

Fox resignation Scandal reveals corrupt influence of big business on government

Dave Reid

Eventually Liam Fox had to resign as Defence Secretary. He was so careless in allowing his friend Adam Werrity open access to the Ministry of Defence (MoD) and its contacts that his credibility was shot to pieces. Together they had been working for Atlantic Bridge, a right wing pro-American lobby group with Margaret Thatcher as their patron.

Cameron has said that the government will now implement its forgotten pledge to set up a code and register of lobbyists. But even government ministers admit privately that the code would not have affected Fox's activities.

Millions of pounds of corporate lobbying and business interests seep through to ministers through a million pores. Any illusion that these right wingers will now cease to influence the government has been dispelled by the revelation that Philip Hammond, Fox's replacement at the MoD, has also received hospitality from Michael Hintze who had been a major donor to Atlantic Bridge.

Fox's resignation also lifted the lid on a wider web of right wing lobby groups, funded by big business and linked to American organisations like the Tea Party, which operate right at the heart of the British government and also involve Fox's more discreet cabinet colleagues.

image not available

Werrity, who is facing a fraud investigation by the police, is just one of many lobbyists who criss-cross between big business lobby groups and governments around the world. Government ministers held more than 1,500 meetings with corporate representatives in the first ten months of the government.

According to The Observer, Atlantic Bridge claimed to have built a network of "like-minded people - in politics, business, academia and journalism". Tory cabinet ministers George Osborne, Michael Gove and William Hague have all spent time on the advisory council of Atlantic Bridge so you can bet your bottom dollar their ministerial doors are

wide open to their lobbyists.

And what are they lobbying for? For big corporations, for the privatisation of health care and other public services and for arms companies.

Liam Fox himself spoke out at Atlantic Bridge meetings against the "innate pacifism" in western society declaring "we cannot allow that corrosive view to go unchallenged".

Mostly though it was pushing the pro-market neo liberalism of big business. In 2007 Atlantic Bridge signed a special partnership with the neo-con think tank, the American Legislative Council ("to advance the Jeffersonian principles of free markets, limited government, federalism, and individual liberty")

which is funded by oil companies, tobacco companies and the National Rifle Association.

Other lobbying groups it worked with included the Galen Institute, "devoted exclusively to advancing free-market ideas in health policy" and the Heritage Foundation "based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defence".

And Werrity was also funded by shady defence and security companies and lobby groups. Werrity used his connections with Fox to hold meetings with Mahinda Rajapaksa, president of Sri Lanka who is widely held to be responsible for genocidal crimes against civilians in the murderous war against the Tamils.

Fox and Werrity had a very cosy relationship with the regime who paid for a number of trips to the island. Campaigning organisation Tamil Solidarity has condemned Fox for "covering up for the crimes of Rajapaksa's regime".

And like all good big business organisations Atlantic Bridge was adept at avoiding paying tax. Registering as a charity meant that it saved paying approximately £50,000 tax until the Charity Commission decided that Atlantic Bridge must "cease all activities immediately". But Fox and Werrity had prior access to the Charity Commission report and had set up a company, Pargav, which then funded Werrity's activities.

Fast news

Higher bills

With winter approaching, UK households face paying their highest ever bills after the 'big six' energy companies jacked up their gas and electricity prices. The average profit margin is now £125 per customer a year for these energy giants - with the average annual dual-fuel bill reaching £1,345. This profit margin represents a staggering 733% increase since June.

Unsurprisingly the government declined to renationalise these parasitic companies, instead merely criticised their insensitive timing of price rises ahead of the winter period. Likewise, Labour complains about the 'energy market' but it too refuses to demand renationalisation. Ofgem, the toothless energy watchdog, said that its call for energy companies to issue simpler tariffs would make for clearer bills, allowing consumers to choose the best deal possible. This is like enjoying the clarity of a poke in the eye compared to a punch on the nose. But either way you're going to be worse off.

Support Kurdish rights

Kurds and members of other ethnic minority groups in Turkey are calling supporters to join them in a protest in Cardiff at the Welsh Assembly at 11am on Wednesday 26 October.

The Turkish government's long history of the oppression of minority groups is continuing, with an attempted ban on prominent Kurdish figures from standing in elections, a crackdown on the use of Kurdish through prosecutions for 'language crimes' and violent attacks on protesters, including the killing of one man in Bismil on 20 April of this year.

Organiser Metin Gunerigok from Cardiff said: "We must raise our voices and let the whole world know what is being done to the Kurdish people." Socialists support the protest and call for the right of ethnic groups to be free from persecution, to use their own language, and to determine their relationship to other communities.

● Stop press

Vik Chechi, the Unison branch secretary of Queen Mary University in east London has been suspended by his employer. It is suspected that this is with a view to sack him because management wants to weaken the union and the anti-cuts campaign in the university, to allow them to drive through over 100 redundancies. By disarming the union, this would be just the start of the attacks on staff and students alike. This is also an attack on Unison in particular and the trade unions in general, prior to the expected massive pension strike on 30 November.

Workers cannot afford to see their union strength weakened at this critical time when jobs, terms and conditions and pensions are on the line. Please protest immediately to Vik's employers demanding his immediate reinstatement - Queen Mary University c.pearson@qmul.ac.uk and 'Centre of the Cell' (part of QMU) f.balkwill@qmul.ac.uk. Send copies to info@shopstewards.net

Dale Farm - occupiers defiant

On Monday 17 October the Dale Farm residents' legal challenges to their eviction from a former scrap yard in Essex reached the end of the line, with Justice Ouseley rejecting challenges to the legality of Basildon council's operation. The council has lost no time in reassembling its squads of bailiffs and probing the defences that have been erected by Dale Farm residents and their supporters.

Hopes that a meeting with Basildon council on the morning of Tuesday 18th would open up nego-

tiations for a reasonable and amicable settlement were dashed when Travellers' representatives were faced with a straightforward ultimatum - 'get out by tomorrow or we will put you out'.

I spoke to Grattan Puxon, a leading spokesman for the residents, fresh from the meeting, and shaking with indignation: "This is an insane joke, spending 18 or 20 million pounds to make people homeless. We need this site to live on - what does the council need it for, to turn it back into a tip?"

However, the story is far from over as the occupiers have locked the site down and volunteers are flooding in to assist. "What we've got here is a piece of unbroken Britain, but the state is coming in to break it," said Grattan. He pointed to the now famous tower gate, built to resist the evictions: "We are here for as long as it takes to hold that barricade."

● More info: <http://dalefarm.wordpress.com/contact>

Dave Murray, Basildon

Rocketing rents leave tenants facing eviction

Paul Kershaw

Average private rents are now beyond the reach of ordinary families in most of the country (55% of local authority areas) according to a new survey by housing charity Shelter. It calculates, for example, that the average monthly rent for a two bedroom property in London is £1,360. The private rented sector has grown by more than a million over the last five years now overtaking the numbers in social housing.

As jobs become more insecure and mortgages harder to come by the dream of home ownership is moving out of reach for many. The average age of a self-financing first time buyer is now around 37 years and home ownership is projected to fall to 61% in the next ten years.

Conditions in the private rented sector are an increasingly pressing issue affecting young workers and wide sections of society. The govern-

ment responds with talk of building 'affordable' homes but, by affordable, they mean 80% of market rent.

But according to Dave Hill on the Guardian website, in Westminster, local market rates would require the tenant to have an annual gross income of £77,257!

The Con-Dems are cutting housing benefit and, grotesquely, have blamed tenants for claiming large amounts in rent. The best that Labour can manage is to say the 'benefit caps go too far', (when in government, they had their own plans to restrict housing benefits).

Campaign

Trade unions and anti-cuts campaigns must call for an immediate reversal of the housing benefit cuts and the reintroduction of rent control to cap rents. Behind the statistics, low paid workers and others relying on housing benefit feel desperate and isolated.

An energetic campaign linking low pay to rising prices and rocketing rents and a call for action would gain a big response from trade union members and would demonstrate to unorganised workers that the Labour movement can take up their problems.

Following an unsuccessful attempt to stop the benefit caps through the courts the head of the Child Poverty Action Group commented:

"This is not about jobless versus working families - it is precisely working families that will be hardest hit by this measure. For example, 80% of those claiming housing benefit in London are working. Savings may not be made either because, as has been pointed out by the office of the secretary of state for Communities and Local Government, an expensive burden is going to be placed on many Greater London authorities by increased homelessness and the relocation of families."

In opposition to rent control it is sometimes argued that such measures introduce 'market distortions' and limit the supply of private rented homes. It is true that the private rented market will not supply enough affordable homes; it hasn't done so even in the period since the Thatcher government deregulated rents in 1989 when profiteering has been unchecked.

Rent caps and the reversal of benefit cuts are an essential step to respond to the housing catastrophe.

The support for the international movement to occupy Wall Street, the City of London and elsewhere points to an increasing understanding of the failure of the profit system to meet the needs of 'the 99%'.

The banks need to be nationalised and resources mobilised for a massive programme of building publicly-owned social housing with genuinely affordable rents in order to meet the desperate need for decent homes.