

# Britain's cash for honours scandal nears end game

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The police investigation into the cash for honours scandal is nearing completion with reports that Scotland Yard has handed over files to the Crown Prosecution Service, the body that determines whether criminal charges will be brought.

Whatever comes of the investigation, it has been a remarkable affair. The past month has witnessed the questioning of Prime Minister Tony Blair for a second time by police and comparisons with Watergate, accompanied by a demand for Blair to “go now” from Conservative leader David Cameron. Newspapers also speculated on whether there would be a move by the cabinet to force Blair's resignation.

The *Daily Mail* and the *London Evening Standard* have asserted that, based on leaks from within the investigation, charges will be brought against Labour's chief fundraiser Lord Levy, Number 10 adviser Ruth Turner and Blair's Chief of Staff Jonathan Powell. Levy and Turner have both been questioned under caution, not only with respect to the original allegations of selling peerages in the House of Lords in return for loans, but with conspiracy to pervert the course of justice.

But even if no charges are brought, the investigation has not only inflicted significant damage on the prime minister; it has pitched his government directly into conflict with the police. Charge and counter-charge that Number 10 and Scotland Yard have been briefing against each other to the media is only an initial manifestation of how potentially dangerous matters have become for the ruling elite.

Almost a year ago, few would have believed that a complaint by an obscure Scottish National Party Member of Parliament Angus MacNeil would have assumed such dimensions.

The prominence achieved by the cash for honours investigation is, in the first instance, a measure of Blair's own political decline. The prime minister is now routinely depicted as a man living on borrowed time, whose authority is seeping away.

In the eyes of millions of working people, Blair has come to personify everything mendacious and corrupt in British political life. His time in government has been defined by his contempt for the electorate and a readiness to do whatever is necessary to ensure the political monopoly of the super-rich. The cash for honours scandal epitomizes this. Labour has gutted health, education and social provision, with the aim of slashing taxes on the super-rich while at the same time handing over huge tranches of public sector assets to private corporations. Social inequality has assumed obscene levels, with millions in poverty and millions more heavily

in debt whilst London has become the playground of an international oligarchy whose wealth has assumed levels without historic precedent.

Blair's greatest crime remains his participation in the war against Iraq, and continued support for Washington's drive to establish its military hegemony over the Middle East, in the teeth of mass opposition. As a result Labour has hemorrhaged support.

When the cash for honours investigation was first initiated in March 2006, speculation was already rife as to when Blair would go, with most believing this would be sooner rather than later. At that time, the charges of Labour having sold peerages for donations was seen as merely another example of governmental sleaze, but unlikely to go far given that similar practices have been carried out by all the major parties for decades.

But Blair refused to set a date for his departure. Discontent within ruling circles came to a head following the heavy defeats suffered by the Republicans in the November elections in the US. This was seen as a confirmation of the depth of the quagmire in Iraq and its domestic impact. If the Bush administration could suffer such an electoral debacle as a result of anti-war sentiment, what fate awaited the Blair government?

The demand was made that, at the very least, Blair should try to utilize Bush's setback to more forcibly assert British interests—by supporting the Baker-Hamilton Iraq Study Group proposals for a bi-partisan and multi-lateral foreign policy and for a negotiated settlement in the Middle East. Instead, Blair fell in behind the neo-conservative counter-offensive of a troop surge in Iraq and a campaign of provocations against Iran and Syria.

It is against this background of generalized disaffection within ruling circles that the cash for peerages scandal has developed a momentum that threatens the political stability of the state.

The tensions that have emerged within the establishment are such that some sections of the media, and elements within the Labour and Conservative parties joined the small nationalist parties in demanding Blair's resignation over the allegations. Moreover, those opposed to such a course were incapable of calling a halt to the inquiry, even when there was speculation that the prime minister himself could face arrest.

This state of affairs highlights the advanced state of decay of all the traditional mechanisms of parliamentary government. This decay is rooted in the acute and irreconcilable class divisions that have developed in Britain over the past three decades, but which have assumed malignant dimensions during Blair's term in office.

The prerequisite for the government's ability to impose policies antithetical to the interests of the mass of the electorate was closing down every avenue through which working people were able to exert any influence over political life. This centered on the transformation of the official labour movement—the trade unions and the Labour Party—into the direct agents of big business.

The objective was to insulate the government from any genuine democratic accountability. This was accompanied by an offensive against civil liberties, designed to suppress opposition to both the government's predatory foreign policy and its pro-business counter-reforms.

The slide towards authoritarian forms of rule could not take place without grave repercussions. The process of excluding the working class from politics has, at the same time, eviscerated the constitutional machinery through which the bourgeoisie itself historically determined policy.

Karl Marx wrote in the *Communist Manifesto*, "The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie." The function of government was not only to uphold capitalist exploitation of the working class, but to regulate between rival capitalists and groups of capitalists in order to uphold their shared concerns—usually defined as the "national interest".

However, the Blair government functions as the direct and immediate representative of a global financial oligarchy whose interests it upholds regardless of the political consequences even for other groups of capitalists. Indeed, it is hard to even speak any longer of a clearly identifiable "national interest", so all-embracing is the power wielded by international finance capital.

In order to meet the political demands placed upon him, Blair has utilized the immense constitutional powers of the prime minister to act with barely any recourse to either parliament or his party. His government has clashed repeatedly with the civil service and the judiciary, breaking with constitutional precedent and passing legislation in flagrant disregard for the rule of law.

Rendered unable to influence policy, or even to seriously discuss it, the more disaffected sections of the bourgeoisie pinned their hopes on a police inquiry forcing Blair to stand to one side.

But the cash for honours investigation offers no respite for these layers. In their eagerness to replace the prime minister, those cheering on the inquiry were in danger of undermining the political legitimacy not only of Blair, but of the office of prime minister and parliament itself.

At the height of the demands for Blair's political scalp, a number of his defenders in the media mounted a counter-offensive.

Writing in the *Guardian* February 3, Blair's personal friend Martin Kettle described the police investigation as "a challenge not merely to Tony Blair—of whom we may or may not approve—but to the general polity." The former editor of the *Mirror*, Richard Stott wrote, "This investigation is beginning to paralyse Government, damaging the whole reputation and morality of politics and taking down with it the interests of the country from which we will take years to recover."

One anonymous former cabinet minister went so far as to assert that the investigation was in effect a "politically-motivated conspiracy".

Though factionally motivated, such warnings have real substance. It is for these reasons that the *Financial Times*, which in November had called on Blair to set a date for his departure, insisted in its February 4 editorial that "the manner in which the Metropolitan police has conducted the sale of honours inquiry—in the theatrical glare of publicity—makes it almost impossible for the prime minister to go without admitting guilt . . . Whether or not the police are quite ready to put up, it is time for them to shut up."

These charges have been taken so seriously that Sir Ian Blair, head of the Metropolitan Police, took the extraordinary step of announcing that, following the conclusion of the cash for honours investigation, he would launch an investigation into the investigation. This would specifically address the constitutional issues raised by a criminal inquiry involving a serving prime minister.

What is truly remarkable about the present scandal is the fact that Blair remains in office and that none of his political opponents have been prepared to wield the knife. This testifies to the fact that his critics have no viable alternative perspective to extract British capitalism from its present dilemma.

British imperialism's alliance with, and continued reliance on, the US is at the centre of its own mounting difficulties. But it is a position from which it cannot extricate itself. Blair's efforts to establish himself as America's chief ally was an attempt to sustain Britain's global position by utilizing US military might and securing Washington's political backing against its major European rivals, Germany and France.

This was not Blair's invention. It has been the thrust of British foreign policy since the 1956 Suez debacle. None of Blair's critics have proposed a change of course away from Washington. To do so would necessitate forging a block of European powers to counter America's drive for global hegemony. But there is little indication that any section of the European bourgeoisie would even now contemplate such a decisive challenge. Just as fundamentally, the hope that the Democrats would act as a restraining influence on Bush has come to nothing.

The result is an acute state of political paralysis. There is a palpable feeling in ruling circles that things are getting out of control and that disaster looms.

Above all, the belief that some respite may be provided if only Blair could be persuaded to stand to one side is more than tempered by the anxiety that his departure should not compromise the essential interests of the ruling elite. The unspoken fear of all sections of the bourgeoisie is that Blair's downfall might galvanise opposition to this hated and despised government. This would imperil the one aspect of Blair's so-called "legacy" which the ruling elite is determined to preserve at all costs—the political disenfranchisement of the working class.



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