

Fox takes cronyism to new level

Manny Thain

Fox by name, fox by nature it seems. For despite the mounting and overwhelming evidence of cronyism against Tory MP Liam Fox, the defence minister remains in his post (at least as we go to press!).

Over a number of years, Fox has allowed his old friend, best man, flatmate and business associate, Adam Werritty, an office at taxpayers' expense, access, more recently, to the Ministry of Defence and participation in meetings with business people without the presence of civil servants. All the while, Werritty had no official position or security clearance.

The revelations have reached critical mass, sparking a crisis at the centre of David Cameron's government. A spotlight is being shone on Fox's dealings – and the trail of denials and retractions in their wake. As an anonymous 'fellow minister' said: "He has fingers in so many pies that you kind of think one of them will land him in trouble somewhere along the line." (The Observer, 9 October)

There was, for example, a meeting in a five-star hotel in Dubai in June between private equity boss, Harvey Boulter, Werritty and the 'flying Fox', as he is known because of his

frequent trips abroad. When challenged by the Guardian newspaper, Fox initially denied that the meeting had taken place. He then tried to make out that it had followed a chance encounter in a restaurant. Boulter disagreed: "The fact that a meeting was going to happen was prearranged in April. A meeting with the ministry of defence doesn't happen by chance." (The Observer, 9 October)

One of Fox's long-standing contacts is Mahinda Rajapaksa, president of Sri Lanka. At the end of last year, Fox met Rajapaksa in the Dorchester hotel, London, just as urgent calls were being raised for an investigation into war crimes by Rajapaksa's regime in its genocidal war against Tamil-speaking people. Footage from Sri Lankan TV shows Werritty present. Fox says that this was not an official meeting.

In July, Fox visited Rajapaksa in Sri Lanka on an official trip. Werritty was seen at an event in which they were all present. This time, the MoD maintains that Fox was there to give a lecture in public at which, coincidentally, Werritty was present. No doubt Fox will come up with reasons for the 22 times Werritty is known to have visited him at the MoD in the past 16 months, and the 18 times they met up on foreign trips!

In the House of Commons on 10 October, Fox muddied the waters

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further. When asked whether Werritty made money from any of these meetings and contacts, he merely said that Werritty was not financially dependent on the contact with him.

Before Fox got his job in the government he had been shadow minister for health and then defence, while Werritty was a health industry 'consultant', then a defence lobbyist. It stinks, another example of this rotten political system, where those at the top put themselves first while the rest of us pick up the tab.

Cameron is desperately playing for time, although the editorial in the Financial Times (11 October) says that Fox's position is untenable.

Against the backdrop of severe economic crisis and the potential of massive strike action on 30 November and beyond, Cameron's government is riven with internal strife. It is giving the impression that it is drifting, impotent – while the politicians continue to be disgustingly self-serving.

Fast news

Ireland by-election

The death of former Fianna Fáil government finance minister, Brian Lenihan, has resulted in a by-election being called for the Dublin West seat of the Dáil (the Irish parliament). The Socialist Party (CWI in Ireland) has selected councillor Ruth Coppinger to contest it and will be undertaking a major campaign to win the seat.

For all those disgusted at the abuse of power by bankers, builders and right-wing politicians who have crashed the economy, this by-election is a chance to strike back. It could be turned into a referendum against the robbery of the Irish public by the bank bailouts and austerity. These policies were started by the former Fianna Fáil government and are now continued by the Labour/Fine Gael coalition government.

Electing Ruth would be a major boost to the campaign against the new household tax and water charges, which the coalition government wants to introduce in an attempt to make workers pay for the gambling debts of the speculators and big banks.

Ruth will be a workers' TD (member of Irish parliament) on a worker's wage, like Socialist Party TDs Joe Higgins and Clare Daly.

See ruthcoppinger.com

Fuel poverty

Fuel poverty in the UK is set to soar by the next general election, expected in 2015. Most household energy bills by then will almost have doubled as a share of median income since 2004.

The average gas and electric dual energy bill has rocketed 117% since 2004 while median household income has only increased by 18%. By 2015 most households will be experiencing 'fuel poverty' ie spending 10% of their incomes or more on fuel bills. Currently over five million households are experiencing fuel poverty.

The 'big six' private energy companies have all recently jacked up the prices they charge their customers, so that the average annual dual fuel bill is now £1,293. These price hikes coincide with rising inflation and pay freezes for millions of workers.

These mega-profitable companies say they're the 'victims' of rising international wholesale prices. However, these price rises are mainly due to speculation, not 'supply and demand'. In fact there is a global glut of gas supplies according to the International Energy Agency. Moreover, many gas companies have substantial stakes in gas fields making them handsome profits both as wholesale and domestic suppliers. The sooner the private energy utilities are renationalised, the better.

Going nuclear

Despite the Fukushima disaster and the prohibitively high costs of nuclear generated electricity, the Con-Dem government is expected to press ahead with a new generation of nuclear plants. This follows a report from Dr Mike Weightman, the UK's chief nuclear inspector, giving the industry a clean bill of health.

"It's designed with one objective - to give the green light to a new generation of nuclear power stations, irrespective of the safety, environmental or rising financial costs of those nuclear stations," a Greenpeace spokesperson said.

NHS protesters occupy Westminster Bridge

Neil Cafferky

Hundreds of protesters blocked Westminster Bridge next to the Houses of Parliament on Sunday 9 October to demonstrate their support for a publicly owned National Health Service (NHS). This positive action was organised by UK Uncut in protest against the government's upcoming NHS Bill which is currently making its way through the House of Lords.

Among other changes, the Bill will remove the duty of the Health Secretary to provide health services and place the running of GP services in the hands of private consortia. It is a further step along the road to privately owned, American style, health care. This road was originally fashioned by the Thatcher and Major governments and then drastically accelerated by New Labour with the introduction of Foundation Trust hospitals and a huge increase in PFI privatisation schemes. The current Con-Dem government has



Big business hands off our NHS photo Paul Mattsson

simply picked up where New Labour left off.

Support for the 30 November strike action over pensions and cuts by public sector workers was prominent in many of the speeches at the

blockade as well as solidarity with the Occupy Wall Street protests in the USA and the big social movements in Israel.

The comedian Mark Thomas made an appearance at one of the

assemblies, performing a 15 minute set to cheers and laughter, which contributed to the carnival atmosphere on the bridge.

The main focus of the assembly seemed to be planning further actions, chiefly the Occupy the City protest on 15 October. If there was any weakness in this method of organisation it is that it is difficult to engage in a discussion about overall strategy of the movement beyond organising the next action.

UK Uncut also handed out a leaflet with the headline: "This is the last chance to save the NHS". Although the sentiment of urgency is understandable given the attacks the NHS faces, the phrasing is unfortunate as it could lead to demoralisation among the public.

Given the potential power of the working class, nothing is irreversible. Health unions will soon be balloted for strike action on 30 November against attacks on public sector pensions. This strike will give a taste of how action can be taken against the destruction of the NHS

Con-Dems' policies increase poverty

Dave Carr

Living standards are set to fall and poverty will massively increase in the coming years as a result of the coalition government's tax and benefit counter-reforms. According to the Institute of Fiscal Studies (IFS) nearly one in four children in the UK will live in absolute poverty by 2020.

Using measures of poverty defined in the Child Poverty Act (2010) the IFS calculates that "the period between 2009-10 and 2012-13 is likely to be dominated by a large decline in real incomes across the income distribution."

The report continues: "Absolute poverty is forecast to rise by about

600,000 children and 800,000 working-age adults. Median income is expected to fall by around 7% in real terms, which would be the largest three-year fall for 35 years.

"The net direct effect of the coalition government's tax and benefit changes is to increase both absolute and relative poverty. This is because other changes, such as the switch from RPI- to CPI- indexation of means-tested benefits, more than offset the impact on poverty of Universal Credit.

"Absolute and relative child poverty are forecast to be 23% and 24% in 2020-21 respectively. These compare to the targets of 5% and 10%, set out in the Child Poverty Act (2010) and passed with cross-party support. This would be the highest

rate of absolute child poverty since 2001-02 and the highest rate of relative child poverty since 1999-2000."

But at the same time as the Con-Dems are further squeezing the working poor and the unemployed to pay for the capitalist crisis, the government's business-friendly policies have allowed the super-rich to get richer. The 1,000 richest individuals in the UK saw their collective wealth soar by a staggering £60.2 billion in 2011 (an 18% rise over 2010), to an unbelievable £395.8 billion.

Clearly, inequality and an ever-widening wealth gap go hand in hand with capitalism. And it shows that a fundamental shift in wealth and power from the ruling elite to the majority – ie socialism – is essential to end poverty and inequality.

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