

Scandal forces UK Labour MP Denis MacShane to resign

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Rotherham Member of Parliament Denis MacShane was forced to give up his parliamentary seat after a damning 150-page report by the House of Commons Standards and Privileges Committee detailed his abuse of parliamentary expenses. The MP, a former Minister for Europe in the Labour government of Tony Blair, resigned before he was pushed out.

A politically volatile by-election will now take place on November 29. The committee recommended that the 64-year-old MacShane should be suspended from the Commons for 12 months, with loss of pay and pension rights for the period, after ruling that he had submitted false invoices to pay for official trips to European Union countries. He also allowed interns to keep laptops, paid for by parliament, when their internships came to an end.

Privileges Commissioner John Lyon found MacShane, had entered 19 “misleading” expenses claims for thousands of pounds of research and translation services from the European Policy Institute (EPI), signed by its supposed general manager. The institute did not exist “in this form” by the time in question and the general manager’s signature was provided by MacShane or someone else “under his authority”.

As the MP controlled the EPI’s bank account, he was effectively “submitting invoices to himself and asking the parliamentary authorities to pay.”

The chair of the cross-party committee, Kevin Barron, another of Rotherham’s three Labour MPs, described the findings against him as the “gravest case which has come to the committee for adjudication.”

MPs are not formally allowed to resign their seat, so Conservative Chancellor George Osborne appointed MacShane to the post of Steward and Bailiff of the Three Hundreds of Chiltern—the technical procedure enabling MPs to resign from the Commons.

The strongly worded findings raise the prospect of a second police investigation. The police decided to take no action against MacShane in July, but a Metropolitan Police spokesman said Scotland Yard would now examine the committee’s report.

It was originally believed that any police investigation would be limited because the evidence gathered by Lyon and report are subject to parliamentary privilege. The committee report

had said that “proceedings in parliament cannot be impeached or questioned in the courts”. But Barron told the House of Commons, “There may have been suggestion MPs are above the criminal law. I just want to say this is not true and it really needs to be addressed.... If our report contains new material then the police can use it to guide their investigations, but receipts, invoices and claims are not privileged and do not become so simply because they are reproduced in a Parliamentary report.”

MacShane received little support from his party. Labour Party leader Ed Miliband said that he should step down “because he has now cognised the scale of what has happened.”

Shadow Home Secretary Yvette Copper told the BBC’s *Andrew Marr Show* that the committee had produced a “very serious report with very serious condemnation” and said the police were “right to look again at whether former minister Denis MacShane’s abuse of expenses broke the law.”

Although the case was referred to Scotland Yard in October 2010, the investigation was delayed because the police were not handed any of MacShane’s evidence or the other information amassed by the commissioner. The police dropped the case this July after receiving advice from the Crown Prosecution Service on an initial evidence file. It was never made clear why the police enquiry was ended without charges.

The police have launched and then dropped several enquiries into MPs following the 2010 expenses scandal uncovered by the right-wing *Daily Telegraph*.

The Conservatives immediately requested that the police reopen their investigation after parliament released full details of the alleged fraud.

It should be pointed out that there are MPs that have been exposed for far greater expenses fraud who still sit in Parliament. But in the eyes of a growing majority within the British establishment, and the Tory Party in particular, MacShane’s main crime is his continued support for the European Union (EU).

MacShane acted as an informal envoy across the EU for Tony Blair after leaving government in 2005 and believed he could do whatever he thought was needed to promote the interests of British imperialism on the continent. He believed Britain’s national interests were best served by being within the EU and

organising alliances that would enable its interests to dominate over those of France and Germany. This had begun to change when he fell out with his old boss, Gordon Brown (Blair's successor as Labour prime minister), after the onset of the 2008 credit crunch over the latter's insistence on putting five tests for the EU to pass if the UK's continued membership were to be ensured. Under Brown's premiership MacShane's political isolation within the establishment worsened and became extreme with the formation of the Tory-Liberal Democrat coalition government.

Because of his pro-EU stance MacShane became a particular target for fascist and right-wing forces. A letter from the British National Party to the parliamentary watchdog in 2009 about his abuse of expenses set the ball rolling. The case was included in the 2010 campaign of the *Telegraph* to expose expenses abuse. Behind a mask of moral outrage, the *Telegraph* encouraged scepticism and cynicism towards the existing political institutions only in order to create an atmosphere in which official politics could be shifted ever further to the right.

MacShane refused to offer any resistance, but said in his self-serving resignation statement, "In the light of the Parliamentary Commissioner's decision, supported by the Committee of Standards and Privileges, to uphold the British National Party [BNP] complaint about expenses claimed in connection with my parliamentary work in Europe and in combating anti-semitism, I have decided for the sake of my wonderful constituency of Rotherham and my beloved Labour Party to resign as an MP... I appreciate the Committee's ruling that I made no personal gain and I regret my foolishness in the manner I chose to be reimbursed for work including working as the prime minister's personal envoy in Europe."

MacShane's pose as an opponent of anti-semitism and having been found guilty of mainly technical administrative errors notwithstanding, he is a bullying and arrogant bureaucratic politician who has played a key role in the rightward lurch of the Labour Party.

He was born Denis Matyjaszek in Glasgow to a Scottish mother and Polish father, who had remained in Britain after World War II. His father took out British nationality in 1950. MacShane was educated at the independent St Benedict School in Ealing and read history at Merton College, Oxford, where he graduated with the third class degree. He worked at the BBC from 1969 to 1977, where he changed his surname at the request of his employers. He was fired after using a fake name to call the radio phone-in programme he worked on at the time, accusing leading Conservative Reginald Maudling of being a crook.

He was heavily involved in the Solidarnosc trade union in Poland, where he was arrested in 1982 for attending one of their demonstrations and deported. The right-wing leadership of Solidarnosc was used to suppress the revolution of the Polish working class.

MacShane began a stint as a trade union bureaucrat in the

National Union of Journalists, later becoming its president, and then a policy director of the International Metalworkers Federation from 1980 to 1992.

He first contested a parliamentary seat at the October 1974 General Election, where he failed to win Solihull. He won the 1994 Rotherham by-election, and served as Parliamentary Private Secretary to a succession of ministers in the 1997-2001 parliament. After the 2001 general election, he was made a junior minister at the Foreign Office. In November that year *The Observer* published an article under the name of Labour MP Khalid Mahmood supportive of the war in Afghanistan, headlined, "Five-Myths Muslims Must Deny." A few days later, it was revealed the article had been written by MacShane. Mahmood agreed to put his name to the article after the Labour Party ennobled Lord Ahmed of Rotherham refused.

Neither MacShane nor Lord Ahmed had wanted to take responsibility for the article because of fears about the angry response it would have received from the Muslim community within their Rotherham constituency and throughout the UK as a whole. This fraudulent piece of journalism was just prior to Blair's "dodgy dossier" in 2003, which lied about Saddam Hussein's possession of weapons of mass destruction to justify sending UK troops into a devastating imperialist war against Iraq.

At home, MacShane implemented every attack on the working class called for by both the Labour and Tory governments—from the cheap-labour enterprise zones, to the savage cuts in jobs and public services. He was adept at using demagogic posturing, populist and anti-racial language to cover for Labour's reactionary agenda. Having long abandoned the working class, MacShane rested for support on a coalition of petty-bourgeois social and political forces that included the trade union bureaucracy, affluent middle-class elements, the hierarchy within the Muslim community and the fake left groups who act as cheerleaders for the labour bureaucracy. It was the Socialist Workers Party in particular that provided a platform for him to pose as a progressive and anti-fascist even as Labour's Rotherham council carried out attack after attack on workers and youth.



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