



Mao Zedong and Chiang Kai-shek in Chongqing, China, in September 1945, toasting the victory over Japan

in Beijing. In June 1989, mass protests erupted in 250 cities across China, involving millions of factory workers, the urban poor, the unemployed who had lost their jobs at state-owned factories that had been shut down, as well as students and liberal intellectuals. The protesters' demands were contradictory. Their calls included a return to full employment, a price freeze, wage rises and poverty alleviation. A vocal element, inspired by Mikhail Gorbachev's reforms in the USSR, demanded more free markets and more capitalism. The Chinese leadership in June 1989 suffered from the same problem as their estranged communist cousins in Poland and the GDR: an inability to 'own' the street. Deng and the reformist Communist Party leadership had lost the mass popular support that would have enabled the Party to mobilise counter-demonstrations. But in China, unlike in the Central European socialist countries, the paramount leader Deng Xiaoping ordered an end to dialogue with dissidents and a crackdown. Deng, the promoter of capitalist reforms and the alliance with US imperialism, addressed PLA generals as follows: "Only counter-revolutionary provocateurs remain holed up in Tiananmen Square, their real aim is to topple the socialist system, [...]"

to establish a bourgeois republic entirely dependent on the West..." For its part, the USA quietly kept to its side of the bargain with the Chinese Communist Party, uttering only muted criticism of its leadership.

It has been argued in defence of the actions of China's leadership that it lacked modern crowd control techniques at the time. In truth, prior to the market reforms, the Chinese revolution survived upheavals without the need for modern crowd control methods, because the vast majority of the Chinese perceived the party cadres to be honest and selfless revolutionaries who suffered equally from the economic blockade, as much as the next worker or farmer. It is widely acknowledged in China today that market reforms led to the overnight enrichment of many leading party cadres and their families as well as widespread corruption by state officials.

In Western accounts of protests in China since 1989, repression by the authorities is usually emphasised. Social conflict has indeed been extensive, involving thousands of wildcat strikes, riots by migrant workers, local uprisings against sales of land to developers, and waves of disputes involving workers for

foreign-owned companies. However, the Communist Party's multi-level response to this unrest shows that the 'authoritarian' label, ascribed to it by Western commentators, is one-sided and even misleading. Under the banner of "Mass Line Democracy", Party cadres were despatched to factories and farms to listen to and extract popular grievances. The Party cadres pledged to represent the working class by defending its social interests against corrupt state officials and the burgeoning capitalist class, whether in the shape of foreign investors or Chinese business entrepreneurs. The official communist trade unions, in line with the public mood, put forward increasingly assertive demands of their own. Hence, wages have continued to rise in both state-owned and export-oriented private sector companies.

Crucially, to help re-establish and maintain mass popular support, the Communist leadership changed the strategic direction and pace of reforms, resulting in policies and practices which took China away from the path of the neoliberal market dominated economy and society. The privatisation of state-owned

that workers should be able to elect representatives to director or supervisory board levels of companies.

Two points need emphasising in respect of the current Western grievances against China's economic policies. One is that the complaint that China's state and political involvement and control over industries, finance and investment give it an unfair commercial advantage, refutes the neoliberal claim that giving free rein to the capitalist market is the key to economic growth and efficiency. The other is regarding the outrage against China's practices of 'forced technology transfer', whereby foreign firms establishing factories in China, or entering the Chinese market, are induced to reveal some of their production techniques and knowhow. This exposes a crucial means by which the rich developed countries, and their transnational firms, keep poorer countries underdeveloped. That is, by refusing to pass on the production-related knowledge (or selling it only at unaffordable prices) which would enable those countries to upgrade their own industries and produce

encourage China's economic development when it provided a cheap pool of labour for western supply chains, the goal of achieving technological self-sufficiency has set alarm bells ringing in Washington". [5]

International stance

Another factor in reclaiming mass public support by China's communist leadership has been its gradual reassertion of an independent foreign policy, at odds (where necessary) with that of the USA and other imperialist powers. While trying to follow Deng Xiaoping's international policy motto of 'keep a low profile and never take the lead', Deng's successors increasingly found that regional and global developments resulted in diminishing space between humiliation at the hands of the USA and its allies and open challenge to those powers. Notable instances have included the CIA-ordered bombing of the Chinese Embassy in Belgrade in 1999, to which China made an assertive public response; the cementing and deepening of relations between China and Russia; China's insistence of sovereignty over the Diaoyu Islands, which were seized as war booty by Japan in 1895; and China's increasingly proactive stance on carbon emissions.

Faced with the USA's moves to isolate China economically, the People's Republic has had remarkable successes in trade and investment arrangements with other countries – significantly achieving the creation in November 2020 of the world's biggest trading bloc, the Regional Comprehensive Economic Partnership (RCEP) with 14 other countries including US allies Japan and Australia.

The PRC has also pushed back against US power in terms of military capability. Following the increasingly confrontational US military posture and deployment of military resources, started under Obama and continued under Trump, China has been strength-

Faced with the USA's moves to isolate China economically, the People's Republic has had remarkable successes in trade and investment arrangements with other countries...

firms was slowed down. The Chinese state reasserted a commanding and highly interventionist role in the economy, and the financial services sector was subordinated to the 5 Year Plan, obliging banks to provide credit to state-owned enterprises at preferential rates over the private sector. Foreign-owned and joint venture enterprises were legally obliged to facilitate Communist Party branches at all workplaces. The National People's Congress decreed

higher quality goods. China, rather than merely accepting its place in the global economic pecking order, has been actively acquiring more advanced production methods, rising up the 'value chain' in terms of the sophistication of its products, and learning how to develop its own production technology.

As Laurie Macfarlane, economics editor at *Open Democracy*, commented: "While the US was happy to

ening the presence of PLA forces in the in the disputed South China Sea islands. Nevertheless, China's military spending, although the second highest in the world, is barely more than a quarter of that of the USA. According to the International Institute for Strategic Studies, the US spent \$686 billion on 'defence' in 2019 compared with \$181 billion by China.

Weaponised chips

Behind that stark contrast in relative military expenditure, there exists the still enormous chasm in global wealth, power, and overall technical development between the US and China. This persists despite China having caught up with the USA on annual GDP as calculated by purchasing power parity (PPP). When relative population size is taken into account, the USA is nearly six times as rich as China by nominal GDP (2020 IMF figures: USA \$63,051 per person, China \$10,839). When calculated by PPP, China's annual GDP per person is just below that of Equatorial Guinea and Guyana, and just above that of Turkmenistan, North Macedonia, Grenada and Botswana. Underlying this gap is the huge difference between the USA and its developed country allies on the one hand, and China on the other, in terms of output per worker. Index Mundi lists the annual value added per worker in industry, including in manufacturing, construction, mining, petroleum and public utilities, as \$103,366 for the USA (2017) and \$23,157 for China (2018) (equivalent to 2010 dollar rates).

Huawei and its technical lead in 5G, although perceived as fearsome to US policymakers, is an outlier. Overall, and particularly in key industrial sectors, US companies use much more advanced production equipment, have staff with greater technical knowhow, own the cutting edge intellectual property, and manufacture more complex and developed products than China.

The global semiconductor industry (effectively US dominated), which produces the silicon chips inside, for example, phones, computers, telecoms equipment and vehicles, is a relevant example. China has been importing rising numbers of these chips, as essential components of the goods it manufactures, and recently has begun producing its own chips. But not all chips are equal. Chad P Bown of the Peterson Institute for International Economics explains: "Over time, China has also become an increasingly important supplier of semiconductors. Like South Korea and Taiwan, China first entered the market through assembly and packaging [...] China became a substantial manufacturer (in addition to assembler) of semiconductors, with 20 percent of world semiconductor exports by 2019. What these data do not reveal, however, are key differences between the semiconductors that China imported and the semiconductors it exported. On the import side, device makers in China relied on leading-edge semiconductors as inputs into their assembly of smartphones, telecommunications equipment, and consumer electronics. On the export side, it produced lower-end semiconductors, manufacturing chips that remained at least a generation or two behind the global technology frontier." [6]

By contrast, despite offshoring, US semiconductor firms still monopolise the intellectual property rights and production of the most advanced chips as well as the equipment needed to manufacture them. The US authorities can, therefore, exercise a potential stranglehold over the production of anything, anywhere, containing state-of-the-art electronic components. Using sanctions on exports to China of advanced electronic chips, even from third countries, the USA hopes to sabotage China's technological progress. But China has been preparing for this challenge. As Chad P Bown adds: "[US] concerns have turned to whether China's long-term objective is industry self-sufficiency.

Its 2014 National Integrated Circuit Plan, as well as the Made in China 2025 Plan released in 2015, make clear China's goal of substantially increasing the share of locally produced semiconductors in domestic consumption. Reducing reliance on foreign inputs also appears to be a critical element of the 'dual-circulation' strategy at the heart of the five-year plan for 2021–25."

Can China begin producing the most advanced semiconductors? If so, that would signal that the PRC had managed to amass sufficient resources and momentum in technological development to maintain its economic progress despite the US embargo. Or will it, like the USSR, eventually succumb to the USA's trade and technology blockades? Even if China manages to surmount the challenges posed by tightening US sanctions, that would by no means show that China can, relatively smoothly, continue to catch up with the USA. The USA shows no willingness to ever give up its predominant economic position – as home to the richest corporations, the controller of the world's international currency, the top exploiter of the poorer countries and global resources and having the ability to appoint itself as the planet's policeman. Armed with a military might more powerful than that of the rest of the world combined, the desperation revealed during the Trump period could be merely the foretaste of what is to come.

[1] https://www.nato.int/cps/en/natohq/opinions_176197.htm

[2] <https://www.politico.com/news/2020/05/31/pompeo-warns-china-threat-democracy-292220>

[3] https://www.chathamhouse.org/sites/default/files/images/ia/INTA94_1_7_232_deGraaff_vanA-peldoorn.pdf

[4] <https://www.economist.com/leaders/2018/03/01/how-the-west-got-china-wrong>

[5] <https://www.theguardian.com/commentis-free/2020/jul/16/huawei-trade-global-supremacy-us-uk-china-liberal-capitalism>

[6] <https://www.piie.com/sites/default/files/documents/wp20-16.pdf>

SPOTLIGHT ON CHILE

by Dan Morgan

The end of Pinochet's constitution

You might remember that there was a time before a pandemic, and that Chile was one of the countries with a fierce social explosion going on. It erupted on 18th October 2019 – years of frustration and anger at inequality and the exposure of corruption in business, politics, the armed forces and justice system boiled over. We had had massive demonstrations previously, for education and pensions for example, but now there were almost continuous mass demonstrations. There was also looting of supermarkets and pharmacies (notorious price fixers) and destruction of many properties in the centre of Santiago. There was the burning of 20 Metro stations (not properly explained) after mass jumping of turnstiles by students – the trigger for the explosion was a fare increase. By 15th November, roughly the high point, over 2 million were on the streets, in every city and small towns up and down the country – 10% of the population of about 20 million, and the authorities were scared.

A hastily called meeting of nearly all parties – the communists were carefully not invited – led to an agreement to call a referendum about writing a new constitution; despite limitations this was a huge victory. We still have the 1980 one, written to prevent deviations from neoliberal capitalist principles and ratified by an extremely fraudulent referendum in Pinochet's dictatorship. The worst undemocratic aspects of it have been removed, but when Congress happens to pass a progressive law, the right wing goes to the Constitutional Tribunal and it is declared unconsti-

tutional. The key clause gives 'freedom for private property' and that overrides anything else.

The protests continued until the southern hemisphere summer when in February everything stops. They started again with huge International Women's Day marches on 8th March, then Covid arrived. The handling of this has almost mirrored Britain's – half-hearted lockdowns, confusing messages, a population that does not trust the government or other authorities. Many, especially young people, do not trust other authorities like scientists either. So we had more than 20,000 'excess' deaths last year – one in a thousand of the population, and another upsurge after Christmas and New Year.

The new constitution will be a blank sheet. This was a major victory. If the convention does not agree a point, there will be no reverting to the 1980 text. The agreement was criticised for several issues. It did not guarantee gender equality nor seats for ethnic minorities – these have been settled subsequently. The most controversial was that decisions will have to be agreed by two thirds of the delegates. This was decided so that the right wing can block radical change if they can get one third of the delegates. However, it also works the other way. Given the electoral fragmentation of the left (see below), if the left achieves a third but not a majority, they can block reactionary proposals. Issues not decided by the convention, and not in the new constitution, will be decided later by law, by simple majority in parliament.



As Covid fatigue increased, protests have started again but before that there was the campaign, mainly online, for the referendum on 25th October. Nearly everyone in Chile uses Facebook, it seems, and in the run-up, its pages were red-hot with calls to Approve a new constitution, and for it to be written by specially elected delegates. The alternative to Reject got little public support, and for the body writing it to include half from the present Congress, got even less. The vote was overwhelming – 78% for a new constitution, with slightly fewer voting, 79% went for a totally elected Convention and only 21% for a 'mixed' body including 50% of existing parliamentarians. The distribution of the vote was an almost perfect socioeconomic map. In Santiago, the poorer the municipality, the higher the percentage, above 85% in many. The only municipalities to reject the idea were the three where all the rich live. The disappointing aspect was that only 51% of the population voted – partly explained by the Covid crisis, of course.

So now we have until 11th January to register candidates for the elected assembly (carefully called a Constitutional Convention so as not to have the same name as Constituent Assemblies in other South American countries). The election will be in April, when we will also elect Regional Governors, Mayors and councilors. This is where it becomes

difficult. What is the political background? The parties that governed Chile since 1990 have been to a large extent rejected - they inherited the neoliberal system from the dictatorship and deepened it. Privatisation continued, including now 70% of the crucial production of copper, electricity generation, highways and water. Subsidised private schools were introduced, so by paying a relatively modest amount parents who could afford it could take their children out of the public system. What is left in the state system are sink schools. Social segregation in education is extreme, and higher education is expensive. Private health insurance covers 18% of the population. The public health serv-

People want real change. The pressing need is for an anti-neoliberal list for the elections, as broad as possible, including many independents.

ice has improved but waiting lists for specialists and operations are long. Labour laws mean that trade unions have a hard time, and private sector unionisation is low. The median wage is equivalent to about £400 a month, and over the years scandalous price-fixing cartels have been exposed for medicines, chicken, toilet paper. The cartels of the three pharmacy chains continues, and that by the three main supermarket chains has not even been exposed, let alone tackled.

Salvador Allende's Socialist Party, with a proud revolutionary history, emerged from the dictatorship fragmented and small, with leaders mainly returned from 'golden exile' in Europe and converted into good social democrats. They eagerly took their place in the first post-dictatorship governments,

took well-paid jobs in government or in congress, and did not worry about building a mass membership again. I used to wonder how it was financed – and the same about the PPD, the Party for Democracy, the Radicals and Christian Democrats. My question was answered a few years ago – big business financed not only right wing parties but also their opposition. This happened with not only legal, but also illegal payments which were revealed almost by accident – a huge scandal. A big contributor was Pinochet's former son-in-law who was virtually given the state Nitrate Mining Company, and now controls most of the strategic lithium deposits. All political parties have been tarred with this brush of corruption. The Communist Party (PCCh) had no involvement in illegal (or legal) business financing but did take part, to good effect, in Michelle Bachelet's last government (2014-18). So anti-communists of all stripes, never in short supply, smear the PCCh as being the same as the rest. Even the Broad Front, never in government, suffers from a massive 'anti-party' online campaign. Many progressives fall for it. Anarchism fits perfectly with capitalist individualism, which of course has been strongly dominant here for nearly 50 years. So anarchistic rejection of parties on a 'left' basis, is common. It is easily forgotten that the biggest attacker of politicians was Pinochet.

Nearly all discussion so far has been about guaranteeing rights in the new constitution. Very good, but rights proclaimed in a constitution do not necessarily translate into real life. More important will be the mechanisms to achieve real, or at least improved, democracy. A communist deputy has written a 'decatalogue' of proposals, including a change to a single chamber congress and a semi-parliamentary system, away from the present one modelled in the USA, where the president is almost like a king.

So now we have to elect candidates to write a new constitution, with a

probably united right-wing coalition, a discredited centre-left bloc (or maybe two) and many people on the anti-party left calling for independent candidates. Some independents, outside party lists, might be elected where there are strong social movements, or if they are well-known personally. But I expect few will be, and their effect will be to split the votes for real change. There are decent politicians in all the parties that oppose the right wing, and many good laws have been passed, especially in Bachelet's second term (2014-18) but that is no longer enough. People want real change. The pressing need is for an anti-neoliberal list for the elections, as broad as possible, including many independents. The Communist Party is engaged in building such an alliance. For some months it has had an alliance with the Regional Green Social Federation (one of their deputies has fought well against the TPP-11 pacific trade agreement), some Humanists and other groupings. Now this has been joined by the Broad Front, or at least the anti-neoliberal sections of this. One important asset is Daniel Jadue. This Communist mayor of Recoleta, a poor Santiago municipality, is now well-known for both his ground-breaking initiatives in his municipality and his intelligent, articulate appearances on television. He was the first to open a municipal pharmacy, breaking the 3-chain oligopoly and dramatically lowering prices. Then more libraries, a bookshop (none existed in the municipality) and lately municipal housing for rent, a complete novelty in Chile. Despite anti-communism, he has the highest poll rating of the possible candidates to be the next President. It is to be hoped that his popularity, combined with local work on the ground, in social movements, will give the anti-neoliberal list good results for mayors and councillors as well as in the convention to write the new constitution.

Facts about inequality & Covid

The Chilean economy contracted by 6% in 2020, its biggest fall since 1982.

By the winter the real unemployment rate had reached 31%.

People drew money out of their pension funds to live on and now 2.7 million workers have no pension fund left.

Chile, along with Brazil and Mexico, is one of the most unequal countries in the Western Hemisphere. 27.8% of income goes to 1% of the population.

During the pandemic the wealthy have thrived:

- The Luksic family, who make their money from copper, saw their wealth almost double since the start of the pandemic – from \$10,800m to \$19,800m.
- Julio Ponce, Pinochet's former son-in-law and highly corrupt, also saw his wealth double from \$1,700m to \$3,500m. He controls lithium production, privatised under Pinochet.
- President Piñera's family wealth grew from \$2,600m to \$2,900m
- Roberto Angelini's company was found guilty of bribing parliamentarians, while his wealth increased from \$1,300m to \$1,700.

During the pandemic excess deaths in poor municipalities have been much higher than in rich ones, varying from 49% above the norm in Alto Hospicio to only 9% in Providencia – both in Santiago.

(From figures reported by Daniel Matmala, La Tercera 3/1/20)

Indigenous struggles

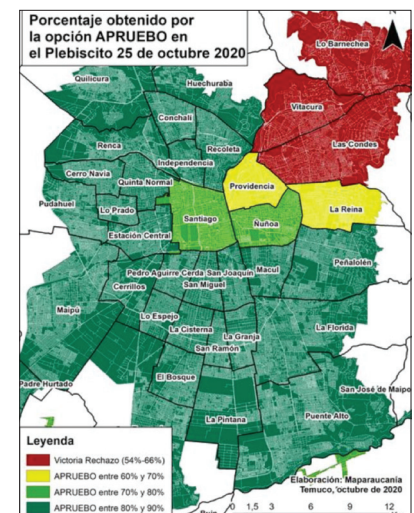
In my region, Araucania, the poorest in the country, the situation is particularly complicated. This part of Chile was independent, populated by indigenous Mapuche communities, until a genocidal war of 'pacification' which ended in 1883. The Mapuche were left with 5% of their land and reduced to poverty. Where previously they had all the land to graze their animals and grow wheat and oats, they were reduced to poverty. Then mainly European colonisers took even some of their remaining land, by legal fraud or brute force. Agrarian reform under Allende restored over 100,000 hectares, but almost all were taken away again under Pinochet. So the struggle to recover land is a big issue. There is a state body which buys land for distribution to Mapuche but the funds are very limited. Since 1999, in one part of the region there has been a low-level armed struggle of sabotage against the huge forestry companies (and some other usurper landowners) who gained enormous tracts of land after the counter agrarian reform in the dictatorship. Instead of seek-

ing a political solution, successive governments have militarised the conflict. There have been killings in cold blood and a major frame-up operation aimed at Mapuche leaders. Several of them have spent years in 'preventive detention' only to be found not guilty. Police special forces who killed a leader in cold blood two years ago have just been convicted. A few of their superiors, and a lawyer who made them lie about the circumstances have also been found guilty of a cover up, but these are exceptions. The use of force has not won widespread support however, and provokes fear and hostility in the non-Mapuche population. In the zone where the armed struggle occurs, the vote for a new constitution was won by only 60%, as against 75% in 'peaceful' areas of the region. The most intransigent Mapuche do not vote in elections held by the Chilean state, which they regard as illegitimate.

After hard negotiations, there will be 17 seats for indigenous peoples in the Constituent Convention (of the 155 total), of which 7 will be for Mapuche representatives. There should have

been 24, to be proportionate, but it was a battle to get any. At least one recognised leader, the Machi (traditional healer and spiritual guide) Francisca Linconao, a former framed prisoner, will be a candidate.

Map of the percentage approving a new constitution in Santiago, Plebiscite 25 October 2020. It follows exactly the differences in income of the various sectors of Santiago. The only areas to Reject were the 3 municipalities where the rich are concentrated (in red). They are scared of losing their privileges.





by Clare Bailey

At a brief session on the morning of January 4th, Judge Baraitser surprised everyone by ruling against the extradition of Julian Assange to the US to face charges under the Espionage Act. [1]

Outside the Old Bailey there were spontaneous celebrations of what looked at first sight like a victory.

Limited victory

The hearings on the extradition were held in September 2020, when Assange's legal team mounted an impressive defence, calling on world experts in a wide range of fields who powerfully challenged the prosecution case – refuting, for example, the claim that names had been carelessly revealed and lives endangered and lost as a result of WikiLeaks's publications. It was perhaps for this reason that the hearings were cut short in the end and that the judge delayed giving her verdict until January 2021.

In announcing her decision on January 4th, Baraitser dismissed all

arguments made by the defence on the right to free speech and on the political nature of the case, and ruled they had not established that the principle of the right to truth had any legal status in local or international law. She stated that 'Mr. Assange's alleged acts were unlawful and he does not become immune from criminal liability merely because he claims he was acting as a journalist', going on to affirm in detail and very precisely her acceptance of every single argument presented by the US prosecution. Her decision to rule against extradition was made solely on the grounds of the fragility of Assange's mental health and the consequent risk of his suicide in the American prison system.

The implications of this decision for investigative journalists and whistleblowers worldwide are profound. As Richard Norton-Taylor writing for Declassified UK on January 8th puts it, any journalist 'seeking information that governments do not want to disclose for reasons that have little to do with "national security" could be indicted

and prosecuted under the criminal law.' As he also points out, this does not just mean the US – other governments could well be encouraged to seek the extradition of journalists working in other countries to expose their human rights abuses and military exploits. Assange, it should be remembered, is not an American citizen.

Assange was returned to Belmarsh Prison pending the bail hearing on January 6th. Hopes were initially high that, given the refusal to extradite, he would be released to join his family. But bail was refused. In explanation, Baraitser said Assange had a wide network of support ready to assist him in absconding and that his previous violation of bail conditions was evidence enough of the risk he would do so again.

In fact Assange broke his bail conditions in 2012, taking refuge in the Ecuadorean embassy, precisely in order to avoid extradition to the US from Sweden, which he feared was the intention. Subsequent events were to prove him right.

The refined cruelty of the British judiciary professing concern for Assange's survival as they return him to solitary confinement in a freezing cell (the heating system in Assange's block at Belmarsh is not functioning) and when his current fragile state is the direct result of the British state's treatment of him for more than a decade, is breathtaking.

As to what happens next, there are some who hope the Biden administration will show leniency and pardon Assange; others think this is highly unlikely. Whatever the US has in mind, the decision of the British court cannot have been taken without some form of consultation with the US government-in-waiting and it appears the US intention for the time being is to press on and appeal. Given the grounds for the Baraitser decision, US lawyers do not now have to re-visit any of the substantive arguments on the extradition; they have only to address the question of Assange's safety within the US prison system.

Torture goes on

Meanwhile, Assange remains in prison in Britain – without charge, and with no end in sight to his incarceration. This may, of course, be the plan. One of the emails leaked by WikiLeaks in 2012 – dated 2010 and quoted in an earlier article on the Assange case in this journal [2] – records a conversation internal to Stratfor, a private intelligence agency providing information to American defence corporations; it refers directly to Assange's arrest in the UK:

'Pile on. Move him from country to country to face various charges for the next twenty five years. But seize everything he and his family own, to include every person linked to Wiki...'

Ten of those 25 years have already passed, and it seems increasingly likely that Assange may die in Belmarsh. He is not well and Covid is

rife. In many respects it would not be a bad outcome to the case for the British and American governments. On the other hand, the continued punishment of Assange without charge or trial in conditions that amount to torture also poses a growing problem that could be exacerbated rather than solved by his death in custody – the case is more widely publicised and understood now than it was even a year ago and the questions it raises are very disturbing.

As Home Secretary, Priti Patel will decide on the appeal, Baraitser's judgment having provided temporary cover for the British government by suggesting some independence from US interests. Patel will make the decision in the context of the government's stated intention to update the British Official Secrets Act, making it much easier to convict journalists and whistleblowers for revealing national defence information and no longer possible for defence lawyers to argue they were acting in the public interest. Sentences will also be increased.

The baseline is the determination that material of the kind contained in the Collateral Murder dossier should never again enter the public domain, such now is the fear of the repressive state of an informed population, or of what an informed population might do. Just as the Labour Party must never again be in a position to elect a rational social democrat with a progressive foreign policy that would have challenged some of their worst depredations.

[1] Baraitser's ruling can be read in full here: <https://www.judiciary.uk/wp-content/uploads/2021/01/USA-v-Assange-judgment-040121.pdf>

[2] The case of Julian Assange by Clare Bailey, *The Socialist Correspondent*, Issue 37, Summer 2020

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DELIVEROO

benefits in the pandemic, but not its workers...

by Alex Davidson

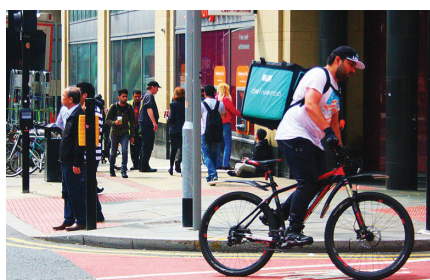
The gig economy is a free market system in which organisations hire so-called ‘independent’ workers. It tends to refer to people using apps to sell their labour. The most commonly used examples are Uber and Deliveroo but there are many platforms facilitating working in this way and they are growing in number. The workers in the gig economy have no protection against unfair dismissal, and they have no right to receive the national minimum wage, redundancy payments, paid holiday leave or paid sick leave and work is precarious. In addition to that, employers benefit from the fact that they only pay when work is available so don’t incur staff costs when demand is not there.

Deliveroo

Deliveroo is legally incorporated as RooFoods Ltd. This online food delivery company was founded in 2013 in London by the American, William Shu, previously an investment banker. It has operations in the UK, Netherlands, France, Belgium, Ireland, Spain, Italy, Australia, New Zealand, Singapore, Hong Kong, United Arab Emirates and Kuwait. It has withdrawn from Germany and Taiwan. [1] Deliveroo currently operates in 200 cities in the UK. It employs some 2,300 people and some 50,000 couriers. In January 2021 Deliveroo announced plans to expand into a further 100 towns and cities across the UK, enabling it to reach an additional four million people. The company has established Deliveroo Editions (or RooBox) in 16 sites across England including London, Brighton, Cambridge, Nottingham, Leeds, Reading and Salford, which create kitchens in shipping

containers with partner restaurants supplying the recipes and chefs. Deliveroo then makes home deliveries of the restaurant food. It expands the restaurant’s business without the need to invest in premises, rates, utility bills, equipment, tableware, waiting and other staff. The only cost to the restaurants is that of a commission to Deliveroo.

PHOTO BY SHOPBLOCKS



Deliveroo cyclist in Manchester

Its revenue grew 611% to £129 million in 2016 and continued to rise reaching £476 million in 2018. Since its inception it had consistently made losses ballooning to a loss of £317.7 million in 2019. In the second and third quarters of 2020 it made an operating profit for the first time.

Investors

Deliveroo has succeeded in attracting huge investment with eight rounds of venture capital investment since its inception and reached a valuation in excess of some £1.4 billion making it a unicorn company. [2]

The Competition and Markets Authority (CMA) had put on hold a proposed investment by Amazon in Deliveroo as it had raised concerns that it might undermine competition. However, Deliveroo informed the CMA that “the impact of the

coronavirus pandemic on its business meant that it would fail financially and exit the market without the Amazon investment.” In April 2020 Amazon’s investment of £439 million in Deliveroo was given the go-ahead by the Competition and Markets Authority. In making its decision the CMA stated that the Covid-19 outbreak had had “a significant negative impact on the UK takeaway courier’s business after several major restaurant chains including Nando’s, KFC and Pret closed their doors.” The CMA said the “imminent exit of Deliveroo would be worse for competition than allowing the Amazon investment to proceed.”

Investors now believe that the company is doing well enough for them to sell their shares for many times the amount they originally paid for them by allowing company shares to be bought and sold on the stock market. Deliveroo has now hired a group of investment banks including Bank of America, Merrill Lynch and Citi to help it launch what could be London’s biggest stock market flotation of 2021. The investment banks will work underneath Goldman Sachs and JP Morgan on Deliveroo’s initial public offering, which is expected to be launched around April 2021. It is expected to be valued at well over £5bn. However, the surge in revenues that Deliveroo has seen since the start of the coronavirus pandemic is likely to prompt a sharp upward revision in its advisers’ expectations of the valuation it could now achieve.

Deliveroo's investors include Silicon Valley Venture capital firms and other tech financiers. Before the Amazon investment the main shareholders were:

- Index Ventures: 16% (US Venture capital with funds registered in Jersey)
- DST Global: 16% (Hong Kong based, founded by Yuri Milner, Russian tech investor)
- Greenoaks Capital: 13% (San Francisco based with funds registered in the Cayman Islands)
- William Shu: 12% (founder and Chief Executive)
- Bridgepoint Capital: 10% (UK based private equity firm; also owns Zizzi, Pret a Manger, Leeds Bradford airport, Care UK, Tunstall Healthcare)
- Accel Partners: 10% (US venture capital firm)
- General Catalyst: 3% (US based investor)
- Greg Orlowski: 3% (co-founder, resigned from company 2019)

Legal Cases

In November 2017 the Central Arbitration Committee (CAC) rejected an application from the Independent Workers Union of Great Britain (IWGB) for collective bargaining rights in respect of Deliveroo riders. The IWGB then called for a judicial review of the case. The UK High Court dismissed the judicial review challenge by the IWGB in 2019. Collective bargaining rights only apply to workers and the CAC and High Court both upheld Deliveroo's position that their riders are self-employed contractors rather than workers in terms of the law.

In December 2020 a court in Bologna, Italy, ruled that a reputational-ranking algorithm used by Deliveroo discriminated against delivery workers by breaching local

labour laws. The algorithm did not distinguish between legally protected reasons for withholding labour, for example, not working because a rider was sick or for not being as productive as they had indicated they would be. The court ordered Deliveroo to pay £50,000 to the applicants plus their legal costs.

There have been legal cases brought against Deliveroo in France, Belgium, Spain, Australia and other countries. Some of these cases have found against Deliveroo, for example, a French court ordered the company to pay a cyclist £30,000 in damages on the basis that it was paying the employee as an independent contractor and not a regular employee in "an attempt to skirt labour laws". The definitions of 'worker', 'employee' and 'independent contractor' have become a matter of considerable controversy in labour law and deeply affect how people in work are treated by their employer, agency, or app. as in the case of Uber or Deliveroo.

Taylor Review

Theresa May, when Prime Minister, set up a Government Commission in 2016 to look at changes in working practices with the increasing role of the gig economy. The Commission was led by Matthew Taylor, Chief Executive of the Royal Academy of Arts. Taylor was Head of the No.10 Policy Unit when Tony Blair was Prime Minister. There were three other members of the Commission:

- Greg Marsh, a shareholder in Deliveroo, but not publicly declared. Marsh had worked for Index Ventures, the earliest investor in Deliveroo, as part of their technology investment team. He left Index in 2009 to set up his own company, onefinestay, a luxury hospitality business that lets travellers enjoy hotel services in beautiful homes while the owners are away, probably on their yachts! It's an upmarket version of Airbnb. Marsh sold the company to Accor Hotels in 2016 in a deal worth more than \$250 million. Marsh sits on several boards including Lyvly (3) and

APCOA, Europe's largest car park operator. In 2017 he was elected to the International Board of Amnesty International.

- Diane Nicol, an employment lawyer with Pinsent Mason, which specialises in representing employers during industrial relations disputes. According to the legal firm's website clients have described her as "always commercial".

- Paul Broadbent, who at the time of the Commission was Chief Executive of the Gangmasters and Labour Abuse Authority. Previously he had been Assistant Chief Constable of Nottinghamshire Police.

So, the Government appointed Commission into the gig economy involved no worker or trade union representatives.

The Taylor Commission published its report, "Good Work: the Taylor review of modern working practices" in 2017. The Government accepted 51 of the 53 Taylor recommendations and published its "Good Work Plan" in December 2018. Consultations were launched on several different aspects and some of this has now been put into employment law. The Taylor Review called for a new category of employment status, which it called "dependent contractor". This has still to be dealt with but it is unlikely to be of great assistance to those currently defined as so-called 'independent contractors' with Deliveroo.

[1] Deliveroo withdrew from Germany when the Dutch food delivery giant Takeaway.com, known in Germany as Lieferando, effectively tied up the German food delivery business for itself with its purchase of Delivery Hero's extensive operations in the country for €990 million. With the takeover it meant that Lieferando had 98% of the food delivery market in Germany. Deliveroo withdrew from Taiwan in April 2020 after only nineteen months, citing as its reason the reallocation of resources to Europe from the Asia-Pacific and Middle East regions.

[2] A "unicorn" company is the term used in the business world to indicate a privately held start-up company valued at over \$1 billion. As of October 2020, there were some 450 unicorn companies worldwide.

[3] Lyvly is a London-based start-up which brings together renters and landlords. It raised \$4.6 million in its Series A funding. Greg Marsh is its Chairman and one of its investors.

W.E.B. DU BOIS

Black American thinker and activist

Pat Turnbull delves into - The Autobiography of W.E.B. Du Bois: A Soliloquy on Viewing my Life from the Last Decade of its First Century - International Publishers in 1968. All quotes are from the book.

At a time when the deaths of black Americans at the hands of the police have prompted the rise of the Black Lives Matter movement, it is timely to remember Dr W.E.B Du Bois, one of the greatest black Americans.

William Edward Burghardt Du Bois was born in 1868. As he writes in his autobiography: 'The year of my birth was the year that the freedmen of the South were enfranchised, and for the first time as a mass took part in government. Conventions with black delegates voted new constitutions all over the South, and two groups of labourers – freed slaves and poor whites – dominated the slave states. It was an extraordinary experiment in democracy.' By the time he died in Accra, Ghana, in 1963, he had welcomed socialist revolutions in Russia and China, and the end of colonialism in many of the countries of Africa.

The black Burghardts were descended from Tom, born in West Africa, kidnapped as a child by Dutchmen, who grew up as a slave or serf in the family of white Burghardts. Tom's service in the American Revolutionary War freed him and his family, and the Bill of Rights of 1780 declared all slaves in Massachusetts free.

Education - college and life

Du Bois was the first in his family to finish high school. Everyone else at his school in Great Barrington, New England, was white, and he

had almost no experience of colour discrimination. Not more than 50 in a population of 5000 were black. In 1884, aged seventeen, he went on a scholarship raised by a group of local churches to Fisk University, a black college in Nashville, Tennessee: 'I was going into the South; the South of slavery, rebellion and black folk...I was thrilled to be for the first time among so many people of my own colour...A new loyalty and allegiance replaced my Americanism...There were men and women who had faced mobs and seen lynchings; who knew every phase of insult and repression.' In a letter home to his pastor in February 1886 he wrote: 'Some mornings as I look about I can hardly realise that they are all my people; that this great assembly of youth and intelligence are the representatives of a race which twenty years ago was in bondage.' Du Bois says: 'No one but a Negro going into the South without experience of colour caste can have any conception of its barbarism.' At Fisk he began his writing and public speaking, and edited the Fisk Herald. He conceived of a plan: 'I was determined to make a scientific conquest of my environment, which would render the emancipation of the Negro race easier and quicker... Knowledge and deed, by sheer reason and desert must eventually overcome the forces of hate, ignorance and reaction.'

Graduating from Fisk in 1888, he gained a scholarship to Harvard, where his lodging for four years was with a woman from Nova Scotia – 'a descendant of those black Jamaican Maroons whom Britain deported after solemnly promising them peace if they would surrender.' In 1892 he gained his master's degree and went on to study at Berlin University from 1892 to 1894. There his understanding of scientific research developed,

as did his view of the world. 'I began to see the race problem in America, the problem of the peoples of Africa and Asia, and the political development of Europe as one. I began to unite my economics and politics.' He was attracted to the socialist movement and attended meetings of the Social Democratic Party.

Aged 26... 'after two long years I dropped suddenly back into "nigger"-hating America' but 'my Days of Disillusion which followed were not enough to discourage me.' After receiving his doctorate from Harvard and teaching for two years at Wilberforce University, he accepted a temporary appointment at the University of Pennsylvania as 'assistant instructor' in sociology, and here he undertook the task of making a study of the desperate circumstances in which black people lived in what he described as, 'the corrupt, semi-criminal vote of the Negro Seventh Ward' in Philadelphia. As he writes: 'I made a study of the Philadelphia Negro so thorough that it has withstood the criticism of 60 years.' His study of two centuries of history, based on 5000 personal interviews and using libraries and private collections of black Philadelphians, was published in 1899. 'It revealed the Negro group as a symptom, not a cause; as a striving, palpitating group, and not an inert, sick body of crime; as a long historic development and not a transient occurrence.' But he was offered no further work. So in 1896 he joined Atlanta University to take charge of the work in sociology and organise conferences on the problems of black Americans. In his 13 years there he organised a series of annual publications containing a scientific study of their conditions of life. He describes Atlanta University as 'a green oasis in a wide desert of caste and pro-



W.E.B. Du Bois in 1918

PHOTO BY CORNELIUS M. BATTEY

scription, amid the heart-hurting slights and jars and vagaries of a deep race-dislike.' He knew his people faced 'terrific odds'. The studies he produced were so good they gained world-wide scholarly attention, and he took an exhibition to the 1900 World's Fair in Paris, where the exhibition received a Grand Prize and he as its author a Gold Medal.

No detached scientist

Du Bois's work was disrupted, however, by two considerations: 'one could not be a calm, cool and detached scientist while Negroes were being lynched, murdered and starved; secondly, there was no such definite demand for scientific work of the sort that I was doing, as I had confidently assumed would be easily forthcoming.' One case exemplifies that problem: in 1906 he undertook a social and economic study, from the earliest times documents were available, of Lowndes County, Alabama, a former slave state with a large black majority. The study was commissioned and paid for by the US Bureau of Labour, but was not published, since, he was told, it "touched on political matters". When a year later he asked for it back, he was told it had been destroyed!

Du Bois was also fighting 'a new racial philosophy for the South' in regard to education. College training was discouraged for the "child race" – black people 'must be a humble, patient, hard-working group of labourers'. Only black leaders and institutions supporting this limited view received funding and support from capitalist 'philanthropists' in the North like Andrew Carnegie. At the same time the disfranchisement laws between 1890 and 1901 which had been passed by all the former slave states and quickly declared constitutional by the courts robbed black Americans in those states of the vote.

So, seeing a different way to pursue his aims, in 1910 Dr Du Bois gave up his position at Atlanta University

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and became Director of Publications and Research for the newly formed National Association for the Advancement of Coloured People (NAACP), which conducted a highly effective campaign against lynching and mob rule. Du Bois's Niagara Movement, founded in 1906, had declared: 'We want the laws enforced against rich as well as poor; against Capitalist as well as Labourer; against white as well as black.' It now merged with the NAACP, and in 1910 Du Bois started *The Crisis*, of which he was editor until 1934. This journal, aimed at black Americans, grew rapidly until by 1918 over 100,000 copies were published and sold. Du Bois also organised a series of Pan-African Congresses attended by black Americans, West Indians and Africans, in various European and US cities between 1919 and 1927, and in this last year made his first visit to Africa, representing President Coolidge at the inauguration of President King of Liberia.

Between 1918 and 1928 he made four trips to Europe, which he

describes as 'of extraordinary meaning'. The First World War, the Russian Revolution and the anti-Russian interventions of Britain, France and the United States, led him to read Karl Marx for the first time: 'I was astounded and wondered what other areas of learning had been roped off from my mind in the days of my "broad" education.' His visit to the Soviet Union in 1926 made a deep impression: 'Never before had I seen so many among a suppressed mass of working people – people as ignorant, poor, superstitious and cowed as my own American Negroes – so lifted in hope and starry-eyed with new determination, as the peasants and workers of Russia.'

In 1934 disagreements with the mainly conservative board of the NAACP and restrictions on his freedom of expression as editor of *The Crisis* led him to leave the organisation and take up a post as head of the Department of Sociology at Atlanta University where he also published the journal *Phylon* for four years, and introduced as one of his three courses one on communism: 'I was convinced that no course of education could ignore this great world movement.' He was still attempting to promote the systematic study of the condition of black Americans, as a preparation for remedial measures, organising a plan of research in a network of black land-grant colleges with the black universities of Howard, Fisk and Atlanta at the centre. This was adopted on June 12, 1942, with Dr Du Bois as its official coordinator – and then, with no notice, Du Bois was suddenly retired from his post at Atlanta, which, as he says 'savoured of a deliberate plot'. And thus was 'a great plan of scientific work killed at birth' and the study of the conditions of black Americans increasingly passed into the hands of Southern whites.

After another period with the NAACP (he was dismissed in 1947 after disagreements with the secretary), Dr Du Bois joined the Council

on African Affairs as vice chairman. In the pre-Second World War witch hunt against progressive organisations in the USA, the Council had been put on the Attorney General's list of 'subversive' organisations. This was a sign of things to come.

Tried for campaigning for peace

Du Bois had long been connected with the movement for peace. In *The Crisis* as early as 1913 he wrote: 'The modern lust for land and slaves in Africa, Asia and the South Seas is the greatest and almost the only cause of war between the so-called civilised peoples.' Now, in the period after the Second World War, he attended a series of important international peace meetings including what he describes as 'the greatest demonstration for peace in modern times' in Paris in April 1949. In four days witnesses from nearly every country in the world spoke for peace'. Du Bois himself spoke against colonialism and the threat of a Third World War. At the close of the conference, 500,000 French people filed through the stadium calling for 'Peace, no more War!' In August 1949 Du Bois addressed the 1000-strong all-Soviet peace conference in Moscow, the only one of 25 Americans invited to accept the invitation.

Back in the United States he formed the Peace Information Centre which circulated the Stockholm Appeal to abolish the atom bomb. The Centre collected 2,500,000 signatures – world-wide half a billion people signed the appeal. In July 1950 US Secretary of State Dean Acheson attacked the "Stockholm resolution" as "a propaganda trick in the spurious 'peace offensive' of the Soviet Union." Speaking at the August 1950 meeting of the World Congress of the Defenders of Peace in Prague, Du Bois said: 'It has become almost impossible today in my country, even to hold a public rally for peace.' In August 1950 the Department of Justice demanded that the Peace Information Centre register

as "agents of a foreign principal", the implied 'foreign principal' being the Soviet Union. The organisation did not do so; in February 1951 Dr Du Bois was indicted by the Grand Jury in Washington as a criminal for "failure to register as agent of a foreign principal". The Centre felt it had no option but to dissolve. It was clear that this act was intended to intimidate and silence all advocates of peace, and that the indictment against Dr Du Bois in particular was, as he puts it, 'a needed warning to all complaining Negroes'. An International Committee in Defence of Dr Du Bois and his Colleagues was formed. Funds were collected from ordinary Americans to meet the costs of the case. Dr Du Bois and his wife Shirley Graham went on a lecture tour starting in June to explain the case and collect funds. Amongst other things Dr Du Bois said in his speech: 'Why is it, with the earth's abundance and our mastery of natural forces...that nevertheless most human beings are starving to death, dying of preventable disease and too ignorant to know what is the matter, while a small minority are so rich that they cannot spend their income? That is the problem which faces the world, and Russia was not the first to pose it, nor will she be the last to ask and demand answer.'

When the trial started in Washington in November 1951, Du Bois faced the possibility of five years' imprisonment, a fine of \$10,000 and the loss of his civil and political rights as a citizen 'representing five generations of Americans'. For nine months the Department of Justice had tarred the organisation as agents of the Soviet Union and promised overwhelming proof of guilt. It never came. Dr Du Bois was acquitted. The Department of Justice had found no credible evidence despite visits by the FBI to anyone associated with the Peace Information Centre, even those who had only been to a meeting. Dr Du Bois also felt that the increasing support from ordinary black Americans, especially as the trial approached, and the fear of

the repercussions on the black vote played a role in the verdict.

Communism

When Dr Du Bois finally received a passport in 1959, he went on a long tour, including the Soviet Union and China. On a visit to a conference of Asiatic and African writers in Tashkent, Uzbek Soviet Socialist Republic, he was surprised to find his work known to many delegates, and adds: 'We saw and heard of men whose works are read by millions, and yet whose names most of us Westerners had never heard.' On his visit to China, Dr Du Bois writes: 'I have seen the world. But never so vast and generous a miracle as China, a nation with a dark-tinted billion. I have never seen a nation which so amazed and touched me as China in 1959.' In a speech delivered in Ghana by his wife Shirley Graham on his behalf – he was in the care of a Soviet sanatorium – he advised Africa not to accept 'the capital offered you at a high price by the colonial powers' and instead to 'compare their offers with those of socialist countries like the Soviet Union and China'.

In his autobiography W.E.B. Du Bois has a short chapter entitled 'Communism'. He says: 'I believe in communism' describing it as 'a planned way of life in the production of wealth and work designed for building a state whose object is the highest welfare of its people and not merely the profit of a part.' He reflects: 'Once I thought that these ends could be attained under capitalism – I now believe that private ownership of capital and free enterprise are leading the world to disaster.' He concludes: 'I know well that the triumph of communism will be a slow and difficult task, involving mistakes of every sort. It will call for progressive change in human nature and a better type of manhood than is common today. I believe this is possible, or otherwise we will continue to lie, steal and kill as we are doing today.'

SYLVIA PANKHURST

Suffragette, socialist and anti-imperialist

by Philippa Clark for the Sylvia Pankhurst Memorial Committee

Readers of *The Socialist Correspondent* will be familiar with Sylvia, the socialist suffragette, however in the minds of many she is simply one of the Pankhurst women fighting for the right to vote. Sylvia wrote the definitive history of the suffragette movement yet this was only one aspect of her lifelong activism.

Trained as an artist, whilst painting and so documenting working class women in factories, mills and potteries she wrote: "Mothers came to me with their wasted little ones. I saw starvation look at me from patient eyes. I knew then that I should never return to my art." She was a fearless campaigner – imprisoned and force-fed many times fighting for votes for women. She was one of the earliest to speak out against fascism and was criticised by Mussolini. Sylvia's son, Richard wrote "the Germans placed my mother's name on the list of persons to be 'arrested forthwith' in the event of a Nazi occupation of Britain."

The Italian invasion of Ethiopia in 1935 led to her devoting her life to the liberation of that country, which eventually became her home. Sylvia understood the significance of Ethiopia in the struggle for the freedom of black Africa and this led to her connecting with black, pan-African activists including C.L.R. James, Jomo Kenyatta and W.E.B. du Bois. Prescient in her anti-racism she employed Britain's first black

journalist, Jamaican revolutionary poet Claude McKay to write for her paper, *Workers' Dreadnought*. Another poet, Siegfried Sassoon was also a contributor, sharing Sylvia's opposition to the 1914-18 war.

She was expelled by her sister Christabel (endorsed by her mother Emmeline) from the Women's Social and Political Union because of her socialism, including her support for trade unions. Sylvia is not represented on the memorial to them and the women imprisoned during the campaign for women's suffrage in Victoria Tower Gardens, adjacent to the House of Lords, hence the campaign to raise A Statue for Sylvia. The Lords blocked our original site opposite the Palace of Westminster. We were refused any Government funding available to celebrate the centenary of the limited franchise of women in 1918. Rachel Holmes, author of the recent *Sylvia Pankhurst, Natural Born Rebel* wrote "Sylvia was a socialist and an internationalist – and no doubt far too rich for the blood of those running Britain right now."

Overwhelmingly the statue is financed by donations from trade union branches and individuals.

With great support from Islington Council the statue of Sylvia will be raised on Clerkenwell Green in London (dubbed the headquarters of republicanism, revolution and ultra-nonconformity) and will look towards the Marx Memorial Library. An excellent site.

The maquette of the statue can be seen in the Marx Memorial Library. The full-size statue is cast in bronze and awaits finishing and patination at the foundry.



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We are crowdfunding on: www.justgiving.com/crowdfunding/sylviastatue

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Cheques should be made payable to "SERTUC (Sylvia Pankhurst)" Send to Megan Dobney, 26 Birchanger Road, London SE25 5BB