

The Plebs News

Feb/Mar 25 daveberrygmb@yahoo.co.uk



What is fascism in the 21st Century?



**"The liberty of democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic State itself. That, in essence, is Fascism – ownership of government by an individual, by a group, or any controlling private power."
– Franklin Delano Roosevelt**

Flickr

Throughout history politics has always contained an element of mud slinging and name calling in order to control the political debate and to stifle opposition to the current political norms. In the post war period various scares around “reds under the bed” and “loony left” were popular slurs heaped on the left. In the 1924 the forged Zinoviev letters were used to defeat a Labour Party committed to changing the liberal economic system to the collectivist ideals of socialism.

The current slur in vogue is to reference people and movements challenging as “fascist” with very little debate about who or what the label means. For many the definition is one of authoritarianism, nationalism and xenophobia. Very little is said of the economic definition of fascism and the effect of it on our democracy and political direction.

The quote above attributed to US President Franklin Roosevelt is from the 1930's depression era. Roosevelt came to power in the wake of the Great Crash of the financial system of 1929 and in the era of the political power of magnates such as Rockefeller, Van Der Bilt and Carnegie. Known as “the Robber Barons” they converted their wealth into political power. They in turn condemned Roosevelt as a “fascist” for seeking to control the market power they held.

Following Roosevelt the global political system sought to contain the size of companies and to prevent monopoly power through anti-trust legislation in the US and competition and nationalisation in the UK. Is it relevant today or has our fear of monopolies and economic power diminished.

The rise of a Trump White House and the inclusion of Elon Musk has brought a heady mixture of political and economic power in focus. The website Open Secrets predicted US corporate spending on the last 4 yearly electoral cycle to be above \$15.9 billion with a roughly equal split between Republicans and Democrats. Can it all be for altruism?

In the UK the Truss Government was brought down by the “markets” rather than by an election and we hear political speeches more focused on business confidence and the markets than we hear of voters. All this leads to the growth of populism and general disenchantment with the current political situation and democracy in general. The question is can we get beyond insults and into serious political debate.

Why the new Labour government should reverse the UK's opposition to the UN tax convention | Tax Justice Network

The UK is among the biggest revenue losers to the cross-border tax abuse of multinational companies and wealthy individuals. The UK public consistently identifies the fight against such tax abuse as a key priority. And the new Labour government has been very clear on the need to crack down on tax abuse, and to reverse the erosion of public services and infrastructure that is their inheritance after 14 years of 'austerity politics', Brexit damage and grave economic mismanagement.

The new Labour government is fortunate that the means to tackle tax avoidance at an international level is within spitting distance. All they need to do is support it. Over the next month, the draft terms of reference will be finalised for the negotiation of a comprehensive UN convention which would provide the biggest overhaul of the international tax rules for a century. The Labour government will have to show its cards. Will they opt for continuity with the previous Conservative government's policy and continue to frustrate efforts at the UN? Or will they mark out a new course for the UK on the world stage and support international efforts to curb tax abuse? There is a great deal to be won, and the UK could well be the biggest winner of all – if it seizes the opportunity.

The negotiations of the Ad Hoc Committee to Draft Terms of Reference for a UN Framework Convention on International Tax Cooperation have gone well thus far. Although some OECD member countries including the UK had opposed the underlying UNGA resolution, participation in the negotiations this year has been universal.

The aim of the UN framework convention on international tax cooperation (UNFCITC) is to create the first-ever, globally inclusive body for decisions over tax rules and standards. The OECD, a group of rich countries, has largely set the rules since 1960 – but it has presided over a dramatic rise of cross-border tax abuse through this period.

The OECD's 'two pillar' proposals to address corporate tax abuse were scheduled for delivery in 2020, and were themselves necessitated by the evident failure of the 2013-2015 process to curb tax losses. By mid-2024, neither pillar has been finalised but both have lost much of their initial ambition.

Pillar 1 aimed to stop profit shifting, but will now only apply to a small fraction of the profits of fewer than one hundred multinational companies. The draft has also now been modified so that the United States can exert a unilateral veto to prevent enactment by any other country – a veto that seems inevitable given the US' current politics.

Pillar 2, the global minimum tax, has been reduced from a putative 28% or 25%, to an eventual 15%. Further carveouts have been agreed that would allow for an effective rate of around 10% to remain compliant. But more obviously, adoption has been led by a group of aggressive corporate tax havens including Switzerland which are openly competing to provide (OECD-approved) subsidies to offset any additional revenue raised, while ensuring no other country receives the right to raise additional taxes instead. Benefits for non-havens are independently estimated to be far lower than OECD projections had claimed. Unsurprisingly perhaps, adoption by non-havens barely extends beyond the EU.

The gradual crumbling of the two pillars is just the latest, if the most significant element of the OECD's failure. Coupled with growing anger at the anachronistic, even colonial nature of its dominance of rule-setting, calls for a globally inclusive decision-making body have become irresistible.

In addition to questions of fairness, the OECD's lack of transparency is understood to be central to its inability to deliver effective outcomes. Behind closed doors, the embedded corporate lobby groups have great scope to influence proceedings, while member states are free to oppose or weaken measures which they have publicly championed.

The OECD has often lauded the ‘consensus’ nature of its proceedings, but in fact there is no formal mechanism for decision-making other than by votes of only its member states. In practice, many non-member countries and some members too have complained of the undue influence of the US, and the failure of the secretariat to provide a fair basis for inputs or to recognise objections. Our recent report, joint with many allies, sets out the array of concerns over the OECD’s litany of failure.

The transparent nature of United Nations negotiations, and more limited role for the secretariat, greatly reduce the scope for backstage manipulation of outcomes. As has been seen in the United Nations Framework Convention on Climate Change (UNFCCC), there are moments where public scrutiny can make even a powerful blocker such as the US adopt a more constructive position. Other governments too, have found that they are better able to stick to their publicly stated positions if succumbing to US pressure would be visible to the public and civil society at home.

There is of course no requirement for unanimity within UN negotiations. The negotiations are likely to follow United Nations General Assembly (UNGA) rules which are based on a preference for consensus, but the potential for majority voting when time requires it, and the possibility for super-majority votes (e.g. two thirds) for the most important decisions. With the broad support of G77 countries and many EU members for progressive tax measures and more effective cooperation, the new UK government has a clear space to seek constructive engagement on a positive agenda – with others unable to veto global steps forward to the benefit of all.

A carefully designed and positive approach to the final meeting of the Ad Hoc Committee, scheduled to run from late July to mid-August, could generate significant gains. In terms of domestic politics, this is an opportunity for the Labour UK government to set out a distinct position to the Conservatives and indicate that it will no longer seek to block progress.

In terms of international diplomacy, the UK has a chance to rebuild some of the trust in its integrity and solidarity that has been lost as a result of a series of ill-judged steps from its predecessor, and the inconsistent positions taken with respect to Russia’s invasion of Ukraine and Israel’s destruction of Gaza. Finding common cause with the Africa Group and G77, on measures that would generate common benefits, would be a positive step.

Meeting commitments to international tax cooperation that date back to 2015, at a time when official aid has stagnated and many countries face unsustainable debt burdens, would not only be a valuable signal of goodwill but would support concrete progress for public finances. The UK would be among the largest winners in revenue terms from putting an end to cross-border tax abuse, while G77 members would benefit most from re-establishing a fair distribution of global taxing rights.

Without implication, thanks to Rachael Henry, Head of Advocacy and Policy at Tax Justice UK, for useful comments and suggestions.

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War in Ukraine: Making Sense of a Senseless Conflict – book review

Sean Ledwith

War in Ukraine offers a clear-sighted analysis of the conflict and the necessary response by the anti-war movement, argues Lindsey German



Russia's brutal February 2022 invasion of Ukraine has attracted widespread condemnation across the West. Government and media circles present the conflict as a simple dichotomy between an evil empire and an innocent victim. In this concise, accessible and highly informative primer, Medea Benjamin and Nicolas Davies insist the picture is more complicated.

Medea Benjamin and Nicolas J.S. Davies, *War in Ukraine: Making Sense of a Senseless Conflict* (O/R Books 2022), 198pp.

The war in Ukraine has shaped politics internationally for the past year. It has brought misery to the Ukrainian people themselves, now facing a bitter winter without infrastructure in many places, many dispersed as refugees throughout Europe, and threatened with further death and destruction. Shortages of gas and oil, rapidly rising energy prices, food inflation and shortages, and derailment of climate-change measures caused by increased use of fossil fuels, can all be traced at least in part to the war, and the sanctions and restrictions it has engendered internationally.

Governments like our own tend to blame all the ills that we suffer on the evils of Vladimir Putin and his invasion of Ukraine. Keir Starmer demands total silence from left MPs over opposition to the war, and there is talk within Labour circles of proscribing the Stop the War Coalition. The media coverage of the war totally excludes any dissident voices, while giving pride of place to 'experts' who are often former military figures. The reporting of the war highlights it from the point of view of tragedy for civilians, in a way that was never the case in Iraq or Afghanistan, or to take a contemporary example, Yemen, which suffers the worst humanitarian disaster in the world.

This short and highly readable book by two well-known US peace campaigners is a welcome antidote to much of what we see and hear about the war here in Britain. They – like nearly every peace campaigner – condemn the Russian invasion, but they also insist that the Western imperialist powers, and the military organisation Nato, played a role in leading to the current conflict, and that they should be looking for peaceful solutions rather than escalating it. This alone is enough to bring opprobrium on the heads of those making this case, who are accused of 'repeating Putin's arguments'. While this is redolent of similar

attacks in previous wars – that anti-war campaigners supported Saddam Hussein, or the Taliban, or Slobodan Milosevic – this time it is considerably worse.

Indeed, any talk of peace, negotiations, or diplomacy is viewed as appeasement. There is even talk of ‘unconditional surrender’ by Russia as the only outcome of the war in Ukraine, conveniently forgetting that this is not a likely option for a nuclear power, nor that the similar surrender at the end of the Second World War was achieved by the detonation of two nuclear bombs and the development of a Cold War between the superpowers.

Responsibilities for war

Benjamin and Davies take on these arguments in a lucid but always extremely calm and reasoned way. They trace the history of Putin’s relations with the West (fairly cordial and supportive of their war in Afghanistan), the emergence of further conflict over Nato expansion and the Syrian war, and then the ongoing conflict over the Donbas from 2014 onwards. They quote US diplomat Chas Freeman who calls the invasion this year ‘the worst strategic decision that any Russian government has made since Czar Nicholas II decided to go to war with Japan in 1904’ (p.18). But they also criticise Nato expansion eastwards following the collapse of the old Soviet Union and how this gave the Russia-Ukraine war another character, that of proxy war between Nato and Russia.

The book traces the recent history of the conflict before the invasion, starting with the Maidan ‘coup’ of 2014, which installed a pro-western government and opened up conflict in the east of the country, home to many ethnic Russians. The failure of the Minsk peace agreements, aimed at ending that conflict, helped pave the way to further war. The authors rightly highlight that Donald Trump’s presidency contributed to this:

‘Despite the Democrats’ efforts to smear Trump as a puppet of Russia, he reversed Obama’s prohibition on lethal military aid for Ukraine, and the UK and other Nato countries followed suit ... the far-right Azov Regiment ... was one of the first units to receive US training on new US grenade launchers’ (pp.59-60).

This period saw the build-up of trainers, advisers, CIA special operations forces, and the development of a major Nato base in the western town of Yavoriv, staffed by US, UK, Canadian and other Nato forces. By June 2021, Nato and Ukraine were conducting joint naval exercises in the Black Sea, and in September, fifteen Nato nations held a joint military exercise in western Ukraine. While Ukraine’s President Zelensky wanted a plan for Nato membership, this was not on offer; Nato continued training Ukraine forces but without committing to its defence as a Nato member. Military aid poured in.

Western aggression

The massing of Russian forces on the border began, and in February 2022 Russia invaded, in what was, as the authors say, ‘an illegal crime of aggression. But it was not by any means “unprovoked”, as US officials repeatedly claimed’ (p.80). Russia miscalculated militarily and politically as its extensive invasion met Ukrainian resistance and turned into a much longer war than expected. This changed the West’s view: despite hopes of peace talks in Turkey early into the war, which called for ceasefire and withdrawal, and Ukraine renouncing plans to join Nato, the West increasingly saw this as war which could be further prosecuted to weaken Russia and even effect regime change. Boris Johnson played a key role

in visiting Kyiv in April and telling Zelensky to stop talking and continue to ‘press’ Putin militarily (p.84).

This meant an even greater flood of weapons into Ukraine from the US, followed by the UK and other powers, all contributing to escalating, not ending, the war. It also led to profound political changes across Europe, in particular in Germany, where its reluctance to increase military spending was abandoned, turning into a commitment to doubling it instead. In many countries including the US and Britain, the political consensus was pro war across the spectrum, with the Greens playing an especially belligerent role in Germany. Sweden and Finland applied to join Nato, abandoning their previous neutral status.

There were more serious consequences. In June, the research organisation Sipri reported that ‘the post-Cold War decline in nuclear weapons stockpiles was ending, and that nuclear arsenals were once again expected to grow in the coming years’ (p.176). Putin’s threat of the use of ‘tactical’ nuclear weapons is frightening enough, but the almost nonchalant way this is now being discussed by military ‘experts’, and the call by some Ukrainian politicians for the West to use first strikes to destroy these weapons, are truly terrifying.

Anti-war priorities

Where does this leave the left and those campaigning against war? There is no question that the left is divided, with some supporting Nato policies and calling for more arms to Ukraine from Western governments. In most trade unions, there has been major debate on this, and the TUC congress in October passed a resolution calling for more defence spending, against the background of the war. Labour’s attack on the Stop the War Coalition, and the refusal of Labour MPs to engage on this issue, weakens the whole left. It also does no service to the people of Ukraine, who face either the prospect of a long war of attrition, or of one that escalates further. Peace talks would not, of course, solve many of the problems, but they would at least create the conditions to end the conflict.

As importantly, it weakens our own campaigning here. The government repeatedly justifies attacks at home – on pay and living standards – by blaming them on ‘Putin’s war’. It hopes to strengthen its position by blaming ‘the enemy without’. Supporting the increases in arms spending and production, giving the government support where none would be forthcoming over domestic issues, disarms our side in fighting our own ruling class. And we should always remember that our main enemy is at home in the class war, as it is for Ukrainians and Russians alike. Our fight has to be against our own government, on every level, which includes building an anti-war movement internationally.

As the authors of this very useful book remind us:

‘From 2001 to 2021, the US and its allies dropped a total of more than 337,000 bombs and missiles on nine different countries. That’s an average of 46 every single day for 20 years’ (p.126).

They are the last people to lecture us about other states’ aggression, and the last people we should trust to tell the truth about war.

Buffy Sainte-Marie wrote "Universal Soldier" in 1963 at San Francisco International Airport. She finished the song in the basement of the Purple Onion in Toronto.

Sainte-Marie was traveling from Mexico to Toronto when she saw wounded soldiers being carried through the airport. She began to think about who was responsible for war. She wrote the song about individual responsibility.

Universal Soldier- Buffy St Marie

He's 5 foot 2 and he's 6 feet 4

He fights with missiles and with spears

He's all of 31 and he's only 17.

He's been a soldier for a thousand years

He's a catholic, a Hindu, an atheist, a Jain

A Buddhist, and a Baptist and Jew.

And he knows he shouldn't kill

And he knows he always will kill

You'll for me my friend and me for you

And He's fighting for Canada.

He's fighting for France.

He's fighting for the USA.

And he's fighting for the Russians.

And he's fighting for Japan

And he thinks we'll put an end to war this way.

And He's fighting for democracy,

He's fighting for the reds

He says it's for the peace of all.

He's the one, who must decide,

who's to live and who's to die.

And he never sees the writing on the wall.

But without him,

how would Hitler have condemned him at
Dachau?

Without him Caesar would have stood alone

He's the one who gives his body

as a weapon of the war.

And without him all this killing can't go on

He's the universal soldier

And he really is the blame

His orders comes from

far away no more.

They come from him.

And you and me.

And brothers can't you see.

This is not the way we put an end to war

How US dollar came to dominate the world

The Forum



From Colombia to Vietnam and beyond the US dollar is the currency in which much of international business is conducted and which many people outside the US use as a means of exchange and a store of value. So how did a country with just over 4 percent of the world's population come to dominate global banking and trade? When the position of the US dollar as the linchpin of global commerce was confirmed at the end of the Second World War, not everyone was happy with this state of affairs: the French soon spoke of the Americans having an 'exorbitant privilege'. Did they have a point? And what of the more recent efforts to replace the Greenback with other currencies?

Iszi Lawrence follows the history of the US dollar from its origins to today with H W Brands Jr., Professor of history at the University of Texas at Austin; Barry Eichengreen, Professor of economics and political science at the University of California, Berkeley; Carola Frydman, Professor of finance at the Kellogg School of Management, Northwestern University in Evanston; Perry Mehrling, Professor of international political economy at the Pardee School of Global Studies, Boston University and World Service listeners.

RADIO 4

The Prophets of Profit

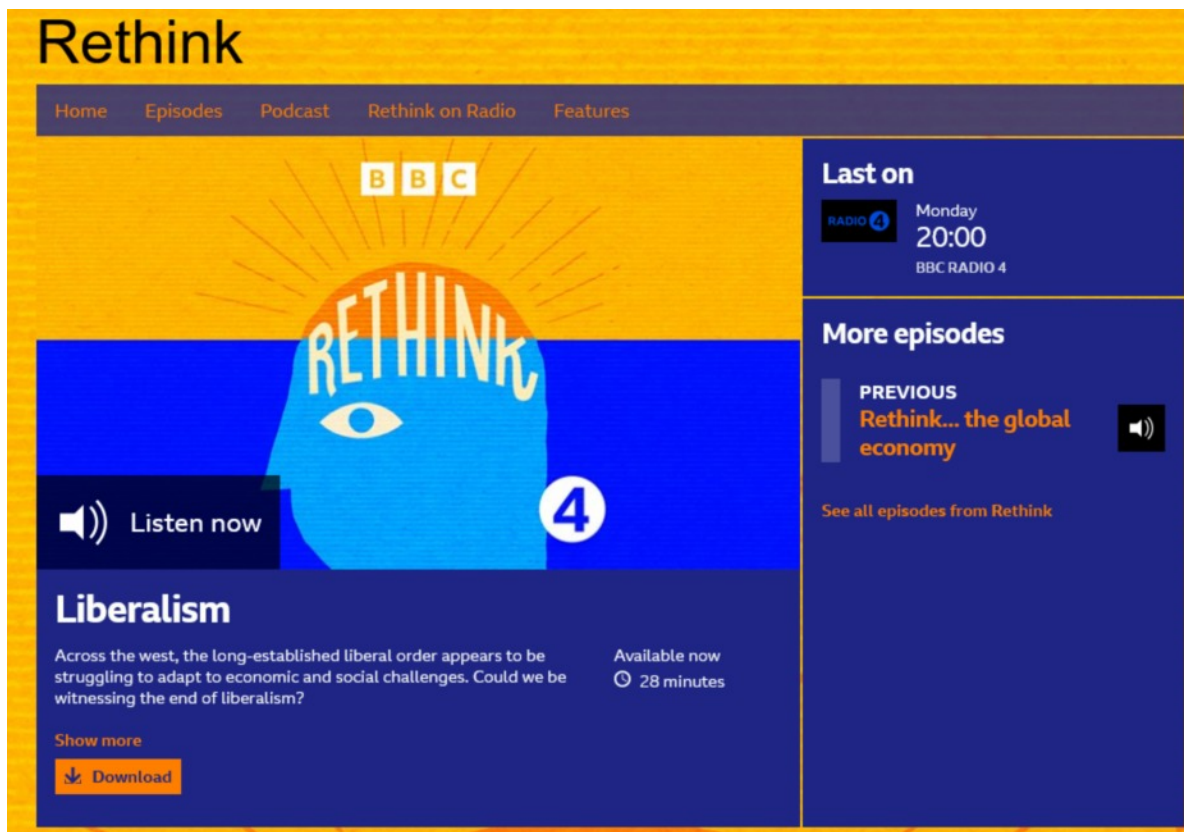
Home Episodes

A photograph of Simon Jack, BBC's Business Editor, standing in front of a large protest sign. The sign has text that reads: 'WAGES ARE DOWN. INFLATION IS RISING. CAP PROFITS. NOT PAY'. Simon Jack is wearing a dark jacket and looking towards the camera. A small '4' logo is visible on his jacket.

It's been called the dumbest idea in the world. But many believe shareholder value is the most important, the most consequential idea of the last hundred years. In Prophets of Profit the BBC's Business Editor Simon Jack discovers why so many believe the prime responsibility of business is to increase profits and maximise returns to shareholders.

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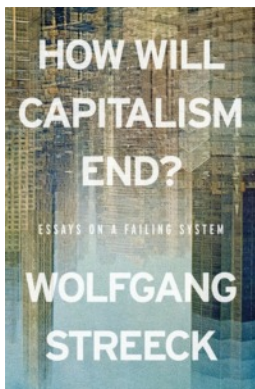


Liberalism

Rethink

Across the west, the long-established liberal order appears to be struggling to adapt to economic and social challenges. Could we be witnessing the end of liberalism?

A spanner in the neoliberal machine



Blog post

Has Capitalism Seen its Day? A Lecture by Wolfgang Streeck at the British Academy

Wolfgang Streeck's *How Will Capitalism End?* is an excoriating and timely critique of a system on its last legs, says JOE GILL- Morning Star

How Will Capitalism End?

by Wolfgang Streeck (Verso, £16.99)

LIKE the Biblical prophets foretelling the end of times, radical critics have predicted the end of capitalism for much of its existence.

So far, it has outlived most of them.

Wolfgang Streeck, the Marxist sociology professor from the University of Cologne, has been writing on this subject for a number of years and his thesis on it is striking.

His book *How Will Capitalism End?* offers a powerful prognosis that predicts that the system will suffer a lingering death rather than go out with a bang.

Unlike in the 20th century, when revolutionary movements in the West, Russia and the postcolonial world sought to overthrow capitalism, anti-capitalist forces are much weaker today. Despite this, Streeck is clear that only one thing is certain: "Capitalism will end and much sooner than one may have thought."

The demise of the Soviet Union and other models of socialism have removed the political-economic alternative to capitalism and, as a result, the system is eating itself. What the future holds, Streeck contends, is not necessarily better.

"What comes after capitalism in its final crisis, now under way, is, I suggest, not socialism or some other defined social order but a lasting interregnum — no world system equilibrium... but a prolonged period of social entropy or disorder."

Aside from Marx, Streeck relies heavily on the works of 20th-century social scientist Karl Polanyi, whose *Great Transformation* argued that the "fictitious commodities" of labour, land and money had to be protected from the ravages of the market in order to prevent calamitous crises of the system.

But since the emergence of neoliberalism and the decline of social democracy, the brakes have been taken off and the market has eaten into every area of life, leading ultimately to the 2008 financial crisis, austerity and ever-growing inequality.

Streeck provides a damning indictment of the European Union model of anti-democratic neoliberalism. Though written before the Brexit vote and the Trump victory, it is prescient with regards to the revolt against trade pacts and financial globalisation and the rise of populist movements on both sides of the Atlantic.

These political reactions are the ghosts in the machine that have now come roaring into the mainstream.

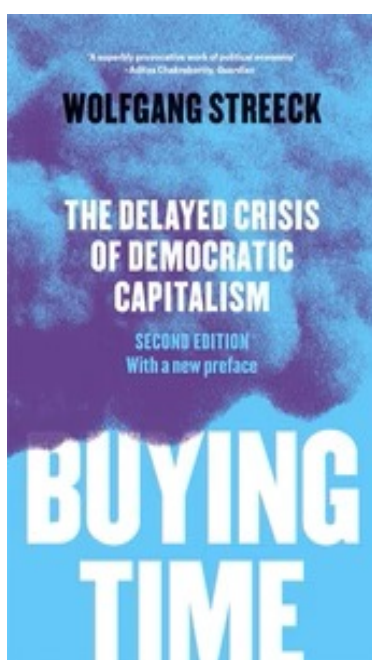
The new left movements represented by the likes of Jeremy Corbyn and Bernie Sanders do not figure in his work, since the essays preceded their arrival on a wave of popular discontent.

In the face of capitalism's commodification of all aspects of life, writes Streeck, "the only rational and responsible conduct would be to throw as many wrenches as possible into the works of high finance."

Socialism, or the deglobalisation of capitalism, are the political alternatives that must somehow be grasped, he writes. In the meantime, we get Trump.

If there is an omission in Streeck's analysis, it is the rest of the world. And, in a globalised economy in which the majority of workers live outside of Europe and North America, this is a very big lacuna in understanding what is happening and what could come next.

But there are so many startling formulations of great analytic power in this book that it merits wide circulation in these troubled times.



In this book, based on his 2012 Adorno Lectures given in Frankfurt, Wolfgang Streeck places the crisis in the context of the long neoliberal transformation of postwar capitalism that began in the 1970s. He analyses the subsequent tensions and conflicts involving states, governments, voters and capitalist interests, as expressed in inflation, public debt, and rising private indebtedness. Streeck traces the transformation of the tax state into a debt state, and from there into the consolidation state of today. At the centre of the analysis is the changing relationship between capitalism and democracy, in Europe and elsewhere, and the advancing immunization of the former against the latter.

In this new edition, Streeck has added a substantial postface on the reception of the book and the unfolding of the crisis in the Eurozone since 2014.

Defend Duncan Blackie! Support striking NEU members at Longley Park, Sheffield



NEU members at Longley Park Sixth Form College in Sheffield are to take a second day of strike action in defence of their workplace rep Duncan Blackie. Duncan also acts as joint branch and district secretary in Sheffield and is an elected member of the NEU's national executive, where he is a representative of the sixth form sector.

Duncan faces victimisation linked to the misuse of performance management procedures. His colleagues first took strike action to defend him on Wednesday 18th December, following an overwhelming 93% ballot. Unless the employer changes course, members are clear that they will regrettably be forced into announcing further strike dates.

Rafia Hussain, Sheffield NEU Branch and District Secretary, said "It is our view that Duncan is being pushed out via misuse of a capability process which does not follow procedure and is targeted at a trade unionist who has valiantly represented NEU members in Sheffield for 20 years.

Kate Harr, the NEU's regional secretary for Yorkshire and Humber, said that although strike action was a "last resort", members at Longley Park "will not stand by whilst their well-respected trade union representative is targeted in this way by their employer". She called on Brigantia to "re-think this draconian course of action".

Trade union representatives play a vital role in workplace democracy, in supporting their colleagues and in building the power of workers within their workplaces, as well as negotiating to defend and improve pay, terms and conditions. Recent years have seen increasing numbers of reps in schools and colleges facing victimisation, and it is vital that the whole trades union movement works to defend any victimised rep.

The IER Podcast

Learn all about our new podcast with our labour law experts, and where to listen to it.



P O D C A S T

About our podcast

About our podcast

The IER is delighted to launch our new podcast. In this 6-part series, our labour law experts will be dissecting the new employment legislation brought forward by Sir Keir Starmer's Labour government.

As many of our readers will know, the IER have been informing the debate on improving and strengthening labour laws for workers over the last 30 years. This body of work (undertaken on a voluntary basis by our labour law academics and lawyers) provided the blueprint for Labour's green paper on employment rights, New Deal for Workers document, their National Policy Forum document, and now their 'Making Work Pay' proposals, which are being brought to life by the Government's proposed Employment Rights Bill. Join us, as our experts consider how the proposals in the Bill measure up, and as we highlight the pitfalls and the possibilities the Bill may pose for the UK's 33 million workers.

The IER Podcast is kindly supported by Thompsons Solicitors, and produced by Creative Kin.

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