

The Socialist Correspondent

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Labour Leadership Election

Jeremy Corbyn

"On a clear anti-austerity platform." *Islington Tribune*

Or back to New Labour?



Liz Kendall



Andy Burnham



Yvette Cooper

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The Socialist Correspondent

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Get Out of the EU

In his article on Greece, Alex Davidson, explains that the five-month negotiations between the Troika (European Commission, European Central Bank and the International Monetary Fund) and Greece's SYRIZA government were a sham.



The European Central Bank in Frankfurt.

The EU diktat has come to pass and Greece is now in a worse position. The lessons for Britain and elsewhere are clear: **Get Out of the EU.**

The EU cannot be negotiated with from inside as the Greeks have learned. Accession to the EU has been disastrous for the former Eastern European socialist countries as well as for Portugal, Ireland, Greece and Spain, whose people have paid for their banks to be bailed-out.

Although the main parties in Britain, from the Tories to the SNP, will campaign for a YES vote, millions will not be convinced because of their experience and the knowledge of what has happened in Greece.

Germany played the leading role in dealing with Greece and is extending its hegemony over the EU and this is exposing inter-imperialist rivalries.

Ukraine

In his article on Ukraine, Simon Korner notes that, "Germany has opted for the EU accession deal, rather than military force as a means of ruling Ukraine - a model which has served it well in dominating other east European countries."

On the other hand, there are those, particularly in the US, who would like "to advance NATO's military presence up to Russia's border."

Permanent War

War is now a constant for millions of people in many parts of the world, not least the devastated Middle East: think of Iraq, Libya, Syria, Palestine.

The situation in Yemen is analysed by Simon Korner in which he argues that the US-backed Saudi war is de-

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stroying one of the world's poorest countries to maintain control over a strategically important region.

As he points out, "Yemen has been critically important strategically since the British Empire developed the port of Aden as a staging post to India..."

It is important now to the Americans, whose "policy is dictated by its need to control both the strategic chokepoint and the oil reserves."

UK General Election

Anyone who thought that it didn't matter who won the British General Election because the Labour Party was as bad as the Tory Party should already have changed their view or they soon will.

The Tory government, now with a slim but workable overall majority, has started its next five-year term of office setting out a legislative programme, which will extend and deepen austerity.

Proposed legislation includes that of making it even more difficult for trade unions to take industrial action when workers' rights and conditions are further attacked; the capping of welfare benefits; the introduction of the 'right to buy' for housing association tenants thus taking more homes out of social housing for future generations; and much more.

Alice In Wonderland

The Queen's Speech at the opening of Parliament began, "My government will legislate in the interests of everyone in our country. It will adopt a one nation approach, helping working people get on, supporting aspiration, giving new opportunities to the most disadvantaged..." Britain's monarch, the most privileged person, parroting words penned for her by the privileged and rich people's Conservative party about helping 'working people' ... **it's the language of 'Alice in Wonderland'.**

However, the words will not camouflage the consequences. This is a programme of even greater attacks on the trade unions, the welfare state, the unemployed, the sick, elderly and disabled, indeed all working people than we have seen hitherto.

Labour Party leadership

The Labour Party is now in a leadership contest. The Blairites, in painting the General Election defeat as disastrous for Labour, aim to re-take the leadership and return to the politics of right-wing New Labour. Miliband had gone some way in taking Labour away from that position but the Blairites are determined to stop that continuing.

Scott McDonald argues in his article, "General Election and the Aftermath", that although it was a defeat for Labour, it was not as disastrous as the Tories and the Blairites would like to make out.

As he points out it suits both the Tories and the Blairite agendas, "It suits the Tories as it suggests invincibility and aims to dishearten Labour activists and supporters. From the Blairite standpoint, it makes sense ... blaming Miliband and left policies and creates the platform for the re-launch of their right-wing New Labour agenda."

Brian Durrans in his piece analysing the results in London shows that Labour did very well, in fact better than in previous elections when Blair and Brown were the leaders.

In his in-depth analysis of the London results he shows that Black and Ethnic Minority (BME) voters are more likely to vote in accordance with their class position and in London there is a greater proportion of BME voters.



Jeremy Corbyn

He draws the conclusion that "if the key lesson is that Labour can do best when people vote according to their class interests, then the party will do even better when it defends and advances those interests in the principled and vigorous way its founders intended.

And as austerity affects more and more people, Labour can win over voters from other parties to the extent that it inspires existing supporters."

You won't hear much from Liz Kendall, Andy Burnham or Yvette Cooper about class interests but you may well do so from Jeremy Corbyn.

Greek lesson: EU is bad for the people

The situation now faced by Greece demonstrates with great clarity that the European Union (EU) is undemocratic, unreformable and a major enforcer of failed neo-liberal capitalist policies.

By ALEX DAVIDSON

The Greek government has now signed up to a Third Memorandum with the Troika (European Commission, European Central Bank and the International Monetary Fund), which puts the country into an even worse situation than it already was.

Days after the Greek people voted 'NO' in their referendum the Greek government agreed to even greater austerity and a further diminution of the rights of the Greek people. The new deal was even more punitive than that earlier on offer.

The appalling treatment of the Greeks is a big lesson for the people of Britain as we approach an In-Out EU referendum. The EU cannot be negotiated with from inside as the Greeks have learned. The EU structures are undemocratic and dictatorial and increasingly Germany dominates this capitalist club.

Accession to the EU has been disastrous for the former Eastern European socialist countries as well as for the PIGS (Portugal, Ireland, Greece and Spain), whose people have paid for their banks to be bailed-out.

Although the main parties in Britain, from the Tories to the SNP, will campaign for a YES vote, millions of people will not be convinced because of their experience and the knowledge of what has happened in Greece.

From the election of the Syriza government through to the Greek referendum, the Eurogroup never wavered from its position that the austerity programme agreed to by previous Greek governments must be adhered to. Dr. Wolfgang Schauble, Germany's Finance Minister and the architect of the deals Greece signed in 2010 and 2012, insisted on this throughout.

The Eurozone pre-emptively dismissed the referendum and in the

meantime the Eurogroup had taken steps to protect its banks even if the Greek banks defaulted.

Greece has been given no debt relief, and in borrowing more money and therefore paying more interest, the debt is destined to increase.

Sham negotiations

The five months of negotiation were a sham. As early as February 2014, Greek Finance Minister, Yanis Varoufakis accused the 'creditor' governments of a lack of flexibility in the negotiations. After his resignation on the evening (6 July) of the referendum result, he went further and labelled the negotiations 'a set-up'.

He said "the other side insisted on a 'comprehensive agreement', which meant they wanted to talk about everything. My interpretation is that when you want to talk about everything, you don't want to talk about anything."

He suggested that Greece's creditors had a strategy to keep his government busy and hopeful of a compromise, but in reality they were slowly suffering and eventually desperate.

Varoufakis added, "They would say we need all your data on the fiscal path

on which Greece finds itself, all the data on state-owned enterprises. So we spent a lot of time trying to provide them with it and answering questionnaires and having countless meetings."

"So that would be the first phase. The second phase was they'd ask us what we intended to do on VAT. They would then reject our proposal but wouldn't come up with a proposal of their own.

"And, then before we would get a chance to agree on VAT, they would shift to another issue, like privatisation. They would ask what we want to do about privatisation: we put something forward, they would reject it.

"Then they'd move onto another topic, like pensions, from there to product markets, from there to labour relations...it was like a cat chasing its own tail." (1)

Harsh conditions

When five years previously the Greek crisis began and the EU stepped in, it was not the kind of help one would have wanted. Joseph Stiglitz, formerly senior Vice-President and Chief Economist of the World Bank, and Martin Guzman wrote, "The initial proposals had Germany and other 'rescuers' actually making a profit out of Greece's distress, charging a far higher interest rate than their cost of capital. Worse they imposed conditions on Greece - changes in its macro- and micro-policies - that would have to be made in return for the (bail-out[Ed]) money." (2)

"Such conditionality was a standard part of the lending practices of the IMF and World Bank ... There was an element of neo-colonialism: the old White Europeans once again telling their former colonies what to do." (2)

The IMF and World Bank's 'structural adjustment' programmes in Zimbabwe and Argentina are worth recalling in this regard, with disastrous consequences for the peoples of those countries.

These years of blackmailing Greece and demanding ever more austerity has led to a catastrophic economic depression with around



Wolfgang Schauble



Yanis Varoufakis

30% unemployment (more than 50% youth unemployment), slashed salaries and pensions, huge cuts in the public sector and vast inequality between the rich and poor. The economy has been reduced by 25%.

Those saved by the bail-outs were not the people of Greece but German and French banks.

This latest Memorandum will enlarge Greek debt and make a bad situation for the Greek people even worse. The provisions of the new deal include:

- An additional increase of the VAT rates, transferring packaged food and other items of mass popular consumption to the highest rate of 23%, the abolition of tax exemptions for farmers, a significant increase in VAT for the islands.

- Maintenance of the anti-social-security measures in their entirety which reduce pensions, increase the retirement age, exempt employers from social-security contributions

- The introduction of new measures that abolish the remaining early retirements, establishing a single retirement age of 67, abolition of the benefits for pensioners with very low pensions, increase in workers' social-security contributions, merging of the social-security funds with a race to the bottom in terms of rights.

- The freezing of collective agreements, the maintenance of reduced wages and also additional new anti-worker measures in the name of adaptation to the EU directives for the expansion of individual contracts between workers and employers, the reinforcement of part-time and temporary work, flexible labour relations.

- Maintenance of the privatisations that have taken place and the promotion of new ones, in the ports, 14 regional airports, the railways, the company that manages natural gas.

- The creation of a mechanism for mortgaging and selling public property in order to raise 50 billion Euros to repay the loans. The suggested mechanism for selling off Greek public assets, according to Wolfgang Schauble, is that they "shall be transferred to an existing external or independent fund like the Institute for Growth in Luxembourg." The Institute for Growth was jointly established in 2013 by a previous Greek government and KfW, the German Development Bank. Schauble is the Chairman of the Board of KfW.

- The creation of primary surpluses of 1% for 2015, 2% for 2016, 3% for 2017, 3.5% for 2018, and the implementation of a mechanism to automatically cut salaries, pensions, social spending if



The European Central Bank headquarters, Frankfurt, Germany

there is divergence from the fiscal goals.

Inter-Imperialist rivalries in Europe

There have been differences between the organisations of the Troika and between the positions of the United States and Germany. These reflect the differing approaches to handling the financial crisis and also inter-imperialist rivalries.

There is no disagreement among the capitalist countries that it is the working people who should pay to save the banks. The differences are over tactics as to how the situation should be handled.

Timothy Geithner, US Treasury Secretary (2009-2013), met with Wolfgang Schauble on the German island of Sylt in the North Sea in July 2012, and in his book *'Stress Test'* published at the end of 2014, revealed that the German Finance Minister had presented him with a plan to kick Greece out of the Eurozone.⁽³⁾

This, according to the German Finance Minister, would allow Germany to provide the financial support necessary to the Eurozone as the German people would no longer perceive the assistance as a "bailout of the corrupt and profligate Greeks."

Furthermore, according to Schauble's logic, a Greek exit would scare the rest of Europe enough for them to commit to providing sufficient financial assistance in order to prevent the system from collapsing.

Geithner called the idea 'frightening', writing that he felt that it would create a crisis of confidence that would be difficult to contain regardless of how much money the Europeans subsequently pledged to shore up bankrupt states.

He added that he could not see why the Germans would feel better about bailing out Spain or Portugal than they would Greece.

In the book Geithner also once again highlights the disagreement between the Americans and Europeans on how the debt crisis should have been handled at its outset in 2010.

While European lenders remained doggedly committed to austerity Geithner writes he felt that imposing aggressive austerity too soon in Greece would be counterproductive as it would depress the economy and tax revenue, ultimately increasing the deficit.

German hegemony

The United States is wary about German hegemony over Europe; so besides the differences over how to deal with Greece there are other differences including over Ukraine.

The negotiations between Germany, France and Russia, which led to the Minsk Agreement over Ukraine, excluded Britain and the United States.

The United States and NATO continue to gear up for war while Germany would prefer to integrate Ukraine into the EU and control it through that mechanism.

Membership of the EU has been bad for many countries including Greece and bad for all workers throughout Europe. It has been good for capital but not for labour.

The referendum debate in Britain will not be framed in this way by the capitalist media nor by the main political parties but, then, all of them are defenders of capitalism.

It is worth recalling that on a British exit from the EU, Wolfgang Schauble argued in 2014 that Britain's EU membership was particularly important to Germany as both countries share a market-oriented reform approach on many economic and regulatory questions.⁽⁴⁾

What that means is that weaker capitalist countries would, like Greece, have to abide by EU diktat, privatisation would be endemic and workers throughout Europe would have their rights and conditions further reduced whilst capitalism reigns supreme.

FOOTNOTES

1. Yanis Varoufakis interview with *New Statesman*, 13 July 2015.

2. Stiglitz Joseph E and Guzman, Martin, "Argentina shows Greece there may be life after default", *The World Post*, 1 July 2015.

3. Geithner, Timothy, "Stress Test", 2014.

4. *Financial Times*, 30 June 2014.

UK General Election and the aftermath

The Blairite wing of the Labour Party and the Tories paint the picture that the General Election was disastrous for Labour. The media repeat this assertion ad nauseam.

By SCOTT McDONALD

But it is not true. The facts do not support their argument.

However, this description of a disastrous defeat for Labour fits both the Blairite and Tory agendas.

It suits the Tories as it suggests invincibility and aims to dishearten Labour activists and supporters.

From the Blairites' standpoint, it makes sense to describe the result as disastrous, blaming Miliband and left policies, and creates the platform for the re-launch of their right-wing New Labour agenda.

This description also suits the SNP, which has always had the aim of destroying Labour. Of course the election was disastrous for Labour in Scotland, but not in England nor Wales. The SNP would like to convince everyone that there is no way back for Labour not just in Scotland but in the rest of the UK.

By making the argument that there will be a Tory government forever in the UK, the SNP believe this will convince more people in Scotland that independence is the only answer.

The SNP know that a Tory government in Whitehall, and creating the impression that there is no way back for Labour, will make it easier for them to achieve their aim of independence.

So, it is in all their interests - the Tories, right-wing Labour and the SNP - to describe the election result as disastrous for Labour.

But it is not true. The facts do not support their argument.

The Tories won 8 seats from Labour but Labour won 11 seats from the Tories. (See Table 1) Labour's share of the vote increased from the 2010 General Election, from 29% to 30.4%, even with Labour shedding many votes in Scotland. Labour's vote was up by 740,000 from the previous election in 2010.

The Liberal Democrat collapse, the

fading challenge of UKIP to the Tories, the SNP's sweeping gains in Scotland, the disenchantment of many working-class voters, the pro-Tory media as well as the Tories' strategy and tactics account for Labour's defeat. But to describe it as disastrous is to deny the facts.

Liberal Democrat disaster

The Liberal Democrats collapsed, losing a total of 49 seats, 27 to the Tories, 12 to Labour and 10 to the SNP. This leaves the Liberal Democrats with just 8 seats in Parliament. (See Table 1)

Their share of the vote plunged from 23% in the 2010 election to 7.9% in 2015.

UKIP, which had been challenging the Tories, particularly in the south of England, stopped getting the same positive media attention as the election approached. UKIP did secure a worrying 3.8 million votes, but won only one seat. Their share of the vote increased to 12.4% from 3.1% in the 2010 election.

How the Tories won an overall majority

A meagre 901 voters spread over 7 constituencies was what gave the Tories an overall majority (see table 2).

In the constituencies shown in Table 2, you only need half of those people to switch from Conservative to Labour for the Tories to lose their majority in government. In Gower for instance if 14 people who voted for the Tories had voted for Labour instead, Gower would have become a Labour seat. Only 14 people!

If that had happened in all of these seven constituencies, the Tories still would have won more seats than any other party but, at 324 seats, they wouldn't have managed an outright ma-

ajority. Tallying up the switched votes needed for Labour to get these seven seats, we end up with a total of 901 people. That's how few people gave the Tories an overall majority in the House of Commons. The Tory strategy and tactics worked in the key contests.

Tory Strategy

Lynton Crosby, the Australian political campaign strategist, guided John Howard and the Liberal Party (ie the Australian Tory Party) to four election wins in Australia and had run Boris Johnson's two successful London Mayoral campaigns. In January 2012 he was appointed to head the Tories election strategy for the 2015 General Election.

All parties understand that there is an air war (TV, radio, social media) and a ground war (knocking on doors, phone calls, leafletting).

Mark Wallace, writing in the Conservative Home website said, "The Conservative air war was visible for anyone to follow - the assault on Labour's fiscal credibility, the image of a weak Ed Miliband being propped up by a strong SNP, the starkly-drawn dividing lines on such as welfare reform and the deficit. These headline messages certainly played a large part in delivering the Conservative majority." ⁽¹⁾

However, the Tory ground war was deliberately played under the radar.

Wallace continued, "At the Conservative conference in Birmingham in 2012, Stephen Gilbert, the Prime Minister's Political Secretary, outlined the election strategy... "Speaking in a closed session to senior activists, Gilbert set out the programme for the Tory Stealth Win that was painstakingly effected beneath the radar of Labour, the media - and indeed pollsters." ⁽²⁾

It was known as the 40/40 strategy in which the campaign would focus on defending 40 Conservative-held seats and attacking 40 others held by Labour and the Liberal Democrats.

Wallace added, "Having picked the



Lynton Crosby

TABLE 1 - Tory Gains and Losses

Tory Gains: 35

From Liberal Democrats: 27

1. Bath
2. Berwick
3. Brecon & Radnorshire (Powys, Wales)
4. Cheadle
5. Cheltenham (Gloucester)
6. Chippenham
7. Colchester (Essex)
8. Eastbourne
9. Eastleigh (Hampshire)
10. Hazel Grove (Greater Manchester)
11. Kingston & Surbiton
12. Lewes (East Sussex)
13. Mid Dorset & North Poole
14. North Cornwall
15. North Devon
16. Portsmouth South
17. Solihull
18. Somerton & Frome (Somerset)
19. St Austell & Newquay (Cornwall)
20. St Ives (Devon)
21. Sutton & Cheam
22. Taunton Dean (Somerset)
23. Thornbury & Yate (Avon)
24. Torbay (Devon)
25. Twickenham
26. Wells (Somerset)
27. Yeovil (Somerset)

From Labour: 8

28. Bolton West
29. Derby North
30. Gower (West Glamorgan, Wales)
31. Morley & Outwood (W Yorks)
32. Plymouth Moor View
33. Southampton Itchen
34. Telford
35. Vale of Clwyd

Tory Losses: 12

To Labour: 11

1. Brentford (London)
2. City of Chester
3. Dewsbury (West Yorks)
4. Ealing Central & Acton (London)
5. Enfield North (London)
6. Hornsey & Wood Green (London)
7. Hove (East Sussex)
8. Ilford North
9. Lancaster
10. Wirral West (Merseyside)
11. Wolverhampton South West

To UKIP: 1

12. Clacton (Essex)

alised and, in particular, that Liberal Democrat supporters were more amenable to voting Tory than others realised.

“This laid the foundations for the ground war: without it, the ground campaigning, phone calls and leaflets to come would have been far less effective. If the concept of the 40/40 strategy was a precision strike to win a majority, Crosby’s research (later bolstered by Jim Messina’s⁽²⁾ data) was aimed at delivering a precision strike to win a majority of votes in each seat.

“The importance of getting the research right cannot be overstated, either in terms of the eventual election result, or the subsequent media confusion.

“The majority would be won by campaigns targeted directly at a relatively small number of groups, each composed of a relatively small number of people in a relatively small number of seats.

“That level of detail was hard for those working at a national level to see, and Crosby’s own insistence that “we don’t talk about process” combined with it to make crucial parts of the campaign almost invisible.

“The Conservative approach was, in effect, a rather secret war, carried out below the radar of the watching national media, which had no means of assessing the quality of the information gathered in the databases, or all the ways in which it was duly exploited.”⁽³⁾

The Tories 40/40 strategy was executed using Team 2015, who were activists moved around to the target seats. They were encouraged by as-

sistance with transport, special days and free curries and enabled with a very clear picture of voter’s likes/dislikes provided by the database created by Crosby and his team.

The underground ground war was complemented by the very visible air war, of which the use of nationalism was particularly effective in the targeted seats.

The Nationalist card

The Tories played the “English Votes for English Laws” (EVEL) card from the morning when David Cameron commented on the result of the Scottish Independence Referendum through to the final days of the General Election campaign. The Tories used the SNP to portray a situation in which, if Labour won, Miliband would be in the pocket of Salmond. It was a very effective tactic devised by Tory campaign strategist

seats and selected the candidates, the next step was to understand key voters in each constituency. Part of Lynton Crosby’s role was to lead on the polling and analysis of voters in each target con-

stituency: how had they voted in the past, why had they done so, what might make them stick with the blues or switch, and so on. He believed there were more potential swing voters than people re-

TABLE 2 - Seven Most Marginal Tory Seats by Majority

Constituency	Majority	Gain/Hold
Gower	27	Tory gain from Labour
Derby North	41	Tory gain from Labour
Croydon Central	165	Tory hold
Vale of Clwyd	237	Tory gain from Labour
Bury North	378	Tory hold
Morley & Outwood	422	Tory gain from Labour
Plymouth Sutton & Devonport	523	Tory hold

Lynton Crosby.

“With typical shrewdness and ruthlessness, Crosby identified the surge of Scottish nationalism in recent years as a wedge that could be used against Labour, both in Scotland and in England.” (Andy Beckett, *Guardian*, 8 May 2015)

“The Tory emphasis on the threat of a SNP-Labour coalition helped claw back voters from the Lib Dems and Ukip – placing the Conservatives on course to claiming today’s majority” (Corey Charlton, *Mail* online, 8 May 2015)

Labour were squeezed by English and Scottish nationalism. When pushed by the SNP to form an alliance, Miliband had no choice but to reject their phoney overtures.

If he had accepted, it would have been as good as saying “vote SNP not Labour in Scotland” and it would have pushed frightened voters in the south of England even further into the Tories’ hands.

So, Miliband had no choice but to reject any formal or informal alliance with the SNP. On this point, if there is to be any criticism to be made of Miliband, it is that he should have made the position clearer earlier.

The SNP argued that a vote for them in Scotland was not a vote against Labour nor a vote for the Tories. In England and Wales they called on people to vote Green or Plaid Cymru, making it even more clear that their “support for a Labour Government” was false.

In Scotland the SNP made huge gains, taking 40 seats from Labour and 10 from the Liberal Democrats bringing their total to 56 seats, leaving Labour, the Liberal Democrats and the Tories with one seat apiece.

There are a number of explanations for this victory of the SNP in Scotland:

- Growing disenchantment and disillusion with Labour, especially among working-class voters, during the Blair/Brown years with the war on Iraq and right-wing domestic policies.

- The poor performance of Labour and its leadership in Scotland over many years.

- Labour continually taking for granted its support. This complacency often turned into arrogance.

- The SNP, having led a minority government for several years, won a majority in the last Scottish election and has now governed Scotland for seven years.

- Although the Referendum was a victory for the NO vote, the YES campaign refused to accept the result and continued their campaign. The momentum they had built up during the Referendum campaign continued in the very short run up to the General Election.

- The SNP used Labour’s member-

ship in the ‘Better Together’ referendum campaign alongside the Tories to tar them with the toxic Tory brush. SNP activists took to name-calling Labour, the “Red Tories”.

- The SNP used anti-austerity rhetoric as their main message throughout the election campaign, positioning themselves to the left of Labour. This message was reinforced by pointing to Labour’s partnership with the Tories in the Better Together campaign.

The SNP has always been clear that the main obstacle to Scottish independence is the Labour Party. They targeted traditional Labour voters and argued that they would “lock Cameron out of Downing St.” if Labour went into alliance with them.

Their tactics were aimed at disillusioned Labour voters who didn’t want a Tory government but had to be convinced that voting SNP would not put the Tories back into government.

Many hitherto traditional Labour voters, fed up with Labour, accepted the argument and, in many cases, didn’t necessarily regard a vote for the SNP as a vote against Labour.

Blairite pre-planned attack

The Blairites, having lost the leadership of the Labour Party with the defeat of Ed’s brother, David, attempted on several occasions to get rid of Ed prior to the election.

They launched a pre-planned attack the day after the election. It sought to put the blame for Labour’s defeat onto Miliband and left-wing politics, invoked memories of Michael Foot and other Labour defeats and accused Miliband of the failure to tap into the hopes of

“aspirational” voters. “Aspirational” is right-wing shorthand for the “middle class”.

The big losses for Labour since the 1997 election have been working class voters. An estimated 4 million ‘Labour identifiers’ did not vote at the 2010 election. This loss of mainly working-class voters has been growing for more than a decade.

Who caused the 2007-08 crash?

Part of the Blairite argument is that Labour is not trusted on the economy. The Tory narrative is that it was Labour which caused the deficit and the crash of 2007-08.

The Tories spent five years hammering away at this message. When Miliband did offer a different explanation during one of the television debates he was shouted down. The narrative that it was Labour to blame and not the bankers had been allowed to become the dominant explanation.

The Blairite strategy is to create the platform for the return of new New Labour. Three of the four Labour leadership candidates follow this agenda in varying degrees. On a scale of 1-10 with 10 being their ideal replacement for Tony Blair, then Liz Kendall scores 10. Yvette Cooper and Andy Burnham are not far behind. Jeremy Corbyn is the only candidate who doesn’t accept the Blairite arguments.

When a poll showed that Corbyn may be leading in the leadership race then it was time for Tony Blair to intervene. He said that people voting in the Labour leadership election who were going to vote with their heart rather than their head “needed a transplant”.

This was designed to remind people that, according to the Blairite philosophy, you can only win an election in Britain if you appeal to the so-called middle ground or “aspirational people” by essentially adopting right-wing policies.

But Labour held on to, indeed slightly increased their share of the middle class vote, as pointed out by John Trickett MP. Despite the Blairites, the Tories and the media, Labour would do better to look to the disenchanted, austerity-hit millions of working people who could be inspired to fight for a better life.

FOOTNOTES

1. <http://www.conservativehome.com/thetorydiary/2015/06/the-computers-that-crashed-and-the-campaign-that-didnt-the-story-of-the-tory-stealth-operation-that-outwitted-labour.html>
2. Jim Messina was in Barak Obama’s campaign team.

Jon Trickett MP, Labour Party Deputy Chair, wrote on the web, 13 May 2015, “If we compare the election results for our last election victory in 2005 with the result last Thursday and analyse by social class, a very interesting pattern emerges. Here are the figures.

	2005	2010	2015
AB	28	26	27
C1	32	28	30
C2	40	29	30
DE	48	40	37

(House of Commons Library figures)

“It is possible here to see that the proportions of AB and C1 voters who voted Labour in the last three elections has held steady. Indeed Ed Miliband’s leadership led to a mild recovery of these voters between 2010 and 2015, (as it did among the C2 group.)”

Labour's election success in London

David Cameron's victory in the UK's General Election on 7 May 2015 was achieved despite the Conservative/Liberal-Democrat Coalition's widely unpopular policies of austerity at home and militarism abroad.

By **BRIAN DURRANS**

It was also won against a personable Labour leader whose policies represented the first significant shift from a Blairite agenda in over a decade.

Ever since the first results were declared, two stories dominated the media: that forecasters failed to predict the outcome even as late as the exit polls, and that it was a disaster for Labour, which Ed Miliband's prompt resignation did nothing to refute.

Labour commentators David Blunkett and Alastair Campbell, interviewed on TV as the disappointing results were coming in, identified in perhaps unguarded comments that the main problem had been the party's failure, some seven years before, to nail the lie that, because it was in government at the time, it was somehow responsible for the 2008 'banking crisis'.⁽¹⁾

This echoed the pre-election views of others not confined to Labour's own ranks or the wider left (such as former Bank of England Chairman Sir Mervyn King) and is much more credible than that Labour lost because of some lurch to the left.

The obvious question is why in the following seven years Labour did so little to put the record straight on its

handling of the economy?

The 2008 crisis (which was and remains not just a crisis of banks or finance but of capitalism itself) was contained only by state intervention through Gordon Brown's Labour government.

The idea that 'Labour can't be trusted with the economy' has twice proved an election-winner for the Conservatives, in 2010 and, as just seen, in 2015.

But that wouldn't have been possible if the slogan hadn't also been a diversion from the fact that saving the banks demolished the dogma of the 'free' market independent of the (capitalist) state.

Even right-wing Labour figures like Blunkett and Campbell know this but can't admit that the reason why Labour was unable to defend itself is because its Blairite copying of Tory austerity policies looked like a confession of guilt.

Only a clear, determined and prolonged campaign to combat this promptly-planted caricature of Labour could have significantly improved the party's chances in 2010.

Even if the problem had been clearly identified in preparing to fight the 2015 election, the original failure to nip it in the bud would probably have left too much ground to make up.

But the very idea of addressing this issue was ignored in the 2013 Fabian Society document which did much to shape the Labour Party's 2015 election strategy.⁽²⁾

Claiming credit for its stabilising intervention, however, would have given Labour the chance to convert it into popular support for an alternative to the neoliberal mayhem which caused the crisis in the first place.

Practical lessons for the future will emerge from a balanced assessment of Labour's strategy and performance:

- what the policies were, how coherently they fitted together and how they were promoted;

- how the election campaign was designed and handled, including how effectively vested interests and their media and parties were countered locally, regionally and nationally.

Labour supporters are already asking what went wrong in 2015 and how past mistakes can be avoided in future.

This has to address strategy as well as tactics, but if there's any complacency about Labour's performance the greater risk is despair.

Although Labour also did well in some other places, its remarkably good performance in London should counter the pessimists.

Labour in London

Labour's electoral performance can be usefully compared between national and London results over the last three general elections (Table 1).⁽³⁾

TABLE 1 - Labour's London Performance

Election	2005 ⁽⁴⁾		2010 ⁽⁵⁾		2015	
	Tony Blair		Gordon Brown		Ed Miliband	
Labour leader	Tony Blair		Gordon Brown		Ed Miliband	
Scale	National	London	National	London	National	London
Labour votes	9.6m	1.1m	8.6m	1.3m	9.3m	1.5m
Total electorate	44.2m	5.0m	45.6m	5.3m	46.4m	5.4
% voter turnout ⁽⁶⁾	61.4	57.8	65.1	64.5	66.1	65.5
Labour's % of votes cast	35.2	38.9	29.0	36.6	30.4	43.7
Labour's seats won/fought	355/646	44/74	258/650	38/73	232/650	45/73

TABLE 2 - Shift of Votes and Seats in London

Party	% Vote 2015	% Vote 2010	Change	Seats 2015	Seats 2010	Change
Con	34.9	34.5	+0.4	27	28	-1
Lab	43.8 ⁽⁸⁾	36.6	+7.2	45	38	+7
LD	7.7	22.1	-14.4	1	7	-6
UKIP	8.1	1.7	+6.4	0	0	0
Green	4.7	1.6	+3.1	0	0	0

Under Ed Miliband, Labour in London surpassed not just the 2010 election but even that of 2005 in its share of the vote and the number of seats gained and retained.

This outcome depended on winning nearly six times as many more votes, compared with 2010, than could be explained by Labour's expected share of around 40% of new votes from the growth of the London electorate, and well over twice as many than even if it had won the support of all new London voters.

This outcome is all the more remarkable given that, at national level, Labour's actual (and media-enhanced) shortcomings and disadvantages were at least as evident in London as elsewhere.

For possible clues to Labour's good performance in London I turn first to the electoral collapse of the Lib Dems and then to the perhaps more significant ethnic composition of the capital's working class.

Since neither factor was unique to the capital city, however, Labour's achievement certainly reflects other issues that concern Londoners more than most, of which the most important is probably housing and the shortage of affordable rented accommodation.

Lib Dems

Is there any evidence that the 2010 Lib-Dem vote was recycled more to Labour than to the Conservatives in 2015, and especially in London?

If so, could this have made the difference and, if it did, how might this be explained?

Table 2⁽⁷⁾ summarises the shift of votes and seats in London from 2010 to 2015 and seems to show the main directions in which former Lib Dem support was redistributed:

The impression given in the table's 'Change' column is that in London the parties that benefited most from the collapse of the Lib Dem vote were, from most to least, Labour, UKIP, Green and Conservative.

This is slightly misleading, however, because it takes no account of how the net growth of the London electorate, by

nearly 125,000 between 2010 and 2015, nor the slightly higher turnout, played out between the parties, nor to what extent the two main parties lost or gained support to and from each other.

But if it's still hard to imagine nearly as many Lib Dem votes going to UKIP as to Labour and only half as many of those Lib Dems who switched to UKIP voting Green instead, this would be to overlook the unstable opportunism of Lib Dem politics in (and before and since) 2010.

Plainly, too, tactical voting will have distorted the outcome more in marginal than in safe seats, and more in some marginals than in others. But overall, and with all these caveats, the main (net) beneficiary of Lib Dem decline was undoubtedly Labour.

As has mostly happened nationally, so also in London, electoral politics has polarised in the way we might expect given the onslaught on the social wage as capitalism tries to solve its problems at the expense of the working class.

For the moment, then, the collapse of the Lib Dem vote, even if the party can't yet be written off, helps clarify the main options.

BME and class

The impact of so-called Black and Minority Ethnic (BME) voting is a more stable and predictable reconfiguring of class-based allegiance to Labour and is especially marked in London.

Two Ipsos Mori pollsters wrote in 2005 about class and BME voting in that year's election.

Acknowledging the significance of class on voting patterns for the electorate as a whole – in case you wondered, the higher your class, the more likely you'll vote Tory, and conversely for Labour – the pollsters observe that whilst lower turnout among 18-34 year old BME voters may reflect greater alienation than among the White population, "less in line with expectations from the voting behaviour of the rest of the population [...] was turnout by social class. While ABs were, as would be expected, the most likely to vote, turnout among DEs was almost as high. This appears to be a

new departure – when asked not about the 2005 election but about their past turnout at all the general elections in which they have been eligible to vote, the normal pattern of steadily declining propensity to vote by social class re-asserts itself."⁽⁹⁾

On this evidence, BME voters regardless of their class vote in a more consistently class-conscious way than the electorate as a whole, or at least did so in 2005.

The Ipsos Mori analysis was based on a nationwide sample rather than a London one, but one of the key findings of a more recent report, published in January 2015 (four months before the election) by the Migrant Rights Network and which has been called the first comprehensive analysis of the migrant vote,⁽¹⁰⁾ is that "the migrant electorate is heavily concentrated in London – 19 of the 20 seats with the largest migrant voter shares are in Greater London".

Unsurprisingly, it also notes (p. 3) that across the UK, "historical voting patterns suggest that migrant voters are likely to prefer parties that they view as positive about race equality and immigration issues and that, "research on earlier migrant communities suggest that perceptions about the parties' attitudes towards migrants and minorities, and the discrimination they face in British society, can have a lasting impact on migrant political loyalties."

Inspiration

If we combine these demographic and voting-habit findings with what the Ipsos-Mori poll suggests about the class allegiance of the BME electorate and its numerical strength in London, Labour's performance in London is much easier to understand.

If the key lesson is that Labour can do best when people vote according to their class interests, then the party will do even better when it defends and advances those interests in the principled and vigorous way its founders intended.

And as austerity affects more and more people, Labour can win over voters from other parties to the extent that it inspires its existing supporters.

Top 40 of London's Population 2011 UK Census

Country of Birth	Pop.
1. UK	5,175,677
2. India	262,247
3. Poland	158,300
4. Ireland	129,807
5. Nigeria	114,718
6. Pakistan	112,457
7. Bangladesh	109,948
8. Jamaica	87,467
9. Sri Lanka	84,542
10. France	66,654
11. Somalia	65,333
12. Kenya	64,212
13. United States	63,920
14. Ghana	62,896
15. Italy	62,050
16. Turkey	59,596
17. South Africa	57,765
18. Germany	55,476
19. Australia	53,959
20. Romania	44,848
21. Philippines	44,199
22. Cyprus	43,428
23. Portugal	41,041
24. Lithuania	39,817
25. China	39,452
26. Afghanistan	37,680
27. Iran	37,339
28. Spain	35,880
29. Uganda	32,136
30. Brazil	31,357
31. Iraq	29,789
32. New Zealand	28,547
33. Canada	27,207
34. Bulgaria	26,453
35. Hong Kong	23,779
36. Mauritius	21,516
37. Kosovo	21,309
38. Zimbabwe	27,288
39. Malaysia	21,209
40. Japan	20,637

■ The 2011 census recorded that 2,998,264 people - or 36.7% of London's population - were born outside of the UK.

FOOTNOTES

(all cited web-pages were accessed in mid-July 2015)

1. see sociologist Michael Rustin's guest blog:

<http://blog.lwbooks.co.uk/?p=254>.

2. http://www.fabians.org.uk/wp-content/uploads/2013/09/LaboursNextMajority_web.pdf. This approach is

psephological, not in the dictionary sense of psephology as the scientific analysis of elections but in the conventional sense of simply measuring how samples of people vote or what they say. There's money in dressing up such guesswork as politically unbiased, but to give a sense of how political this kind of 'non-politics' really is, the report for example dismisses arguments within Labour as giving the party only a negative reputation (p.22) rather than a potential basis for winning elections. The report's author, then-Fabian Society deputy director Marcus Roberts, left the organisation shortly before the 2015 election; he was field director of Ed Miliband's leadership campaign but later resigned and criticised the leader for failing to follow his (Fabian) strategy: see <http://www.newstatesman.com/politics/2014/06/without-change-labour-choosing-lose>. As of mid-July 2015 Roberts is managing Sadiq Khan's campaign to be the official Labour candidate for London's Mayoral election. His apparently reasonable post-general election view, that 'Labour must seek to persuade, not just mobilise' - <http://www.theguardian.com/politics/2015/may/11/inside-the-campaigns-labour-must-seek-to-persuade-not-just-mobilise> - seems at first glance to reverse his own psephological strategy which helped deprive Labour of the victory it deserved. But in his new verdict, as in his earlier advice, the missing element is any concrete idea of what the persuading will actually be about, so Roberts is at least consistently vacuous.

3. A few boundary changes between constituencies during this period, as well as other variables like the identities of other candidates/parties, should of course be factored into a full analysis but are ignored for reasons of space and because they don't much affect Labour's overall performance.

4. The figures for 2005 are from https://en.wikipedia.org/wiki/United_Kingdom_general_election,_2005#Polling and http://www.electoralcommission.org.uk/__data/assets/pdf_file/0005/167891/UK-Parliament-elections-2005-Electoral-data-Report.pdf; [https://en.wikipedia.org/wiki/United_Kingdom_general_election,_2005_\(London\)](https://en.wikipedia.org/wiki/United_Kingdom_general_election,_2005_(London)); and <http://www.electoralcommission.org.uk/our-work/our-research/electoral-data>.

5. The figures for 2010 and 2015 are from

<http://data.london.gov.uk/blog/the-2015-election-the-numbers-behind-the-result/>, https://en.wikipedia.org/wiki/United_Kingdom_general_election,_2010 ;

<http://www.electoralcommission.org.uk/our-work/our-research/electoral-data>;

http://www.electoralcommission.org.uk/__data/assets/pdf_file/0011/105896/Plymouth-GE2010-report-web.pdf, <http://www.bbc.com/news/election/2015/results> and <http://data.london.gov.uk/blog/the-2015-election-the-numbers-behind-the-result/>.

6. "The basic rule: the more affluent the area and/or the more marginal the seat, the higher the turnout":

http://www.electoralcommission.org.uk/__data/assets/pdf_file/0005/167891/UK-Parliament-elections-2005-Electoral-data-Report.pdf.

7. <https://londonist.com/2015/05/labour-gains-lib-dem-losses-centre-for-london-analyses-our-new-political-landscape>.

8. The previous table gives Labour's percentage of the vote in London in 2015 as one decimal point lower at 43.7: perhaps a rounding-down rather than -up.

9.

http://www.electoralcommission.org.uk/__data/assets/pdf_file/0019/47260/ECBMEReportFINAL2_18810-13883_E_N_S_W_.pdf [p. 8]. For this reference I am grateful to one of its authors, Prof Roger Mortimore.

10. http://www.migrantsrights.org.uk/files/publications/Migrant_Voters_2015_paper.pdf and

<http://www.theguardian.com/politics/2015/jan/29/surge-in-voters-born-over-seas>.

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SNP's fiscal figures do not add up!

On the 27th November 2014 the Smith Commission presented its proposals to the Scottish Parliament.

By **PAUL SUTTON**

The Commission had been established following the independence referendum in September to agree a package of enhanced powers to be devolved to the Scottish Parliament on a strict timetable.

This envisaged the publication of draft clauses for a new bill for Scottish devolution by the end of January 2015, followed by the tabling of such a bill in the first session of the new UK Parliament following the general election in May 2015. Members of the Commission were drawn from the five largest political parties in Scotland.

The measures proposed by the Smith Commission covered three areas:

1. a revised constitutional settlement for Scotland;

2. economic and social issues; and,
3. an increase in the financial responsibilities of the Scottish Parliament.

Collectively the measures were designed to strengthen the Scottish Parliament and to create a powerful devolved assembly with important powers over taxation and spending.

In the months since the Commission reported, these powers, and especially those concerned with financing the Scottish government, have become a contested issue in Scottish politics.

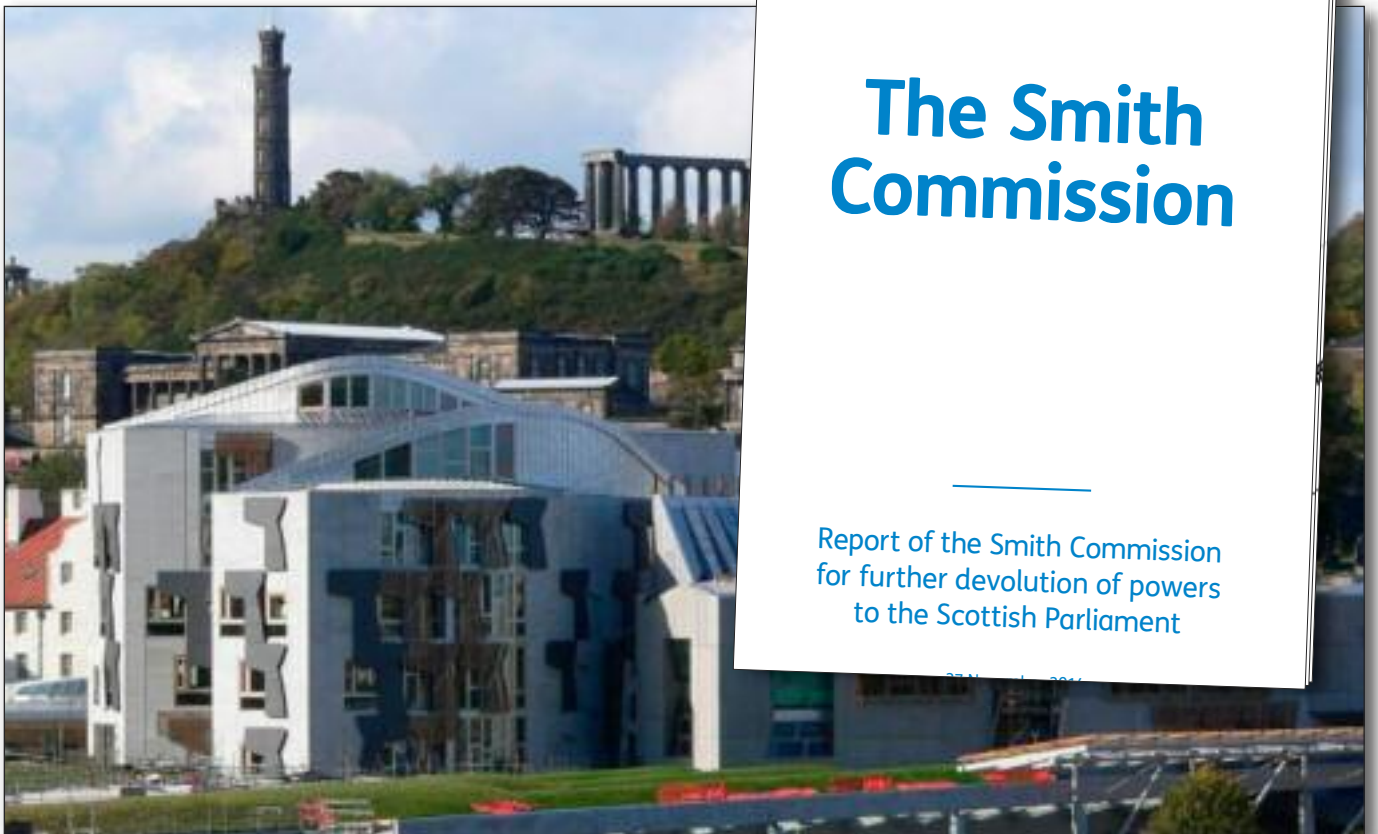
They have set the SNP against the Labour Party

and others and have revealed fundamental weaknesses in the SNP approach to managing the economic and fiscal affairs of Scotland.

At its heart has been the question of full fiscal autonomy - the demand by the SNP that the Scottish Parliament (Holyrood) should be in control all revenues raised and spent in Scotland, except for reserved areas such as defence, foreign affairs and some matters of common economic regulation which would remain with the Westminster Parliament.

The case for full fiscal autonomy was presented in the SNP's submission to the Smith Commission.

It argued that: "all tax revenues should be retained in Scotland. The Scottish Parliament should have policy



The Scottish Parliament at Holyrood, Edinburgh.

responsibility for all taxes unless there is a specific reason for a continued reservation. In particular, the Scottish Parliament should have full autonomy for income tax, national insurance, corporation tax, capital gains tax, fuel duty, air passenger duty and inheritance tax."

It also argued that the Scottish Parliament should be responsible for all domestic expenditure, including welfare, and that it should have borrowing powers.

The Conservative, Liberal Democrat and Labour parties in Scotland all proposed varying degrees of greater fiscal responsibility and further tax devolution to the Scottish Parliament, but all were opposed to full fiscal autonomy.

The Scottish Labour Party in its submission emphasised the benefits of a "sharing union" with the rest of the UK "in which risks and rewards are collectively pooled".

The Scottish Trade Union Congress also opposed "full fiscal autonomy or Devo Max" arguing that it presented "potential future challenges for the maintenance of current levels of per-capita public spending in Scotland relative to the rest of the United Kingdom". It was however prepared to see a significant "devolution and assignment of taxation amounting to at least two-thirds of Scottish public spending (over 50% of all spending in Scotland)".

In the end the Smith Commission delivered a compromise in which economic powers were devolved across a number of areas including taxation, state benefits in specific areas, borrowing and the management of the Crown Estate. This gave the Scottish Parliament an extra £15 billion of taxes to cover some 60% of the spending over which they now had control.

Although the SNP signed up to these recommendations in the Smith Commission Report, it also predictably condemned them on the Report's publication as failing to deliver the enhanced powers for the Scottish Parliament promised by the leaders of the Conservative, Labour and Liberal Democrat parties in the final days of the referendum campaign if Scotland voted 'No' to independence.

By this time however significant questions had been raised on the economic costs and benefits of full fiscal autonomy. The submission and accompanying press release to the Smith Commission by Fiscal Affairs Scotland, an independent think tank, provides a useful summary statement.

According to its analysis falling oil revenues would impact massively if full fiscal autonomy were adopted as rev-

enues raised wholly in Scotland came to replace the Barnett Formula⁽¹⁾ under which Scotland receives a block grant from the Westminster government to cover a significant proportion of its spending.

The figures given for 2014-15 were a deficit in Scottish government finances of £12.9 billion under the estimate calculated by the Office for Budget Responsibility (assuming all revenues generated within Scotland and from North Sea oil and gas (NSOR) were assigned to Scotland) and £10.6 billion if using the more optimistic estimates of the Scottish government which the SNP favoured. The deficit under the Barnett Formula would be £8 billion.

Fiscal Affairs Scotland stated: "What this analysis illustrates is that a movement away from the current Barnett arrangement to one which relies more on the retention of taxes generated in Scotland could put the existing level of Scotland's public spending at risk. ... Under the most recent NSOR forecasts full fiscal autonomy would result in Scotland continuing to have a negative fiscal balance in 2018-19 even though by then the UK is projected to be in a fiscal surplus" (press release, 21 October 2014).

Six months later the situation had become worse. New figures from Fiscal Affairs Scotland now put the deficit at £14.2 billion for 2015-16 (press release, 18 March 2015). Although this was expected to fall to £8.2 billion by 2019-20

figures directly but to discredit its opponents claiming they were "constantly talking down Scotland's financial abilities" (*BBC Scotland*, 21 April 2015).

But the weaknesses of the SNP case were increasingly being revealed. In the Scottish Parliament Nicola Sturgeon came under attack and in April dodged questions as to whether the SNP would seek to amend the Scotland Bill in the Westminster Parliament to provide for immediate full fiscal autonomy as she had stated only one month earlier.

Her assertive Finance Secretary, John Swinney, also became more circumspect speaking of delay and significant periods of transition in reaching full fiscal autonomy.

It was therefore not surprising to see that in its General Election manifesto the SNP spoke now of a transition to 'full fiscal responsibility' (note the word change) that "would take a number of years to complete".

It therefore proposed a dual strategy that would seek to retain the Barnett Formula alongside new devolved powers over and above those proposed in the Smith Commission.

These would include "powers over employment policy, including the minimum wage, welfare, business taxes, national insurance and equality policy".

They would deliver substantial additional revenue (e.g. national insurance is estimated to raise £8.7 billion in Scotland and on-shore corporation tax £2.8

Joel Barnett, Baron Barnett as he became, died on November 2014.

As Labour's Chief Secretary to the Treasury between 1974-79 he devised the formula by which public spending is apportioned to England, Scotland, Wales and Northern Ireland: it became known as the "Barnett Formula".⁽¹⁾ He used to joke about being immortalised for having "his own formula."



the UK deficit as a whole by that time was forecast to have moved into surplus.

Without the Barnett Formula and under full fiscal autonomy Scotland could only cover this size of deficit by higher Scottish taxation, or cuts in public services, or borrowing, or all three.

Comparable figures confirming a growing deficit were released around the same time by the separate Institute for Fiscal Studies in London. True to form the SNP sought not to discredit these

billion) and more control over spending.

It is a position the SNP has reaffirmed in the new UK parliament. As agreed in the Smith Commission, a new Scotland Bill was introduced in the House of Commons which would give the Scottish Parliament powers to raise 40% of taxes and decide 60% of public spending.

As with the Smith Commission, the SNP again complained that it did not meet what was promised in the referendum and by the Smith Commission,

demanding the new powers it had set forth in its election manifesto be included as well.

It therefore proposed a number of amendments to achieve this, all of which were defeated. Among them was one to give the Scottish Parliament the right to determine when to move toward full fiscal autonomy. And another sought an 'Economic Agreement' between the Tory government and the SNP to set out a plan for implementation of full fiscal autonomy.

In his response to these amendments, David Mundell, the Tory Scottish Secretary, stated that: "An amendment that kills off the Barnett formula and ends the sharing of resources across the UK is about as far away from sensible as one can get. It would be a full fiscal shambles that would cost every family in Scotland around £5,000. ... The Institute for Fiscal Studies has estimated that fiscal autonomy would mean Scotland having almost £10bn less to spend by the last year of this parliament" (*BBC Scotland*, 15 June 2015).

The reference to the Institute for Fiscal Studies figure takes into account the latest figures from the Office for Budget Responsibility which shows the impact of the crash in oil prices on Scotland's North Sea Oil Revenues.

It stated: "The effects of accumulated losses reducing the effective rate paid by companies in the North Sea, plus the repayments associated with decommissioning costs, mean that in our central projection just £2 billion of receipts will be raised in total between 2020-21 and 2040-41." These are down £34.5 billion from their estimates last year (*BBC Scotland*, 11 June 2015).

Commenting on these figures the Scottish Labour MP Ian Murray said they "blew a further hole in the SNP's plans. ... The SNP were once all for full fiscal autonomy, then they weren't so keen and now they say they want it but just not for a wee while yet. ... It's an utterly confused position" (*BBC Scotland*, 15 June 2015).

It is indeed, but it is all of one piece with the SNP's past approach to economic issues and with its current and medium term plans for Scottish independence.

In the independence referendum the SNP produced what can now be seen as wildly over-optimistic forecasts on the future of the Scottish economy under independence.

They were challenged at the time and their economic policy on issues such as retention of the pound sterling as the currency for Scotland after independence were shown to be ill advised and ill

thought out. The same can be said for the policy of full fiscal autonomy.

It does not make economic sense. As with independence the figures do not add up. It will put public and social services at risk and expose the Scottish economy to the vagaries of the international oil market.

Scotland will be far worse off if it adopts such a policy.

So why do the SNP promote it? Quite simply, it is seen as a policy to move closer to independence.

Full fiscal autonomy (or even the slimmer version of full fiscal responsibility) simultaneously erodes and undermines the economic and social benefits of the Union while increasing the autonomy of the Scottish Parliament, moving it ever closer to 'Devo-max' and so ever closer to independence, which would then be but a short step away.

It also accords with the dominant SNP approach pioneered by Alex Salmond and now promoted by Nicola Sturgeon of SNP demand and Westminster concession on an ever-escalating basis. There is no way that Westminster concessions will ever satisfy nationalist demands short of independence and another referendum.

Indeed, precisely this prospect was

Angus Robertson MP, SNP Leader at Westminster who said, the failure of the Tory government to deliver what ... was promised in the Smith Commission were prospective grounds for proposing a second referendum ... before the end of the current parliament.



raised by Angus Robertson MP (above), the leader of the SNP at Westminster, in an interview with the *Observer* (28 June 2015).

In it he claimed that some in the UK Parliament seemed to be living in the vain hope that the SNP and pressure for independence were temporary phenomena that would just 'go away'.

But that would not happen. Added to which the failure of the Tory government to deliver what in his view was promised in the Smith Commission were prospective grounds for proposing a sec-

ond referendum to be held before the end of the current parliament.

The strategy and tactics of the SNP could not be clearer. A policy of appeasement will not work. The SNP needs to be confronted and its policy of 'independence by increments' exposed.

To their credit the Scottish Labour Party in Holyrood and the Labour Party in Westminster have mounted a vigorous opposition to full fiscal autonomy, and in particular to the SNP practice of ignoring the true costs of the policy.

It is therefore disappointing that a Labour amendment to the Scotland Bill that would have seen an independent commission of experts established to assess the impact of full fiscal autonomy on the Scottish economy and public finances and report by the end of March 2016 was defeated in the House of Commons by 376 to 192, with the SNP and the Tories joining together to reject the amendment (*BBC Scotland*, 30 June 2015).

Such a 'marriage of convenience' is no surprise. There will no doubt be many more occasions on which the SNP and the Tories in Westminster make common cause while pretending to be implacable foes.

And it should not be forgotten that in the final analysis a Tory government in Westminster serves SNP interests much better than a Labour opposition.

It is an indispensable basis for their claim that Scotland is different and thus needs to be independent, when the truth is that Scotland is not that different from the rest of the UK and the interests of the Scottish people are the same as the majority south of the border.

On this basis full fiscal autonomy is a retrograde step and full fiscal integration a much better option for most in Scotland. The figures prove it.

FOOTNOTES

1. Tax paid in Scotland goes toward covering expenditure by the Scottish government and the UK government.

The UK government returns money to Scotland to pay for devolved services via a block grant to the Scottish government.

The size of this grant does not depend on how much revenue is raised in Scotland but is based on its historic spending in Scotland, adjusted each year using the Barnett Formula so that changes in spending in Scotland and England are broadly in line.

Scottish government spending on average has been 11% higher per person than in the rest of the UK (£1600 per head more than in England on 2012-13 figures).

Ukraine: escalating into full-scale war?

With the second Minsk ceasefire shaky, the conflict in eastern Ukraine could easily escalate into full-scale war.

By **SIMON KORNER**

The current relative lull in fighting in Ukraine follows the second Minsk ceasefire in February this year, brokered by Russia, France and Germany.

But there has been no lasting settlement – fighting continues daily, with army artillery fire hitting civilians and industry, as confirmed by the Vienna-based Organisation for Security and Co-operation in Europe (OSCE).

If the US pushes its proxy in Kiev into a military offensive to take Donetsk, Lugansk or Crimea, the conflict will flare up again on a larger scale.

The war – which began with the US-orchestrated coup against elected president Yanukovich, using the Mайдан protests as ‘democratic’ cover – aims at completing what the Orange revolution of 2004-5 failed to do: to advance Nato’s military presence up to Russia’s border, and bring the Ukrainian economy under western control.

The bigger strategic aim is to prevent the resurgence of Russia as a rival global power by installing a compliant regime in Moscow, giving the US control over Russia’s energy supplies and markets.

For its part, Russia wants to maintain a buffer-zone to protect its borders, and preserve its market share in Ukraine as well as access to the agriculturally and industrially important country.

It was Russia’s unequivocal opposition to the aggression and its support for eastern Ukraine, where local militias mounted an increasingly effective defence, which blocked the western advance.

But overall, Russia has lost ground. While it has avoided being drawn into a costly full-scale war, despite US provocation, and has maintained its influence over the Russian-speaking industrial eastern region – providing informal support, including humanitarian aid, and securing Crimea in a defensive move to ensure continued naval access to the Black Sea – it has nevertheless been unable to prevent the majority of Ukraine

being prised away from Russian economic and political influence.

With the conflict right on its doorstep, and a major refugee crisis of over a million people displaced from the war-zone, it faces a renewed offensive by the western-backed Ukrainian army, perhaps later this year. It cannot afford to let this succeed.

The preparations for a new Ukrainian army attack are well underway, with the Minsk 2 ceasefire – the first ceasefire was last September – giving Ukraine time to reinforce its military, with foreign help.

Despite Russian warnings that more military support would be a ‘dangerous escalation’, both vice-president Joe Biden and Secretary of State John Kerry, along with Susan Rice, Obama’s security adviser, advocated direct US arms supplies prior to the Minsk agreement – though this was blocked by



Angela Merkel (pictured) and, to some extent, Obama.

Currently, overt US support extends to supplying auxiliary systems, communications and logistics, but not strike weapons such as missiles, ammunition, artillery systems or aircraft, according to Russian security analyst Alexei Arbatov of the Russian Academy of Science’s Center for International Security.

Any open involvement of the USA in supplying lethal weapons to Ukraine would amount to a sharp escalation

of the conflict.

Yet despite this, Obama’s Defense Secretary, Ashton Carter, continues to suggest supplying lethal weapons, and there has been open discussion in the US about deploying anti-missile systems and the so-called “counterforce” option – using pre-emptive conventional weapons based in Europe against military sites in Russia – as well as installing nuclear missiles aimed at Russia.

According to the hacker group CyberBerkut, the US billionaire George Soros is actively organizing the re-arming of Ukraine and calling for training in Romania so as to avoid accusations of breaching the Minsk agreement.

In preparation for war, a new law in Ukraine – passed by only a narrow margin in the Ukrainian parliament – allows nuclear weapons and foreign military forces to be placed on its territory.

Already, Kiev is receiving US weapons via the United Arab Emirates, alongside other weapons supplied secretly by the US, Poland and Lithuania.

In addition, the US has staged the largest western military exercise ever held in Ukraine – on a massive training range in Yavoriv, western Ukraine – training Ukraine’s National Guard under Operation Fearless Guardian.

Some 300 US troops, in co-ordination with 75 British and 200 Canadian soldiers, are the numbers quoted in the press, which suggests many more are actually there. The US presence is ostensibly for 6 months – the same timescale they announced when they first entered Vietnam.

US Rear Admiral Brad Williams claimed that these exercises “provide a reassurance” to Nato’s allies and demonstrate the alliance’s resolve – but clearly this is a preparation for actual conflict, with emphasis on sophisticated anti-missile defence and radar to face down Russian forces.

Other recent military exercises include naval manoeuvres in the Black Sea with US, German, Turkish and Italian ships, a submarine exercise off Norway, and land exercises to test Nato’s new rapid reaction force, the Very High Readiness Joint Task Force (VJTF), in the Baltic states.

In late May, a major air exercise, Arctic Challenge, took place in northern Europe in an already tense situation, with Scandinavian countries claiming Russian encroachments by plane and submarine and Sweden intercepting Russian planes in international airspace apparently heading for Sweden. Near misses, like one between US and Russian planes over the Baltic in April, underline the dangers of an accident triggering conflict.

In addition to the exercises, permanent command-and-control units are being set up in most of the east European states; and in Riga, north Germany and elsewhere military equipment is being "pre-positioned for deployment". Lithuania is bringing back conscription, while Poland has raised its defence budget by 18%, the biggest increase of any European country.

Altogether, the NATO expansion is "the biggest reinforcement of our collective defense since the end of the Cold War," according to Danish General Knud Bartels.

The military exercises, which will expand this autumn, amount to, in effect, the permanent stationing of NATO troops in eastern Europe, in direct con-

travention of the NATO-Russia Council's founding act of 1994. Britain's recently announced delay in withdrawing its last 20,000 troops from Germany only confirms this view.

In response, Russia has conducted extensive naval exercises and deployed missiles and troops in Kaliningrad and bombers in Crimea – within the same geographical areas as the Nato exercises, prompting protests from Nato. In late May, it conducted unannounced air-combat-readiness exercises to coincide with NATO's Arctic manoeuvres – the third major Russian exercise in 3 months.

Differences within NATO

The effect of the continued US strategic push eastwards has been to sharpen differences with its NATO allies, principally Germany.

Victoria ("Fuck the EU") Nuland (see picture), a potential Secretary of State under a future Republican White House, and NATO chief, General Breedlove, deliberately exaggerated the Russian military threat during crucial talks at the Munich Security Conference on Feb 7.

This prompted the German intelligence agency, the BND, to issue its own

far more sober account of the situation, which contradicted Breedlove's view in almost every respect. Most of the Russian military equipment on the border with Ukraine was there already, according to the BND, and not, as Breedlove claimed, a sign of an invasion.

Significantly, the US was unable to stampede Germany into arming Ukraine, and Merkel underlined Berlin's opposition to US hawkish policy when she stated: "I am firmly convinced this conflict cannot be solved with military means." The US was left out of the Minsk talks.

Germany's resistance to stoking the conflict further is based on fears that a US-instigated war in Europe would damage its interests and give its US rival an advantage.

Germany has opted for the EU accession deal, rather than military force, as a means of ruling Ukraine – a model which has served it well in dominating other east European countries – and has consequently settled for a federal Ukraine with autonomy for the east and leaving Crimea under Russian control. Not as a means of granting the Ukraine independence, but as a more stable form of rule.



Victoria Nuland at John Kerry's right hand in Munich, 1 February 2014 as they instruct Ukraine's right wing coup d'état leaders - Poroshenko (hidden), Klitschko and Yatsenyuk - on how best to carry out US imperialist and anti-Russian aims in Ukraine.

However, elements within the German ruling class – including the president – favour a harder line, and both Social Democrat and Green policy is to support Kiev and NATO's war drive in Europe, along with the CDU defence minister, Ursula von der Leyen, who has welcomed US troops' presence and promised Germany support for the Baltic states in any future war with Russia.

France, meanwhile, is against war, with Hollande, Sarkozy and the Front National all in basic agreement. Sarkozy, for instance, argues that the Crimeans had every right to break away from Ukraine, just as the Kosovans broke with Serbia. Sarkozy favours a neutral Ukraine, as a bridge between Russia and Europe, and outside the EU.

Though Nato is thus under strain, both France and Germany are joining in the NATO rapid reaction force, along with Britain, Spain and Poland, and have agreed for it to expand to 40,000 troops. This is the US's price for the Minsk peace deal, a deal made possible by the major military defeats suffered by the Ukrainian army at Debaltseve and previously at Ilovaisk in late summer 2014.

Ukrainian repression

Poroshenko's weak position – publicly humiliated after insisting his army was in control at Debaltseve shortly before its total defeat – has forced him to bring in emergency measures that push Ukraine further towards a police state.

A police register of everyone in the country has been set up, along with ever tighter media censorship. With almost every Russian TV channel banned last year, the ban now extends to any information from Russia which is "unsanctioned". The People's Republics in the east have been branded terrorist organisations, making expression of support for them illegal.

Communist leaders are being prosecuted under the charge of promoting 'separatism' – most Communist Party support comes from the east and Crimea; other parties besides the Communists are under fire as well. And the previously non-lethal attacks on Communist Party leader Pyotr Symonenko and others have now escalated to several killings of political opponents – claimed by the fascist UPA militia, according to *Der Spiegel* – and public calls for further assassinations.

This growing campaign of terror reinforces the government's April 9 ban on public discussion of communism, outlawing all communist symbols and any "public denial of the criminal nature" of communism.

Police raids on the offices of the judge

presiding over the main trial against the Communist Party – a previously significant political force, having gained 13% of the vote in the last election – provoked his resignation, along with that of the other judges in the trial.

The Ukrainian press has been another

Meanwhile, wartime fascist organisations – the UPA and the Organisation of Ukrainian Nationalists (OUN), heirs to Stephen Bandera, the wartime fascist leader – have been rehabilitated under a new law commemorating the so-called defenders of Ukraine's independence and rewarding old fascists with government benefits.

The ban on Nazi parties, brought in to try to mask the anti-communist witch-hunt, has not affected any actual fascist groups, as they are not literally "National Socialist" and no longer wear their Nazi insignia.

target. One rightwing pundit argued recently that "taking out several dozen journalists in the conflict zone will reduce the quality of the picture presented in the Russian media and, therefore, reduce the effectiveness of their propaganda."

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Though the numerous fascist parties and groups currently wield little electoral influence, their power is continuing to grow as they intertwine with the state machine.

The National Guard – set up last year with US funding – has absorbed fascist battalions battle-hardened in the east,

and now forms the backbone of Ukraine's military, following the disintegration of the official (conscript) army at Debaltseve.

Moreover, with Right Sector party leader Dmitri Yarosh promoted to a leading military position and threatening to create a 'parallel general staff' based in Dnipropetrovsk – home to the oligarch Igor Kolomoisky, who is providing the funds – the danger of a fascist coup is growing.

Yarosh has demanded the removal of Viktor Muzhenko, the official army's commander-in-chief, and rejected any peace settlement in the east made by the Poroshenko government, itself the beneficiary of a coup and unrepresentative of millions in the east who boycotted the elections.

The attack on Kiev's gay pride march in June by right-wing thugs is a sign of things to come. Fascist demonstrations in Kiev in early July called for full-scale war against the People's Republics.

For their part, the People's Republics of Donetsk and Lugansk are unstable entities, representing Russian-oriented Ukrainian capitalism as opposed to Kiev's pro-western stance.

Last winter in the midst of the fighting, they shipped coal to the Kiev government, along with corporation taxes – while the people went cold. Clearly these are not socialist republics, yet they nevertheless represent, along with Putin's Russia, a significant hindrance to the plans of western imperialism.

Economy

Industrial production in Ukraine has now fallen 21%, in spite of the 'aid' from the US, the EU and the IMF.

Its currency has fallen 69% against the dollar, and its hryvnia currency is all but worthless. GDP fell by 20% in the year to the first quarter, according to the Financial Times (May 18), while inflation is out of control, reaching 61% in April.

Estimates of Ukrainian debt go as high as \$40 billion. An economy as large as Poland's at independence has shrunk to a third of the size.

Foreign creditors have no intention of undergoing a 'haircut' to save the country, so the government is squeezing its own population to pay back foreign debts.

To make matters more complicated, Russia owns a \$3 billion bond issued in 2013 (aid to Yanukovych), a debt which matures later this year, but which it could call in earlier due to a legal clause allowing faster repayment when debt levels are high.

One condition of the EU loan to Ukraine, as part of the EU Association

agreement, is that the country's profitable agriculture – it was once the breadbasket of the Soviet Union – is to be taken over by western corporations, following the Polish model which provoked mass protests there.

Foreign corporations now own more than 1.6 million hectares of Ukrainian land. Monsanto and others will thus be given a free hand in Ukraine. Once its GM crops have penetrated the Ukraine, Monsanto will eventually use this (potentially) new EU member as a lever to force open the rest of Europe to GM.

IMF and World Bank loans are tied to similar deregulation as EU loans. Wage cuts, sackings of government workers, pension theft and freezes, cuts in welfare are the usual conditions. George Soros is set to invest \$1 billion in Ukraine, particularly in the nationalized energy company Naftogaz, once it is broken up and sold off – and pressing for his investment to be underwritten by the EU's AAA credit rating. This is typical Soros shock therapy, as seen in other ex-Soviet bloc countries.

His International Renaissance Foundation (IRF), which funded NGOs in Ukraine since 1989, supported the Orange revolution and the Maidan protest, is also orchestrating a new Ukrainian body called the National Reform Council which will allow Poroshenko to rule by decree, bypassing parliament so that Naftogaz can be privatized with little opposition.

Corruption, one of the main bugbears of the mass of Maidan protestors, is rife, with the oligarchy more firmly in place than ever. Ukraine is the 142nd most corrupt country in the world, according to the Transparency International's Corruption Perceptions Index – the most widely used indicator of corruption worldwide.

According to Rada (Ukrainian parliament) deputy Sergey Kaplin, all ministries have bribe collectors. The war makes corruption easier, with army officers and officials stealing huge amounts of weapons originally destined for the Ukrainian army – and frequently selling them off to the separatists in the east.

While the people suffer from rising taxes and unaffordable gas prices, as well as rampant inflation, the military budget stands at \$5.4 billion.

The pressure from the oligarch employers to tear up the old progressive labour code – which contained many Soviet era worker protections – will drive Ukrainian wages down and remove long-held rights: a maximum 40 hour working week, continuous leisure time of 42 hours a week, protection for pregnant women and young mothers from the

sack, as outlined by Vitaly Dudin, writing in *openDemocracy*.

Public anger is growing, according to leftwing blogger Stephen Lendman. "Intermittent protests have erupted since late last year", calling for the ousting of prime minister Arseniy Yatsenyuk and finance minister Natalya Yaresko.

If the protests expand, it could lead to another Maidan, this time suppressed by state violence.

In the face of the fifth wave of conscription, 95% of men drafted in Kiev have avoided it, many by leaving the country, and 9,500 are reported to have evaded military service in Lviv.



George Soros at the Munich Security Conference, 2011.

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Conclusion

Incorporating Ukraine into the western bloc is coming at a higher price than the US anticipated, when it orchestrated sniper fire to spark Yanukovych's downfall. First, Russia has shown its ability to defend its interests boldly – though also willing to compromise, accepting the loss of influence in western Ukraine for the sake of stability.

Its refusal to bow to US diktat, first

expressed in Georgia in 2008, has been reaffirmed. As Putin said on Feb 7 this year: "There absolutely, definitely is an attempt to deter our development by various means ... Russia will never be satisfied with this kind of world order."

Second, Germany, the increasingly dominant power within Europe, has shifted more clearly towards a foreign policy independent from the US, and this divergence looks set to grow.

Third, as a result of economic sanctions, Russia has turned to China, striking major energy deals and important rail integration and joining the new Asian Infrastructure Investment Bank (AIIB), which China has set up to finance its ambitious Silk Road high-speed rail network from China to the West. This rail network will be integrated with Russia's Eurasian Economic Union.

Not only China, but countries such as Venezuela have also been drawn closer to Russia, with the latest deal seeing the Russian state-owned energy company Rosneft investing \$14 Billion in Venezuelan oil and gas.

Venezuela recognizes that Russia, like itself, is a victim of "unconventional war", according to foreign minister, Delcy Rodriguez, who described Russia as challenging "the hegemony and expansionism of imperialism".

Fourth, Russia's cancellation of the South Stream gas pipeline, constantly hindered by the Ukraine and EU under US pressure, has meant a shift towards Greece, via Turkey, for its gas exports, forcing the EU to finance its own new pipelines if it wants Russian gas.

Altogether, according to energy analyst F.W. Engdahl, the Ukraine crisis has ushered in the birth of a "new global monetary order and a new Eurasian economic colossus to rival US sole superpower hegemony".

While Engdahl's analysis seems to overestimate US weakness and underestimate the dangers of its unleashing war as a reckless means of retaining global dominance – he doesn't account for the US reinvigoration of NATO – it does point clearly to the rapidly shifting patterns in power relations, with China and Russia growing closer.

If the ceasefire in eastern Ukraine breaks down, the US, under intense pressure from both Republican and Democrat hawks – many of the latter within the Obama administration – could opt to arm Ukraine and escalate the conflict, against explicit Russian warnings.

With eastern Europe increasingly on a war footing under the NATO alliance, US warmongers might decide to strike now, while they believe they have the strength to win a major war.

Yemen: Saudis' war to regain control

The US-backed Saudi war in Yemen is destroying one of the world's poorest countries to maintain control over a strategically important region

By **SIMON KORNER**

Despite the official end of Operation Decisive Storm – Saudi Arabia's bombing campaign in Yemen, which began in March – the war is continuing.

The bombardment, including illegal cluster bombs, has given the Saudis control over Yemeni airspace and coasts, allowing them to blockade Yemeni imports – not only arms – so that severe fuel shortages are afflicting the population. Disease is widespread as necessary fuel to power water-pumps is unavailable.

The Saudi war aims are to reinstate its puppet leader, the unelected president Hadi, to power. Hadi fled to Riyadh after being toppled by the Houthis (from north western Yemen) last September, and now the Houthis hold the capital Sana'a, and have taken large swathes of territory to the



south and west.

The former president Saleh remains in Yemen and is backing the Houthis, even though when in power he conducted six brutal campaigns against them. Many sources believe Saleh is significant in maintaining Houthi power,

whose fighters are composed largely of military units loyal to Saleh, while Saleh's son is being groomed for the presidential role.

The Saudis claim the war is being waged to protect the Yemeni people from a group "allied and supported by Iran and Hezbollah." But this protection has caused 3,000 deaths – some estimates put the figure as high as 8,000 – and left 6 million at risk of starvation and 9 million without reliable water supplies.

All the countries comprising the Gulf Co-operation Council (GCC) except Oman are supporting the war, and the US and Britain are providing intelligence and logistics. Other Arab countries, such as Jordan, Morocco, Egypt and Jordan have also offered help.

Al Qaeda in the Arabian Peninsula (AQAP) is also fighting the Houthis.

AQAP has gained control over increasingly large sections of Yemen since 2009, particularly in the southern Hadramaut province, exploiting the current war between the Houthis and pro-government forces.



Though its leader Wuhayshi was recently killed by US drone attack in mid-June, objectively AQAP constitutes a pro-western force. For example, the Saudis did not bomb AQAP during Operation Decisive Storm; Wuhayshi's killing by drone may have been a warning to AQAP to stay outside. The new AQAP leader used to work for the Yemeni intelligence agency under US direction.

Other groups opposing the Houthis in the complex civil war are: the powerful Ahmar clan; the Muslim Brotherhood party Islah, which has a fundamentalist wing and is backed by former Saleh general (and later opponent) Mohsen; and army units loyal to Mohsen, who fled to Saudi Arabia after the Houthis took Saan'a.

Meanwhile, in the oil-rich south, which was formerly a separate socialist people's republic during the Cold War, a divided secessionist movement also opposes the Houthis, because of the latter's commitment to Yemeni national unity.

Yemen's fragmentation fits US policy, which is to break up territories to keep them as weak and undemocratic as possible – as in Libya and Iraq.

Meanwhile, Iran has sent 5 shipments of humanitarian aid to Aden, but has been forced to suspend the aid for fear of the Saudi air force – backed by US ships in the Gulf of Aden, including an aircraft carrier – which has threatened Iranian vessels.

Background

The Houthi tribal movement makes up 40% of Yemen's population and has suffered discrimination for decades. Its Zaydi branch of Shi'ite Islam underwent a revival in the early 1990s and its anti-western position – with links with Hezbollah and Iran – set the Houthis against the Gulf state leaders and made them popular; the Houthis took the capital, Sana'a in September 2013, pushing Hadi aside with ease. Ideologically, the Houthis are fundamentalist Shi'a, though with few theological differences with Sunnis.

Relations between Saudi Arabia and the Houthis have fluctuated over the years. The Saudis, like the US, supported the long-time ruler Saleh against the Houthi uprising in the early 1990s.

After Saleh was ousted in 2011 during the Arab Spring, the Saudis switched support to Saleh's deputy Hadi. Hadi's austerity policies and continuing corruption made him unpopular, and to bolster his position, he allied himself with the Islah party, aligned with the Muslim Brotherhood.

But that alliance became problematic



1954 - Britain's Queen Elizabeth II - sword in hand - with her husband, Prince Philip, as she is about to knight some of her subjects in Aden in South Yemen, then a British colony.

for the Saudis – which had previously backed Islah – when Saudi rival Qatar increased its influence over the party; and by the time of Sisi's coup in Egypt in 2013, the Saudis followed Egypt in branding the Muslim Brotherhood (and affiliated groups) terrorists, though there is contact with Islah again now that the Houthis have become the Saudis' main enemy.

Saudi Arabia perceives Iranian influence as a threat to its power in the region, and claims that the Houthis are getting military and financial help from the Iranian Revolutionary Guards. The Saudi bombing campaign thus has a strategic aim of weakening Iran.

Some sources believe the US was not informed of the first Saudi bombing attacks in March, suggesting that the Saudis are moving out from under US control, critical of Obama's rapprochement with Iran which has gathered pace particularly since the collapse of Iraqi forces in the face of IS.

The Saudis also fear that the US could ditch their autocratic regime, if it ever faces popular revolt, just as the US ditched Mubarak in Egypt.

There is reason for Saudi worries over US loyalty. Voices in the US are urging a turn towards the Houthis. This article in *Foreign Affairs* put the point clearly: "Those loyal to the Houthi family have emerged as one of the most effective military forces combating the expansion of al Qaeda and the Islamic State of Iraq and al-Sham in the Arabian Peninsula. If the West turns its back on Houthi leadership because of slogans, opportunistic aid from Iran, or Hadi's protestations, it might end up forsaking a serious partner in the Middle East."

Meanwhile, the Houthis are attacking Saudi Arabian border regions – with the aim of stirring up Shi'ite Zaydi tribes in Saudi territory.

Between the Gulf states there are divisions. The UAE backed ex-president Saleh against Islah, due to its fear of political Islam, so that when Saleh turned towards the Houthis last year, the UAE found itself indirectly supporting the Houthis. Meanwhile, Qatar, with its Muslim Brotherhood connections, is allied with Islah, the enemy of the Houthis and Saleh.

For Iran, the war on Yemen is a dangerous escalation of Saudi power, which could force it into intervention more directly in Iraq and Syria, or in the Shia areas of Saudi Arabia itself. In a recent speech Hassan Nasrallah, the leader of Iran-backed Hezbollah in Lebanon warned that it would be possible to arm Shi'ite rebels in Bahrain.

At least 700,000 Yemenis are in need of food assistance, according to the UN. Water is in short supply due to the Saudi fuel blockade, reinforced by the US navy. Hospitals are unable to cope without supplies.

Underlying the situation in Yemen are stringent spending cuts that have hit the poor hardest. Since 1990, when Yemen, as a non-permanent UN security council member, voted against war in Iraq, the US has cut its aid to Yemen massively. At the 2010 London conference on Yemen, western powers agreed to intensify 'security' and increase austerity – targeting the 153rd poorest nation in the world.

Meanwhile, money is being spent on arms to the Saudis and the GCC states – massively increased since the terrorist attack on a US ship in 2000 and the 2008 bombing of the US embassy.

Yemen has been critically important strategically since the British Empire developed the port of Aden as a staging post to India – and it is notable that British Foreign Secretary, Philip Hammond, visited Riyadh just before the Saudi bombing campaign, given that the Saudi war planes are built in the UK, with Saudi Arabia a major market for British arms under the series of Al-Yamamah deals.

Yemen is important to the Americans due to its position on the vital straits of Bab el-Mandab, linking the Mediterranean to the Indian Ocean, giving it control over the passage of oil tankers through the Suez Canal.

Moreover, Yemen is a country with potentially the world's largest oil reserves. US policy is dictated by its need to control both the strategic chokepoint and the oil reserves.

Venezuela and Ecuador under threat

The reactionary war against democratically elected, progressive governments in South America remains a serious threat.

By **FRIEDA PARK**

As they seek to defend themselves from destabilisation and attempted coups so they come under further attack.

This not only takes the form of support to right-wing opposition groups, but attempting to influence world opin-



**Venezuela's President,
Nicolas Maduro**

ion against those governments.

In Venezuela the extreme right opposition showed its anti-democratic credentials by its refusal to accept the election of Nicolas Maduro as President after the untimely death of Hugo Chavez.

It launched a campaign of violence aimed at forcing him out of office by destabilising the country. In this it was wholly unsuccessful; however, it did succeed in causing destruction of public property and the deaths of 43 people.

The Venezuelan government and people met this challenge with considerable restraint and there was no mass repres-

sion. Of around 3000 people arrested, 1558 were charged with offences of whom 35 remain in prison. Action was taken against security personnel who had responded with excessive force.

Among those who remain in prison are some prominent opposition leaders, including Leopoldo Lopez, who is charged with various offences relating to organising and inciting the violence of last year.

The US and the right are attempting to make these individuals figureheads for the campaign to undermine democracy and the rule of law in Venezuela. Support has come from the likes of Felipe Gonzalez, former right-wing President of Spain who has offered his services to the Lopez defence team.

At the United Nations Human Rights Commission Venezuela robustly defended its record under attack from NGOs, some of which are funded by the US government via the National Endowment for Democracy. These included Prensa y Sociedad, Observatorio Venezolano de Prisiones and Espacio Publico.

On the left we need to question reports of rights violations and not take at face value what is being said because they emanate from progressive-sounding civil society organisations.

After all Archbishop Desmond Tutu is among those to side with the right in Venezuela and calls for these "political prisoners" to be released.

The battle of facts and ideology will get harder as the US and the right pile on the pressure. Organisations claiming to represent workers, indigenous people, LGBT communities, environmentalists etc are widely quoted attacking the governments of Venezuela and Ecuador.

Some are real organisations with real concerns and some are not. We need to be careful that we are not co-opted into agendas which ultimately seek to under-

mine social gains rather than take them forward.

Within Venezuela the opposition is still weak and divided. Lopez has called off a 30 day hunger strike claiming that one (though only one) of his demands had been met.

This was that a date be fixed for elections. The announcement by the Venezuelan Electoral Commission that parliamentary elections will be held on 6th December 2015 was in keeping with normal timetables for arranging election dates and was not a response to Lopez.

However, this get-out was seized on by Lopez, who might have gathered prominent supporters abroad, but has less support at home. Opposition demonstrations called by him recently have had tiny turnouts.

The United Socialist Party of Venezuela (PSUV) has won 11 of the last 12 parliamentary elections.

During the time it has been in government it has significantly extended access to, and participation in, the electoral process. From 1998 to 2012 the electoral roll grew from 11 million to 19 million people.

Venezuela operates a system of primaries, where people pick their Party candidates. These were held recently, with 3.1 million people turning out to select candidates for the PSUV and saw long queues at polling booths.

By contrast the right-wing opposition MUD coalition had a turnout of 543,000 voters in their primaries. There were other contrasts too.

Of the PSUV candidates 85% were under 50 years old and over half were women. Of the MUD candidates over 80% were above the age of 50.

Despite the difficulties caused by the fall in the price of oil, and the attempted destabilisation of the country, support for the PSUV and the Bolivarian revolution remains high. In a recent poll 62% backed the government to continue.

Ecuador

Ecuador has also been a target for destabilisation. Plans were recently uncovered for another coup attempt against President Rafael Correa and his government

ahead of the planned visit by Pope Francis.

The last coup attempt was in 2010 and the recent plans included blockading of airports and roads, attacks on the police, the occupation of the presidential palace and government buildings.

Protests have been happening in the two biggest cities, Quito and Guayaquil, since early June when the government announced plans to increase capital gains and inheritance taxes, which tells us all we need to know about the class character of the demonstrators.

Despite temporarily withdrawing the bills in order to have dialogue, the protesters demands escalated to include the overthrow of Correa, despite his democratic mandate - he was re-elected in 2013 with 57% of the vote.

The necessary responses of the democratically elected governments of Venezuela, Ecuador and others to prevent coups, violence and instability are predictably portrayed as repressive by



Ecuador's President, Rafael Correa

the media here. The actual context and the facts are in short supply.

The fact that prominent politicians have been charged with offences relating to the attempted overthrow of the Venezuelan Government does not make them political prisoners.

Prior to the violence of last year they participated freely in the democratic process. They have not been jailed, nor will they stand trial for their views, but for illegal, anti-democratic actions.

Due process will determine their guilt or innocence.

Venezuela's Health Programme Saving Lives, Helping Millions



After providing more than 705 million free consultations, Venezuela's widely popular health programme recently marked its 12th anniversary.

70th anniversary of Dresden Inferno

The 13th of February 2015 was the 70th anniversary of the destruction of Dresden by Anglo-American bomb attacks.

By Dr KLAUS SCHWURACK, Dresden.

Translated from the German journal *Rotfuchs* by Pat Turnbull.

This year as usual this is the occasion for debates over whether and in what manner to commemorate this event.

For several years there has been a widely held view that a so-called 'Dresden myth' had to be countered. Even some on the left take this view.

Those who say Dresden must be 'de-mythologised' say – undoubtedly correctly – that fascist Germany unleashed the Second World War and that Goering's air force had previously bombed Guernica, Coventry and Rotterdam.

From my point of view this only tells part of the truth and represents a certain simplification of history.

German fascism did not appear from nowhere but was bolstered for years by German capital itself and by the western powers. With their insidious policy of appeasement, they hoped to divert Nazi German aggression from themselves and direct it towards the Soviet Union alone.

Unscrupulously they therefore tolerated breaches of the rights of nations, provocations and annexations by the German fascist leadership.

That had already begun with the silence when the German army marched into the demilitarized Rhine zone, and continued with the 'non-intervention' after the attack by Franco, Hitler and Mussolini on the Spanish Republic, and the subsequent annexation of Austria and the Munich Agreement, which presented Hitler with Czechoslovakia to be swallowed up.

At the same time the west rejected every proposal by the USSR for creating a system of collective security.

The Second World War was at the start a clash between two imperialist coalitions; but there were still differences. Some western politicians did not hesitate to express, even in public speeches, their hope that Germany and the Soviet Union would mutually destroy each other. US Senator, later

President, Harry S. Truman declared only a day after the invasion of the USSR by the fascist armed forces: 'If we see that Germany is winning, we should help Russia, and if Russia is winning we should help Germany, so that in this way as many as possible should kill each other.'

As a chief argument for restraint it is suggested that Dresden was, after all, not an 'innocent' city. Even if certain arguments to back this up are accurate, it does not alter the barbaric character of the attack on a defenceless civilian population.

Did the fact play a role that Dresden, as the single undestroyed German metropolis, was already being talked of as part of the future Soviet occupation zone?

Incidentally, the USSR, which had incomparably more victims and destruction to complain of, and whose territory had been laid waste by the fascist aggressors, refused on principle to conduct the carpet bombing of towns.

In February 1945 there was no longer any doubt of the imminent defeat of fascist Germany. Dresden was not a fortress and therefore did not need to be stormed by allied troops.

There were indeed factories there which were important for the war effort, like the Saxon Works, plus military sites and the aerodrome used by the German air force. But these were not the targets which would be attacked.

An air photograph taken by the British Royal Air Force, on which the intended area to be bombed was precisely marked, made it clear that the bombing attacks of the western allied squadrons were limited to the heavily populated centre of the city on the Elbe.

In the first wave of attacks the main weapon was huge quantities of fire bombs which set off a devastating fire storm. People trying to escape were hemmed in by a barrier of flames as

high as a house.

The length of time between the two attacks – a strategy of double attack was followed – was minutely reckoned. Between the first and second wave only some three hours were to pass.

The second wave happened when fire and rescue efforts were in full flow and the fascists' night fighters (anti-aircraft deployment proved to be ineffectual) had not yet been able to take off.

Now it was mainly explosive bombs which were dropped on the blazing city and its defenceless inhabitants. As many people as possible were to be killed.

The attack did not contribute in any way to a quicker military defeat of Hitler Germany nor to the effective support of the approaching Red Army. Nor was it in any way discussed with Moscow, contrary to statements by imperialist circles.

In summer 1944 a memorandum was presented to the chiefs of general staff of the western allies on the subject of a special air attack, far greater in its effects than bombardments up to that point, on a large German city. 'This could result in enormous destruction if the attack was concentrated on a single large town apart from Berlin. The effect would be particularly great if it was a town which up to then had suffered relatively little destruction,' said the document. The planned operation was named Thunderstorm.

On the advice of the united planning committee the implementation of the plan was postponed to a time when the united intelligence committee viewed the circumstances as favourable for a renewed test of its capabilities.

This restraint had reasons; since the beginning of the 1940s the USA had been working feverishly on the development of an atomic bomb. The leader of the project reckoned that the first weapon of mass destruction would be ready for deployment in January 1945.

On the 25th January the united intelligence committee recommended to the British Prime Minister Winston Churchill a modified version of action Thunderstorm. As the atomic bomb

was not yet at their disposal, it would be carried out with conventional weapons.

From the 3rd to the 11th February the Crimean Conference of the allies of the anti-Hitler coalition met in Yalta.

For Churchill the intention was to shock the Soviet Union with a demonstration of western air power in order to be able to negotiate with Moscow from a position of strength; the Soviet Union's convincing success in their Weichsel-Oder offensive in January had been extremely unpalatable to the Anglo-American imperialists.

However, unfavourable weather conditions forced the operation to be postponed; it could only take place somewhat later. At that time the western allies were firmly of the view that the war in Europe would not be over until the second half of 1945.

If this had been the case, the USA would almost certainly have dropped their first atomic bomb on Dresden. The unexpectedly rapid advance of the Red Army alone is to be thanked for preventing this genocidal crime from happening.

It is not a question of creating and maintaining an alleged myth, not even a question of Dresden in itself, but a matter of facts and background information which are no longer to be read in history books. The reason is obvious: they contradict the anti-communist mood of the times and are therefore uncomfortable in NATO circles.

During the Second World War there were influential groups in leading circles in Great Britain and the USA who wanted a separate peace with Hitler Germany in order to march against the Soviet Union with the German armed forces. Churchill declared quite openly after the defeat of the Third Reich: 'We have slaughtered the wrong pig.'

Today's NATO allies don't want a blot on the landscape like the destruction of the Dresden cultural metropolis to attach itself to them any longer. So the murderous carpet bombing on the Elbe has to be presented as a perfectly normal military operation.

This is clearly the reason for the reduction some time ago of the number of victims of the air attacks to 18,000 - 25,000 by an officially appointed Dresden Historians' Commission, as well as the denial of the deployment of low flying aircraft on 14th February 1945.

Now suddenly we are told that it was actually a matter of air battles between machines of the US air force and German fighters. This theory ignores all the accessible sources: documents and eyewitness accounts of those who experienced and survived the inferno. In fact

the pilots had been given express permission to bomb even opportunist targets.

What reason can there be to question the figure of 35,000 dead which had been circulated in the German Democratic Republic and was regarded for decades as the number regarded as accurate? In the Dresden Heide cemetery 28,746 victims have been buried. It is known in addition that in the fire storm very many of the people caught in it literally burned without trace.

The 'newer information' was largely deduced by means of doubtful, invalid methods. The results rest largely on false premises and unproven assertions. Even if it cannot be proved, the suspicion that these 'researches' were politically motivated projects cannot be regarded as groundless.

Churchill in RAF uniform



For Churchill the intention (bombing Dresden) was to shock the Soviet Union with a demonstration of western air power in order to negotiate with Moscow from a position of strength ...

Fascism was not the spawn of the inscrutable German national character. Its roots lie in imperialism and not in a particular national culture.

The bombings of Guernica, Warsaw, Coventry, Rotterdam, Leningrad and many other towns by Goering's air force were therefore not principally German but imperialist crimes.

This standard must equally be applied to the wiping out of Dresden's inner city. It is valid too for the dropping of US atomic bombs on Hiroshima and Nagasaki. Genocidal crimes are, independent of whether they are committed by German, British, American or other imperialists, products of the system.

The fact that Hitler had first attacked Britain and France and that the Soviet Union in the context of the anti-Hitler coalition undertook an alliance with the western allies which brought about victory over fascism must not lead to a lack of clarity over the perception of class positions.

The western allies appear from such a point of view to a certain extent as the 'natural allies' of the Soviet Union, so

that they, like the USSR, are regarded as victims in an undifferentiated way. That is a simplification.

Between the western powers and Nazi Germany existed – despite contradictions – a common class interest in the destruction of the socialist Soviet Union which had become a great power in the course of the war.

The inventors of a so-called myth of Dresden completely leave out of the account such facts and connections, and instead take the line of the 'anti-Germans' when they press for 'understanding' of the bombing of Dresden and in the course of doing so adopt the theory that the dead of February 1945 were themselves the culprits.

Those who attempt to label the population of a whole city in such a fashion and who call it a 'myth of victimhood' when it comes to commemorating those who died a painful death at that time, distance themselves from humanity. Anyone who carries banners and placards with slogans like 'Bomber Harris, do it again!' or 'No tears for krauts' is no anti-fascist.

The new Nazis falsify the history of the Dresden inferno in particular by misappropriating the historical truth. They are silent on the fact that the war was begun by Hitler fascism and rebounded on Germany. They thereby falsify Hitler fascism's main responsibility for the destruction of Dresden.

But there is a clear difference between recognizing the basic share of responsibility of a people in proven crimes against humanity and war crimes and labelling them as culprits without differentiation.

People who reject the theory of 'It served them right!' and who honourably commemorate their relatives and forefathers who were torn apart, killed, crushed, burned to death and suffocated are unjustly defamed by people who were only protected from these atrocities by being born later.

That is also a form of revision of history which plays into the hands of the proponents of new variants of fascism, which Georgi Dimitrov once characterised as the rule of the most reactionary, most chauvinist and most imperialist circles of finance capital.

The reconciliation rituals which have taken place for years in Dresden, with white roses, candles and chains of people, conceal the fact that those who were once responsible for the carpet bombing of the city on the Elbe and the wiping out of Hiroshima and Nagasaki acted and act now in the same imperialist manner in Korea, Vietnam, Yugoslavia, Iraq, Afghanistan and Syria.

Hardship or hope for Africa?

In the third and final part of his series on how global warming could lead to a food catastrophe, **Greg Kaser** looks at the situation of Africa.

It is not enough to think globally and act locally. We must act locally, nationally and internationally to achieve a decisive shift towards the collective management of land and water resources if humanity is to get through the climate crisis.

By GREG KASER

Africa is the continent least able to cope with the impacts of CO2 emissions on the planet's climate and oceans. Its population is projected to rise from 1 billion to 1.6 billion by 2030 and to 2.4 billion by 2050.

Over past decades, the world's agricultural production grew faster than its total population, as a result of the Green Revolution. Since the 1960s, the Green Revolution has introduced new crop varieties, brought better water management, improved use of fertilizers and pesticides and know-how to millions of smallholder farmers in developing countries. But Africa today grows only the same amount of food per person as it did in 1960. Less than 7% of cultivated land is irrigated compared to 40% in Asia. Fertilizer usage is far smaller and the number of tractors per hectare is three times higher in Asia than in Africa. The Green Revolution had some success in Africa – more food is grown than ever before – but in Asia and Latin America food production exceeded population growth; this failed to happen in Africa.

The continent is in a weak position should climate change undermine food production further. Understanding why this is and what can be done to avoid a looming catastrophe means taking a close look at the use of land.

African crop yields are already low
Africa has plenty of land but crop yields per hectare are much lower than in North America or Europe. Table 1 shows the yields for different African regions as a percentage of those achieved in North America.

Typically, yields in Sub-Saharan Africa are about 37% of those in North America. They are generally lower than yields obtained in Asia

and Europe as well. The other major crop cultivated in Africa, cassava, is not grown in quantity in North America but is found in South Asia. Here again African farmers get only one-third of the output achieved in the Indian sub-continent.

Low yields reflect the deficiencies in farming technologies, the unaffordability of seeds, fertilizers and pesticides, and the lack of access to banking and insurance, capital for investment, and to markets for selling the produce as a result of poor roads, the absence of warehouses and refrigeration, and so on. Co-operatives for processing and marketing the produce are also essential if farmers are to 'move up the value chain'.

These problems are well known but how to address them is controversial.

In a recent speech President Paul Kagame of Rwanda suggested that the modernization of African agriculture can only be achieved if it is economically viable. "Agriculture [is] a crucial cornerstone to Africa's economic transfor-

mation, and there are many examples where it has been pivotal to the realized growth, including among others in Ethiopia, Uganda, Ghana, and my own country, Rwanda.

"However, agriculture must be treated as a business and not just a subsistence activity, in order for it to become a transformation agent. A huge market exists. The potential to increase productivity, create more jobs and raise incomes is ever present.

"But to turn agriculture into a business dictates that we modernize it, invest in technology and research, make reforms in land tenure, land and water management, and develop transportation infrastructure for greater distribution and trade."⁽¹⁾

Others stress "support for ecological smallholder farming in Africa", as against "agribusiness" and a "new wave of colonialism" (open letter to David Cameron from John Hilary, War on Want, and other British non-governmental organizations).⁽²⁾

Massive tracts of land are being bought in Africa by companies for plantation or other types of large-scale agriculture, for either food production or bio-fuels, and driving smallholders off their land and into destitution.

Action Aid published research suggesting that six million hectares of land in Sub-Saharan Africa are under the

Table 1: Crop Yields as a Percentage of North American Yields

Region	Maize	Wheat	Rice	Potatoes	Onions	Sorghum
Southern Africa	43	94	31	78	41	41
West Africa	19	59	24	11	35	24
East Africa	13	59	28	21	12	27
East Asia	57	159	86	36	40	103
Southeast Asia	28	54	53	34	15	41
South Asia	37	84	45	46	28	25
Europe	63	136	76	48	40	75
North America	100	100	100	100	100	100

Source: Food & Agricultural Organization, 2008 data.

control of European companies planning to grow bio-fuels. The charity claims that there has been a “diversion of land from producing food for people to producing fuel for cars” with “disastrous” consequences for “global hunger” and with allegedly little benefit in mitigating climate change.

Environmental campaigner George Monbiot, writing in *The Guardian*, joined in the debate with criticism of plans put forward by the New Alliance for Food Security and Nutrition ahead of the G-8 Summit of world leaders in June 2013.

The G-8 and the Alliance, he alleged, aimed “to cajole African countries into a new set of agreements that allow foreign companies to grab their land, patent their seeds and ... remove any market barriers that favour their own farmers”.⁽⁹⁾

Bottoming out this argument requires us to look at the structural features of African agriculture and how this could

or might change as global warming proceeds.

Africa is able to feed itself

Many African countries face chronic food shortages and several millions go hungry every day. There are 265 million malnourished people in Sub-Saharan Africa, nearly one-third of the total population.

Nearly half of all pregnant women suffer from anaemia and 14% of babies have low birth-weight. Half the children – 195 million – are stunted.

Among the countries unable to feed their populations are: Burkina Faso, Burundi, Central African

Republic, Congo, Eritrea, Ethiopia, Gambia, Guinea Bissau, Kenya, Liberia, Mali, Mozambique, Sierra Leone, and Zimbabwe.

Furthermore, hunger is often exacerbated by water scarcity and poor sanitation, with 37% of people in Sub-Saharan

Africa relying upon unimproved drinking water sources and 70% lacking improved sanitation.

As populations have increased, more and more land is being used for growing crops. Worldwide, cultivated areas have been expanding by nearly two million hectares a year, and it is estimated that the rate of expansion will treble over the next two decades.

Two-thirds of this expansion will be in Sub-Saharan Africa.⁽⁴⁾ Part of this expansion is at the expense of forests, and it also includes the farming of marginal land in hilly or mountainous zones or at the edge of arid areas.

Even so, huge areas of suitable agricultural land remain to be exploited for crops, and nearly half of it is to be found in Africa.

This land is non-forested, outside ecologically protected zones and lightly populated. It amounts to some 200 million hectares and much of it is to be found in Ghana, Chad, Sudan, Congo, Mozambique, Madagascar, Tanzania, Zambia and Zimbabwe.

Further expansion of arable land, whether this is for food and animal feed or for crops suitable as bio-fuels, can be accommodated sustainably on the continent.

In fact, since the total area of cultivated land in Sub-Saharan Africa at the moment amounts to 221 million hectares, the potential exists to almost double crop production.

So, if African farmers were to become as efficient as, say, European farmers, then crop production could double; and if they farmed twice the land area at this double productivity, then the agricultural output from African farmers could be four times what it is today.

Not only can Africa feed its growing population, but it could export crops to the rest of the world.

Surviving the impact of climate change

And there is some more good news. Rain-fed agriculture could prove to be more resilient to climate change than irrigated crops, according to the International Food Policy Research Institute. Global warming will in-



Dried cassava in Cameroon

Table 2: Average Farm Sizes Worldwide (1994-2011 data)

Region	Mean size (ha)	Percentage of farms under 2 ha (%)	Trend since 1970
Sub-Saharan Africa	2.4	69	Farms getting smaller
Southeast Asia	1.8	57	Farms getting smaller
South Asia	1.4	78	Farms getting smaller
East Asia	1.0	79	Farms getting smaller
West Asia & North Africa	4.9	65	Data not available
Europe	32.3	30	Farms getting bigger
North America	190.1	4	Farms getting bigger
Central America	10.7	63	Data not available
South America	111.7	36	No overall change
Oceania	2.7	18	Data not available
Australia/New Zealand	2239.1	:	Farms getting bigger
World	5.5	:	

Source: Klaus Deininger and Derek Byerlee, with others, 2011, *Rising Global Interest in Farmland: Can it yield sustainable and equitable benefits?*, Washington: The World Bank: p. 28, Table 1.3; FAO World Census of Agriculture 2000; Canadian and US farm census data.



Wanawake Kwanza (Women First) growers association in Maza village, Morogoro, Tanzania. (US Aid)

crease water evaporation from the oceans and therefore rainfall should be heavier (but storms more violent).

African farmers tend to rely on rainfall so more frequent rain might help them initially. Rain-fed crops are tougher and better adapted to the intermittency of rainfall. Irrigated crops depend on there being a steady water supply and will perish if this is not available.

Rice is especially vulnerable in this respect. But it should be noted that while irrigated farming takes up only one-fifth of the world's farmland it grows two-fifths of the world's food.

Africa's problems are interconnected: reliance on rainfall results in low yields; but fertilizers are less efficient where rainfall is low and unpredictable; and lack of fertilizers leads to soil depletion and worsens yields.

Turning this situation around will be expensive: irrigation, drainage, water harvesting and storage projects are capital intensive, with major environmental impact and social repercussions in terms of management and upkeep.

However, if temperatures carry on rising, rainfall patterns could alter drastically and no agricultural zone will then be safe.

The increasing frequency of drought suggests that global warming is already altering the climate around the Indian Ocean, including that of East Africa.

Variability in weather patterns is the ruin of small-scale farmers. African

farmers are mostly smallholders tending tiny scattered parcels of land. They are in no position to adapt to climate change without assistance. That's the bad news.

A study in 2009 by the International Food Policy Research Institute suggested that without an increase in irrigated area, in any case necessary if Africa is to feed itself, Sub-Saharan Africa would see falls in agricultural output as a result of climate change.

Farmers in East Africa are adapting by introducing more drought resistant varieties, but they are also changing or even abandoning a sowing season. Instead of raising cattle they now just tend hardier goats.⁽⁶⁾ Adapting to climate change is already reducing food supplies.

The trouble is that African farms, as in other developing countries in Asia, are tiny and in no position to finance capital investment. Table 2 sets out some recent data on average farm size.

In Sub-Saharan Africa, 80% of farmers are smallholders, the majority of whom are women.⁽⁶⁾ Small farms can be very efficient but left to their own devices smallholders cannot invest to expand as businesses.

The long-term trend is towards larger farms, but even in developed countries these receive state subsidies, which for many developing countries is unafford-

able. The alternative is to move towards a socialist solution.

Collectivization revisited

Paul Kagame is a forthright proponent of Chinese participation in Africa's development. He is not alone and there are some other, perhaps unlikely, supporters of the Chinese model for agriculture.

A World Bank paper on 'Learning from the Chinese Miracle' praises the development lessons for Africa. Discussing the replacement of the commune system by the household responsibility system, the paper notes: "The reforms had strong ramifications on economic output. The fast growth of agricultural output accumulated crucial initial capital for the take-off of rural enterprises, which were concentrated in labour-intensive industries. There was a dramatic increase in household savings ... [and], in parallel, a new pricing policy was introduced to give stronger incentives to individual farmers. From 1979 to 1981, reformers [in the Chinese government] cumulatively boosted procurement prices of crops to close to 40 per cent over 1978 levels. Finally, the government provided farmers subsidies to buy seeds and fertilizers needed to grow high-yielding hybrid rice varieties."⁽⁷⁾

The World Bank omits to mention that the household responsibility system, introduced under Deng Xiaoping, is not a form of private ownership but a collective solution, 'owned' by families and

the community.

From 1979 on, the Chinese Communist Party encouraged communes “to divide the land to the households” but retained village and township enterprises as collectives. In 1983-84, the 50,000 communes were replaced by 92,000 townships and the six million production brigades (each consisting of an average of 33 families cultivating about 8 hectares) were broken up.

Households are responsible for managing land under lease and must fulfil government contracts for production. They are free to sell any surplus produce on the market.

Typically a household leases about 0.6 hectares for a term of 15 years, though terms of 30 years have been possible since 1995. China is self-sufficient in food production, has expanded its cropping area and raised yields. Since the 1990s it has been a net exporter of grains.

Deng’s economic reforms are credited with bringing prosperity to the countryside. The opportunity to diversify production into a wider range of crops and activities (such as sugarcane, fruit, vegetables and medicinal herbs, orchards, animal husbandry, dairy products and other non-farm small-scale industry), rather than be tied to the ‘top down’ state procurement of grains, enabled enterprising households to raise their income.

Even so, it is not an entirely market-driven/private ownership system of production. The government continues to provide know-how, seeds, fertilizers and pesticides at affordable prices, which were the key elements of the Green Revolution.

Investment and maintenance of the irrigation infrastructure, a major effort undertaken by the communes in the 1960s and 1970s, remains a collective responsibility. Local governments also help households in marketing their produce. Farm mechanisation and plot consolidation have suffered as a result, however, and in recognition of this, since 2008, larger-scale mechanised farming has been encouraged.

Nonetheless, it remains difficult for leaseholders to trade their plots, and, as these may be dispersed – partly to ensure that every household has a fair mix of soil types and growing conditions – Chinese agriculture has reached something of a productivity plateau (unless GM crops are introduced more extensively).

Much larger farms in Europe, the former Soviet Union and America have higher productivity as a result of mechanisation, which is not practical on small,

scattered parcels.

On the other hand, mechanised farms would require less labour and there is abundant rural labour in China, and Africa. The situation will change in China as the push to develop the New Socialist Countryside becomes a reality. Former prime minister Wen Jiabao announced the programme in 2006, which aims to narrow the gap in living standards between urban and rural areas.

The Chinese examples suggest that with a fair structure of land tenure (with all households gaining a stake in managing the land), appropriate incentives to spur productivity, specialization, innovation and marketing, and the provision of up-to-date knowledge and critical production inputs (seeds, fertilizers and pesticides) can give a massive boost to agriculture and the rural economy.

Moreover, Chinese farms are run as businesses, within a national and provincial planning framework to ensure every

The Chinese experience in combining household responsibility with state-supported development cannot, of course, be transferred to Africa without modification, but the lessons are clear enough.

Without a major transformation in a socialist direction, African farmers will be at the mercy of world commodity markets and climate change.

Food production, already low by world standards, will continue to fall short of what people need.

region can feed itself and rural development is prioritized.

By contrast, the perspective for agricultural modernization in Africa envisages little role for the state and would be driven by Capital. The World Bank’s policy is to favour the role of private investors in creating consolidated commercial agricultural units with family farmers under contract to manage the land.

In this way the Bank seeks to reconcile the interests of smallholders with agribusiness and institutional investors without compromising the principle of private ownership.

Such ‘land governance reform’ would, in fact, strengthen private ownership

rights through programmes to register customary rights to land, forest and water resources.

A very successful programme of this type has been undertaken in Rwanda, part-funded by the British government. Rwanda has endured a tragic history of ethnic conflict in which its two main communities have seized land from each other, in repeated rounds of mass killing and expulsion.

Under Kagame’s Rwandan Patriotic Front government, which set out to end the cycle of conflict, claims to land have been arbitrated by local commissions and title registered formally. A feature of the process was the recognition of widows’ rights.

With plots properly delineated by satellite mapping and on-the-ground boundary markers, property rights are established legally and the land’s value is available to secure loans for investment.

A similar programme is underway in Ethiopia, which also seeks to register women’s title to the land they cultivate.

Security of tenure is a critical factor in ensuring that farmers have the confidence to invest and innovate. If farmers think that they may not reap any benefit from improving the productivity of the land they are working they will not invest, even if they are aware of the advantages.

But this must be accompanied by government-funded assistance to smallholders and the modernization of the economic infrastructure. Irrigation and water storage will be necessary if Africa is to ride out the early consequences of climate change.

It is therefore entirely feasible for African smallholders to grow far more than they do today and to prosper, as Kagame envisages, but they cannot do it on their own. The truth is they have to do it together – on a model that enables them to get the best from the land and water resources collectively.

Community rights to forage or pasture animals on land have to be addressed and this can only be achieved through collective management. The Chinese experience in combining household responsibility with state-supported development cannot, of course, be transferred to Africa without modification, but the lessons are clear enough.

Without a major transformation in a socialist direction, African farmers will be at the mercy of world commodity markets and climate change. Food production, already low by world standards, will continue to fall short of what people need.

Greater variability in the weather will make matters worse. If many parts of

A farmer near the town of Gabiley, Somalia. (K Bohmer)



Africa cannot feed themselves now, what hope will there be when harvests fail year after year?

Developing countries are, of course, more vulnerable to the famine potential arising from global warming and ocean acidification. But developed countries are by no means immune – drought, flood, desertification and weather extremes will affect the great bread baskets of Europe and the Americas. Developed country consumers will also feel the effects of food and water shortages elsewhere in the form of price hikes. Earth would be a hungry planet.

Past lessons

To prepare a class response we should, perhaps, recall the days in the seventeenth and eighteenth centuries when 20% of the British population went hungry even in good times.

Historian E P Thompson chronicled the direct action taken by the common folk of England to protect their access to food during periods of dearth.

Through the distribution of anonymous handbills and posters, marches, blockades and ‘riotous assembly’ crowds intimidated rich farmers, millers and merchants into bringing grain to market and lowering prices to affordable levels.

The crowds tried to force the lords lieutenant and magistracy to apply the old laws from Tudor times – known popularly as the Book of Orders – that prohibited speculation and price rigging by engrossers, factors, forestallers, hucksters, jobbers and laders.

In so doing the poor incurred the criticism of moral philosophers – the likes of Adam Smith, Edmund Burke and Thomas Malthus – who advocated *laissez-faire*.

Thompson went on to describe how these liberal ideas were exported to India with pernicious effect.⁽⁸⁾

There, as Nobel Prize-winning economist Amartya Sen has shown, famine was exacerbated by British reluctance to intervene in the market to prevent the export of grain and rice and to control prices.⁽⁹⁾

We can expect a repeat of the same arguments in favour of ‘letting the market work’ from today’s neo-liberals, not to mention condemnation of any protest action by people unable to afford basic sustenance.

It has been the historic task of socialism to overcome the forces of barbarity and reaction, to free people from oppression and exploitation, and to construct a global society that fully develops human and natural resources sustainably and equitably.

In the nineteenth century socialists tackled the threats from predatory capitalism. With occasional liberal allies, socialists built democratic nation states that eventually tamed rapacious imperialism.

By the 1960s, colonial rule and inter-imperialist wars were, hopefully, over, although US imperialism still threatens world peace. For the socialists of the twentieth century all-round development and restoring dignity to working people were the prime challenges.

In the advanced industrial economies the welfare state was secured by the 1950s. Other countries have followed, with emerging industrial nations like China, Brazil and India now putting comprehensive social protection measures in place.

But there is still a long way to go in the less developed countries. The priority for twenty-first century socialism is that of planetary management, perhaps, even, of ensuring humankind’s survival.

Socialists must not just complete the outstanding tasks but make common cause with the environmental movement to establish proper democratic accountability at the international level to manage the Earth’s resources, our industries and our scientific potential to meet people’s needs for sustenance, security, health and education.

The challenge, then, is to achieve popular sovereignty that exercises power locally, nationally and globally. It is not enough to think globally and act locally.

As this series has shown, action is needed nationally and internationally if our planet is to be preserved for human habitation.

FOOTNOTES

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3. George Monbiot, Africa, let us help – just like in 1884, *The Guardian*, 10 June 2013.
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Arnold Mesches and his FBI file

Arnold Mesches (pictured below) is a 92 year old American artist, who has illuminated - in the style of medieval manuscripts - his own FBI file.

By **GEORGE HEARTFIELD**

Arny, as he prefers to be known, had decided to petition for his FBI file after seeing those of some friends. "I loved the way they looked, those black strokes, like Franz Kline color sketches. I also thought, 'This is history, and, hey, this is my history.'"

The package that eventually arrived when unbound from the armour of wads of plastic tape, disclosed in its 768 pages the comings and goings of Mesches' past, each page a single report, supplied by FBI agents or, more often, by comrades and bedmates, people at a meeting, in a crowd, studio models, purported friends.

He learned that the Bureau paid informants \$75 a page for their trouble. "Imagine if you were reporting on ten people, that's \$750 a week, \$3,000 a month; people were living on it."

Half a million people were within the state's scope during the years the House Un-American Activities Committee functioned. "I had only 768 pages. I had a friend who had 4,000. He was a very busy man."

Arny poured over those pages, and while he was re-living his life through the eyes of the FBI he also saw beauty in the riddle of ink on paper. He began a series of large paintings, collages.

Mulling over the idea of illuminated manuscripts, he worked on a smaller scale, using the pages themselves, making diptychs, containing the documents within borders, adorning them with miniatures, ornamenting them with rough or classical lettering, decorating them in gold.

The result was a 2002 exhibition, which has now been refreshed, concentrated and titled, "Next in Line", for a new generation under surveillance. It was on display earlier this year in New York, where Arny now lives.

The painted or lifted images bracketing the documents, interrupting them,



obscuring them, emerge from the same period as the files. Their juxtaposition is an aesthetic choice.

There is:

- the first cover of Playboy,
- a paint-by-number Last Supper,
- a soldier in winter in Korea,
- snapshots of Coney Island,
- Arny's children,
- an audience in 3D glasses,
- Malcolm X,
- the KKK,
- pieces of toys,
- logos for Flair and for Mad,
- Nixon (see back page),
- image transfers from magazine ads for Cutty Sark and Marlboro,
- the Kennedy convention with grotesques on lofted banners,
- Havana January 1, 1959,
- the Hollywood Strike 1946-47 (see back page),
- Paul Robeson as Othello,
- a bloody handprint,
- a lunar module,
- a stencil of pickets,
- a protest armband,
- clowns,
- sketched portrait of Arnold Mesches commissioned by the FBI and executed by an informant who

masqueraded as a comrade.

Mesches was subject 100-27874. A "rank and file member" of the Los Angeles Communist Party, the FBI acknowledged some years into its watch, "book number 49939" – not much, or not yet.

His "potential or actual dangerousness" seems to have been that he might become something more, might know someone bigger, do something bigger.

He certainly popped up at a lot of marches and concerts for "peace."

Who could know his dark ambitions? He had been a young radical, a "former AYD member"; that's American Youth for Democracy.

While doing set illustrations for a Tarzan movie he walked off the job in the great Hollywood Strike of 1946.

He learned to work in watercolour by going out painting with a couple of set people every morning after picket duty. He "dressed like a Communist," according to the FBI file, always in jeans and a T-shirt.

He did covers and inside drawings for Frontier, "definitely anti-FBI." "He did sketches on disarmament for a conference in April, 1960, sponsored by the Emma Lazarus Jewish Women's Club."

He drove a 1954 Ford station wagon, "an old model Nash, California license 2N19005."

He taught art in Salt Lake City but was "expelled for Communist Sympathies."

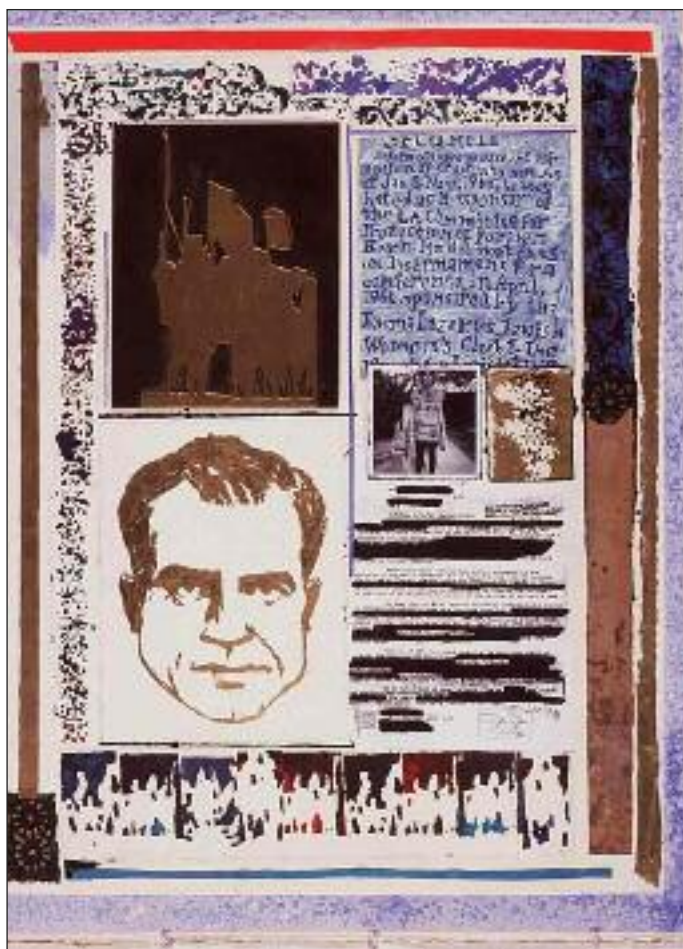
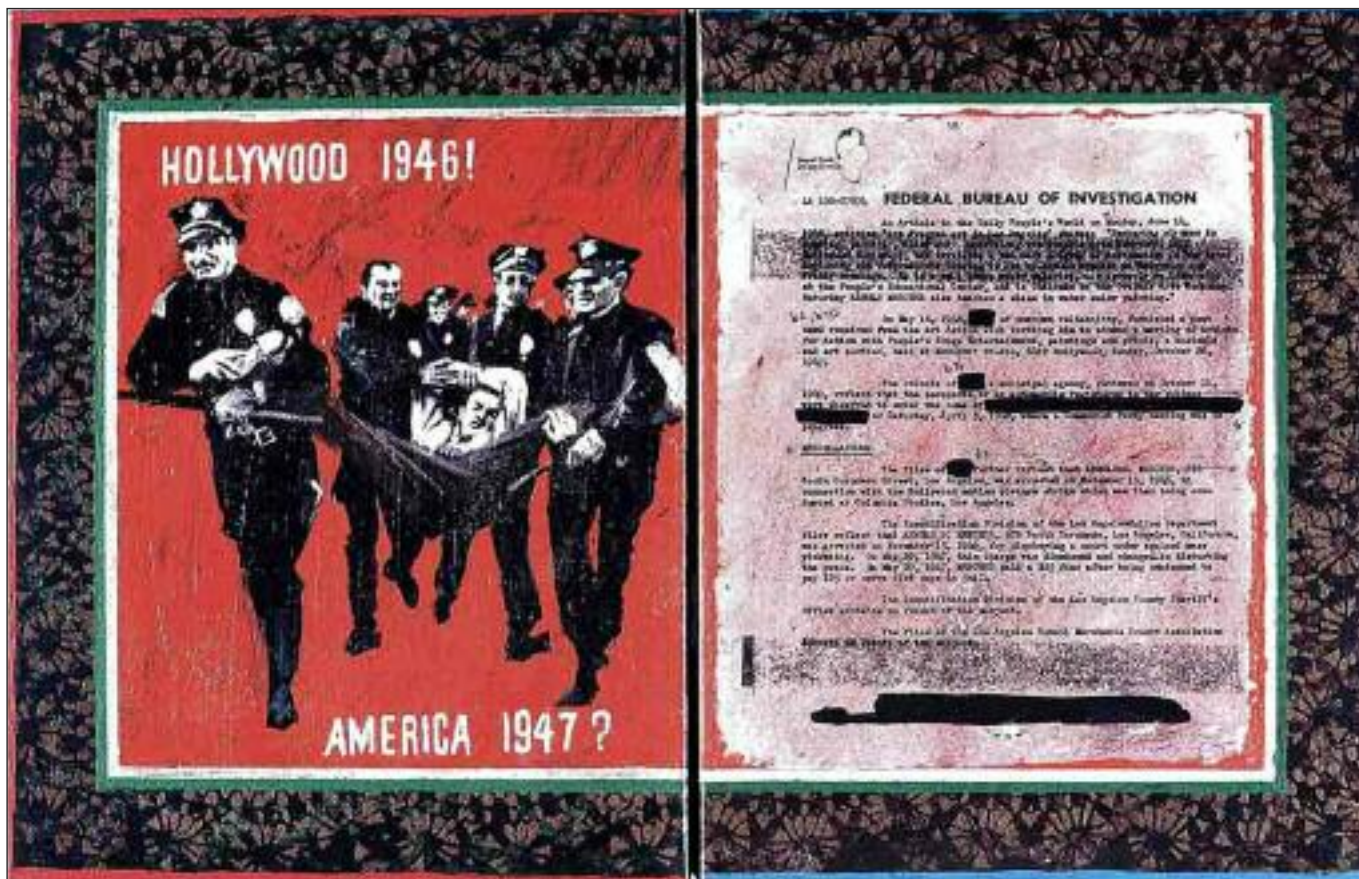
He taught art at USC. He signed a brief in support of John Howard Lawson and Dalton Trumbo as representative of the Arts & Professions Group.

On January 26, 1966, the Special Agent in Charge of LA sent J. Edgar Hoover an airmail letter "Re: Artist Protest Committee/Information Concerning/(Internal Security)" with Mesches' name and the suggestion of an upcoming demonstration evident but much else blacked out.

"I really wanted the images to have a feeling of those days, the external life of those days," Arny says.

The worst that happened to Mesches was the burglary of his studio in 1956.

Two hundred sketches, 100 prints, all



his paintings, including several of the Rosenbergs, were robbed, “every piece of work that I could live on.”

His file makes no mention of this event and is silent about the six months leading up to and following it.

He titled his new exhibition “Next in Line” because surveillance is the open secret of this era.

Army worries about the NSA, whose technical ability to sweep up data on billions of people in an instant is different from the old days but with the same aim.

His major addition to the earlier work is a fifty-foot canvas clustered with faces, pen-and-ink drawings affixed to the surface, some overlapping, in different tones, different styles. The work suggests a police bulletin board assembling evidence of a crime.

Army has said that he used to use anger, but that didn’t involve the audience and it didn’t have the same questioning aspect so he now uses “absurdity”. In his work he has tried “to re-create the sense of utter instability and sheer insanity that he feels has so often permeated his years.”

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