

London Mayoral elections: Labour's neo-cons and the left apologists for Ken Livingstone—Part One

Julie Hyland
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This is the first of a two-part series analysing the political issues in London's May 1 elections for Mayor and the London Assembly. The second part will appear on March 15.

With less than two months to go to the May 1 elections to the Mayor of London and the London Assembly, the contest is becoming ever more super-charged.

The last weeks have seen a barrage of allegations of misconduct against Mayor Ken Livingstone, Labour's official candidate who is running for his third term in office, and his leading aides. These range from the "wasteful" use of funds, to excessive drinking. The allegations claimed their first scalp last week, when Lee Jasper—who had been the focus of many of the unproven allegations of financial impropriety—resigned his post as Senior Policy Advisor on Equalities when sexually explicit emails he sent to a female friend in a body that receives funding from the Assembly were leaked.

The accusations, spearheaded by the right-wing *Evening Standard* newspaper, have led to counter-charges of a smear campaign designed to further the political prospects of Conservative candidate Boris Johnson. In turn, a so-called "progressive alliance" has been launched to back Livingstone's re-election, which is deemed essential in order to safeguard democracy and the rights of ordinary Londoners.

The degree of rancour directed against Livingstone seems extraordinary. Having been forced to run as an independent for the first Mayoral contest in 2000 after he was blocked by the party hierarchy (and then expelled from the party), Livingstone successfully exploited anti-Labour sentiment to defeat the party's official candidate.

Livingstone's former reputation as "Red Ken," built up during his leadership of the Greater London Council (GLC) in the 1980s, and his preparedness to defy the leadership when it conflicted with his own self-advancement, had convinced Tony Blair that he was too much of a maverick to be trusted with administering the capital's newly created regional assembly. Having won election, however, Livingstone was at pains to prove his fidelity to Labour and its backers in the City of London. So much so, that the party—at Blair's behest—bent its own rules in order to smooth Livingstone's readmittance to membership in early 2004, just in time for him to run successfully as its official candidate.

Livingstone continues to enjoy the support of the Labour leadership and many of the city's financiers based on his record in building up London as a magnet for global capital. Bloomberg reported that "Growth in London's financial district, known as the City, has fuelled the UK capital's biggest economic expansion since World War II, and the Labour Party's Livingstone, 62, has helped make it happen." The Mayor "has earned the admiration of many of London's business people and bankers," it continued, citing Harvey McGrath, former chief executive officer of the hedge fund Man Group Plc. Livingstone, "works quite hard

to get closer" to the needs of financiers, McGrath stated. "He's done a better job and is more business-friendly than people would have thought."

"He's been a very pro-business mayor," said Nigel Bourne, director of the London office of the Confederation of British Industry.

The evidence bears out such claims. London is the world's largest international banking centre, with the sixth largest city economy on the globe, generating an estimated 30 percent of the UK's Gross Domestic Product. Home to 49 billionaires—the greatest concentration in Europe—it is the most expensive city in the world for prime real estate (another reason why the business elite were so enthusiastic about Livingstone's role in the campaign for the capital to host the 2012 Olympic Games—a significant portion of the costs of which will be born by working people through higher council taxes).

If anything, Livingstone has proven himself even more attuned to the interests of big business than his allies in the Labour leadership. Only last month he denounced the government for its now aborted attempt to tax wealthy "non-doms" (officially not resident in Britain for tax purposes), claiming it would drive investment away from London. Otherwise he has marched in lockstep with the government under both Blair and Gordon Brown—attacking striking London Underground workers as "selfish" and defending Metropolitan Police Commissioner Paul Condon and the police shooting of Brazilian worker Jean Charles de Menezes.

Only in April 2007 Livingstone stated, "I used to believe in a centralised state economy, but now I accept that there's no rival to the market in terms of production and distribution" and dismissed any talk of "great ideological conflict." It is no surprise then that the *Economist* magazine described Livingstone only last month as a "formidable politician."

But the Mayor has also sought to buttress his neo-liberal economic policies with radical gestures—such as last year's oil deal with Venezuelan President Hugo Chavez to provide lower-cost fuel for London's buses—and the assiduous cultivation of relations with the various leaders and groups representing ethnic and religious minorities in the capital.

Such policies have been generally tolerated by the powers that be. There has been a recognition that such an apparently "inclusive" agenda is necessary if Livingstone is to be able to pass himself off as someone sitting "squat on the centre of the political spectrum"—his own description—and not firmly on the right. This is especially true in a city where one-third of the population were born outside the UK and more than 300 languages are spoken. Moreover, Livingstone has been careful to ensure that his populist posturing only applies on international matters and where it does not conflict with the fundamental interests of the City of London.

At any rate, neither the Mayoral post nor the London Assembly are exercises in genuine popular control. Conceived as part of Labour's regional development initiatives aimed at encouraging international

investment into the UK, they function as a means of coordinating and administering the strategic interests of the major corporations. The London Assembly is comprised of just 25 members, 14 from each of the London constituencies (for a city of some 10 million people) and a further 11 from party lists. Its powers are largely confined to “scrutinising” the power of the Mayor, whose own remit concerns budgeting and planning for transport, the police and emergency services, economic development and “cultural strategy.”

The undemocratic character of this set-up, however, combined with the absence of any significant base of support for any of the official parties represented, makes it a focal point for the backdoor political intrigues and vendettas of small numbers of rich and influential people.

In March 2006 the unelected Adjudication Panel—which oversees the Assembly—agreed to suspend Livingstone for four weeks over a private exchange he had with Oliver Finegold, an *Evening Standard* reporter. The exchange, in which Livingstone referred to Finegold’s journalistic technique as similar to that of a Nazi concentration camp guard, followed a long-standing campaign by the *Standard* and right-wing Zionists against the Mayor for his condemnation of Israeli violence against the Palestinians and his relations with various Muslim organisations and individuals, such as the Egyptian-born Muslim cleric Dr. Yusuf al-Qaradawi.

The *Standard* is again prominent in the current allegations against Livingstone. Apparently convinced that the Conservatives may finally have a credible opponent to run against Livingstone in the Mayoral race in Boris Johnson, the newspaper has run almost daily stories charging that taxpayers money has been wasted on funding defunct black organisations, with links to Livingstone’s key ally Jasper. *Standard* reporter Andrew Gilligan, who was at the centre of the political scandal over the outing of whistleblower and leading nuclear expert Dr. David Kelly, alleged that “at least £2.5 million of public money has been given to a shadowy network of businesses and NGOs directly linked to Mr. Jasper and his close friends and associates, many of them supposedly operating out of the same small room in Kennington.”

Although the police ruled out any criminal investigation, the *Standard* has kept up its stream of accusations including the claims of Atma Singh, a former high-level adviser to Livingstone, that members of Socialist Action (SA) —a tiny group of former radicals that long ago buried themselves in the Labour Party—had infiltrated city hall and were working to fashion the capital as a “beacon for socialism.”

Far from having uncovered a long-kept secret, both Jasper and the Socialist Action Caucus are known political quantities with nothing to do with socialist politics. Jasper, a long-time ally of Livingstone dating back to the days of the GLC, is a longstanding Labour Party member and black nationalist who has utilised racial policies to cultivate relations with the police and business groups. Socialist Action, which supports the largely defunct Socialist Campaign Group of Labour MPs, has also worked with Livingstone for years. And—as befits an organisation that has remained true to Labour regardless of the Iraq invasion and its big business agenda—neither SA leader John Ross’s former position as economic adviser to Livingstone, nor Redmond O’Neill’s post as deputy chief of staff, have contradicted the right-wing political trajectory of either Livingstone or the party generally.

It is doubtful that any of the *Standard*’s latest “revelations” would have been seen as anything other than a continuation of its long-running vendetta—even the staunchly Conservative *Telegraph* noted that “one need only scan the Labour benches at Westminster—and the Cabinet table—to find numerous former revolutionaries”—were it not for the addition of a new political factor in the anti-Livingstone campaign, concentrated around the pro-Labour *New Statesman* magazine.

It was *New Statesman* editor Martin Bright who presented the Channel 4 “Dispatches” television programme, charging the mayor with “financial

profligacy, cronyism and links to a Trotskyite faction conspiring to transform London into a ‘socialist city state,’” in the words of the *Guardian*.

Writing in the *Standard* last month under the headline “I now believe Ken is a disgrace to his office,” Bright said he felt it was his “duty to warn the London electorate that a vote for Livingstone is a vote for a bully and a coward who is not worthy to lead this great city of ours.”

Bright says that he arrived at this insight in the course of his investigative research for Channel 4 Television. Until then, he had believed “Ken Livingstone was a flawed but charismatic leader of the capital. We had fallen out over his support for radical Islamists, but I thought much of what he had done was refreshingly bold.” Faced with evidence to contrary, “the scales finally dropped from my eyes. I am only ashamed it took me so long.”

Bright is not the objective bystander he makes out. Over the last months, he has emerged as a strident critic of what is described as Labour’s “appeasement” of Islamic “extremists.” He has authored numerous reports pointing to the Labour government’s inconsistency in its prosecution of a “war on terror” while maintaining political relations with groups associated with Egypt’s Muslim Brotherhood. Bright complains that the government’s policy towards Muslim groups in Britain is driven “by the Foreign Office’s determination to engage with Islamist radicals.”

Several of these articles have been compiled as a pamphlet by Policy Exchange. The think tank, which is described as the most influential “on the right,” was itself embroiled in controversy only recently over allegations that documents it circulated to prove the influence of Islamic extremists in Britain’s mosques were fakes.

Policy Exchange is headed by Charles Moore, former editor of the Thatcherite *Spectator* magazine—a position also held previously by Boris Johnson. Another leading light is Anthony Browne, again a contributor to the *Spectator*, who has claimed that Labour’s immigration policies will mean whites becoming a minority in the UK by 2100; evidence Browne claims of a government “whose intellectual faculties are [so] crippled by political correctness.”

The think tank’s research director is Dean Godson, who worked as Special Assistant to John Lehman, a signatory to the neo-conservative Project for a New American Century, from 1987 to 1989. It is alleged that when Godson was sacked by the *Daily Telegraph*, Editor Martin Newland explained, “It’s OK to be pro-Israel, but not to be unbelievably pro-Likud Israel, it’s OK to be pro-American but not look as if you’re taking instructions from Washington.”

Writing in the *Times* in 2006, Godson had attacked the government along lines similar to those employed by Bright. Labour’s failure to ban the radical Islamist Hizb-ut-Tahir had exposed “Whitehall’s greatest weakness—the war of ideas,” he wrote, calling for a revival of the type of political propaganda employed during the “Cold War, [when] organisations such as the Information Research Department of the Foreign Office would assert the superiority of the West over its totalitarian rivals. And magazines such as *Encounter* did hand-to-hand combat with Soviet fellow travellers.”

To be continued



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