

New Tactics in Blair's Election Project

by Alan Clayton

British Prime Minister Tony Blair's fervent wish, that the catalogue of catastrophes which overcame his government in the last months of 2000 will become a thing of the past before the approaching general election, has quickly become a vain wish, as a new financial scandal rocks his government at a time when the collapse of the railways infrastructure is still as far from resolution as ever. The media at the beginning of the New Year are again pouncing on an embattled Blair over a "Cash for Coronets" scandal, which, even without the running sore of the railways, has the potential to engulf his government.

Eleven people who have donated vast sums to Blair's New Labour Party have been given life peerages, including Lord Sainsbury, chairman of the Sainsbury supermarket chain, and the 70-year-old former *Guardian* newspaper chairman Robert Gavron, who bankrolled Blair to the tune of three-quarters of a million dollars, and is now Lord Gavron. The scandal involving Lord Hamlyn, whose initially secret donation to Blair of \$2.5 million was leaked in mid-January, has the potential to be the most damaging, as there is now widespread belief in pervasive corruption at the highest levels in the Blair government.

The Peerage System

The British peerage system is arguably the ultimate and archetypal model and example of oligarchical rule in the world. It is based on the upper house of the British parliamentary system, the House of Lords. In essence, the House of Lords is a pre-medieval leftover which has been adapted to meet the ever-changing and shifting patterns of oligarchical rule throughout the centuries.

Until the beginning of the 20th Century, the House of Lords was a straightforward and generally brutal representative of the aristocratic and landed classes. It was the House of Lords, for example, which assiduously blocked any attempt to alleviate the consequences of the potato famine in Ireland in the middle of the 19th Century, by blocking legislation to force the sale of corn in Ireland itself, rather than allow it to be exported at prices far more beneficial to the English landowning aristocracy in that country. However, the shift from landed wealth to financial wealth required adjustment of the oligarchical structures, and in 1911, the

government of David Lloyd George passed the Parliament Act, which substantially restricted the powers of the House of Lords.

However, in the nature of the British system, such a useful oligarchical structure could not be allowed to simply waste away, and in 1958 a new category of "Noble Lord" was created, and that was the life peer. The life peerage, which is open to leading figures in the financial and political institutions in particular, is still bestowed by the Queen, as in hereditary peerage, but it lasts only for the lifetime of the Noble Lord, and is not inherited by the eldest male heir, as in the hereditary peerage. The system has worked extremely well since then.

The fact that it is so little understood in world, and particularly U.S., political circles, is a positive asset rather than a disadvantage. When Yugoslavia collapsed, for example, the original British representative in the Balkans was the hereditary peer Lord Carrington. When Carrington had to withdraw because of ill health, the government of John Major replaced him with David Owen, a Member of Parliament who had lost his seat in the previous election. Owen was quickly given a life peerage by the Queen, and went to Croatia and Bosnia as Lord Owen, leaving many of the European and American delegates with the misguided belief that they were dealing with a member of an historic and prestigious British aristocratic family, rather than a failed parliamentarian.

There are countless examples of this sort of thing, none more currently obvious perhaps, than Baroness Thatcher touring the world, and the United States in particular, on "lecture tours," standing as abundant evidence of the continuing power of the British Empire.

Pre-Election Maneuvering

This shifting nature of oligarchical power over history is no better exemplified than in the changes to the House of Lords that have been pushed through by Prime Minister Blair's New Labour, changes which will almost entirely abolish the right of hereditary peers to vote in the House of Lords. These changes are being pushed through the legislative system by Baroness Jay of Paddington, daughter of former Labour Prime Minister James Callaghan, and will give whoever is the British Prime Minister quite enormous power and patronage. Blair is currently using the changes to the full, as there will be a general election around about May this year.

The British Parliament does not have a fixed term of office, but only a convention that the Queen will dissolve Parliament within a period of five years; but traditionally, whoever is in power asks the monarchy to dissolve the Parliament before five years, in order to make use of a manipulated impression of economic prosperity.

Blair has serious campaigning problems, of course, as this will be the first U.K. general election since the establish-

ment of a Scottish Parliament in 1999, and the increasing internal tensions within the United Kingdom are showing themselves more and more.

For example, proposals to have a U.S.-style televised face-to-face between Blair and Conservative Party leader William Hague, had to be shelved, as the Scottish National Party has said it will go to the Scottish courts, in an attempt to get this blacked out in Scotland, where the fight is between Labour and the SNP, and not between Labour and the Tories.

‘Corporate Manslaughter’ on the Rails

Possibly most critical for Blair, is the continuing chaos on the railways and the concomitant danger that the electorate will turn and politically savage him on this issue alone. He has already taken steps to flank this possibility, and that is represented by the very real possibility that top railway executives are going to go to jail. It emerged in the last few days, for example, that rail chiefs may face prosecution over the Hatfield train wreck of October 2000. Sources close to the Prime Minister have made clear that it is a “distinct possibility” that corporate manslaughter charges could be brought by British Transport Police, against senior executives of Railtrack and of Balfour Beatty, the company carrying out maintenance work at Hatfield.

The statement, which was released on Jan. 22, said that “British Transport Police are interviewing Railtrack and Balfour Beatty staff and findings will be presented to the Crown Prosecution Service. The investigation has not finished but there is a distinct possibility of prosecutions.”

The Hatfield crash, involving a London-Leeds express train run by East Coast mainline operator GNER, was caused by a broken rail, which Railtrack has acknowledged should have been replaced earlier.

The company said immediately after the derailment, that the state of the track at Hatfield was “wholly unacceptable.” Previous attempts to gain convictions in prosecution of public transport accidents have failed, however, most notably in the case of the 1997 Southall rail crash which claimed seven lives, but the passenger train company involved in the Southall accident, Great Western, was fined \$2 million after admitting offenses under the Health and Safety at Work Act. The government refused to comment on suggestions that a lengthy public inquiry, possibly lasting two years or more, had been avoided, as it would delay possible criminal proceedings against Railtrack or Balfour Beatty.

Legislative proceedings are already under way to reform the law on corporate manslaughter, in order that railway executives, if not actually in jail, will be well on their way before the general election, and the Great British voter will be well aware that whoever is responsible for the continuing chaos on the railways, it is not Tony Blair. It will be well worth watching *EIR*’s updates on the unfolding drama of the British general election, in the weeks to come.

Economic Cooperation Outflanks Political Differences in Mideast

by Hussein Al-Nadeem

Political and economic relations among Arab states, and with Iran, have been going through a transformation recently, in anticipation of a war threat from the Israeli government expected to come to power after the Feb. 6 elections. Part of this process is also changing the geometry of the strategic relations among former enemies and new friends, shaping a new reality for whatever the U.S. Administration is intending to bring to the region.

Israeli officials, commentators, and mass media have been warning about a coming “regional war,” involving not only Israel and the Palestinians, but also Syria, Iraq, and Iran. The reaction from the Arab world generally has been that the Israelis are just “crying wolf.” However, Syria, for example, has put its Armed Forces on alert because of the repeated Israeli warnings. The nervousness in Israel, and also among Anglo-American establishment circles, is exacerbated by the fact that countries such as Iran and Iraq are making diplomatic moves in an attempt to break out of the Anglo-American “double-containment” policy, and to re-integrate themselves into the political-economic structure of the region. More emphatically, Iraq and Iran’s moves have been concentrated on Egypt, Jordan, Syria, Lebanon, Morocco, and Saudi Arabia. These countries, in different ways, were until recently, either members of the U.S.-British alliance in the Persian Gulf War against Iraq, or peace partners with, or sharing unstable borders with, Israel.

January witnessed a number of meetings involving the highest levels of leadership of these countries. Some of these meetings explicitly discussed the perspective for the coming U.S. policy toward the Middle East, which was taken up in meetings between Egyptian President Hosni Mubarak and Syrian President Bashar al-Assad, and Mubarak and Palestinian Authority President Yasser Arafat. These meetings are shaping a new reality in the region, with former enemies cooperating for economic development: The Lebanese Prime Minister visited Iran, during which visit Iranian leaders pledged to contribute to the economic reconstruction of southern Lebanon; Iraqi Vice President Taha Yassin Ramadan visited Egypt; Syria’s Bashar al-Assad visited Iran; and Morocco’s Prime Minister Abdelrahmane All-Youssoufi visited Iran, the first such high-level visit since the 1979 Islamic Revolution. Jordan’s King Abdullah is also scheduled to visit Iran, also