## Brexit crisis tearing apart UK's Conservative Party

Chris Marsden 22 July 2017

This week's talks on the terms of Britain leaving the European Union largely proceeded in the absence of one of the key negotiators.

Brexit Minister David Davis met for one hour with the EU negotiator Michael Barnier Monday, before flying back to the UK and then returning for a brief discussion and joint press conference Thursday.

At the conference, Barnier condemned Davis for a "lack of clarity" on the UK position on key issues—above all the so-called "divorce settlement" and the future status of EU nationals. Clarification is "indispensable," Barnier declared, while Davis spoke of "robust" discussions and compromise on both sides. Barnier replied that the EU is not in a game of making concessions.

Davis could do little but stall, because he represents a government that is in the middle of bitter factional infighting over Brexit. Indeed, the leading Brexiteer went back to the UK to hear Prime Minister Theresa May warn against briefing and leaks against cabinet colleagues by their factional opponents.

Since her disastrous political miscalculation in calling June's snap general election, the vultures have been circling over May—who is almost certain to face a leadership challenge in the autumn. The delay in deposing her is in large part due to concern that a precipitous move might hasten a fresh general election, amid warnings that Labour might win it. However, it is Brexit that underpins the political paralysis of the government.

The days leading up to the latest round of negotiations saw leaks against Chancellor Philip Hammond—that he had called public sector workers "overpaid" and made sexist comments at a function. The feigned outrage was motivated by Hammond's advocacy of a "soft Brexit"—including maintaining

access to the Single Market and urging a two-year disengagement process.

Foreign Secretary Boris Johnson—who said the EU can "go whistle" for a settlement—and Michael Gove, the leading pro-Brexit Tories along with Davis, are accused of authoring the leaks. A senior Tory said, "Everyone knows it's them behind the briefing against Philip and it's all to do with Brexit. They are so obsessed with a hard Brexit that they are prepared to run the economy off a cliff. In addition, they do not like the fact that Philip is pointing out that we will deservedly lose the next election if we do that. They are dangerous and deranged."

The "Brexiteers" are no more diplomatic, with one telling the *Daily Telegraph*, "What's really going on is that the establishment, the Treasury, is trying to f--- it up. They want to frustrate Brexit."

There is no honour among thieves. Michael Gove's former aide, Dominic Cummings, who now backs Johnson, said that Davis was "thick as mince, lazy as a toad, and vain as Narcissus."

Preventing an implosion is now the main argument in the party for keeping May in office. As the same MP stated, "That's why we have to keep Theresa there. Otherwise the whole thing will fall apart."

With reports of a letter of no confidence in May circulating among MPs and 30 reported to be backing Davis, three senior members of the influential 1922 Committee of backbench MPs said they would support May in taking disciplinary action.

May duly issued her warnings, while Defence Secretary Michael Fallon told the Policy Exchange think-tank, "I think we in the cabinet would also do well to reflect on those military virtues—loyalty, discipline, cohesion—that might better enable us first to concentrate our fire on a dangerous enemy in reach of

Downing Street, somebody who would lower our defences, scrap our deterrent, weaken our response to terrorism."

In reality, May's threats are toothless, with former Deputy Prime Minister and leading Europhile Michael Heseltine stating that "she can't sack leading Brexiteers because she has no authority. So you have an enfeebled government. Everybody knows this... The Europeans have worked it all out. This is a government without authority."

Hammond is in tune with the concerns of leading sections of big business, who recognise the UK's weakened position against its imperialist rivals.

According to PwC's UK Economic Outlook, GDP is expected to drop from 1.8 percent growth last year to 1.5 percent in 2017 and to 1.4 percent in 2018. Pay levels continue to fall, even as inflation continues to rise to near 3 percent with house prices rising even faster—threatening an end to the consumer spending-driven growth. Deloitte, the Institute of Directors, and the Confederation of British Industry have all recently warned of the damaging impact of Brexit or Brexit "uncertainty". A CBI survey suggested that 42 percent of UK firms believe Brexit has hurt their investment plans. Rain Newton-Smith, chief economist at the CBI business lobby group, said, "That's why the CBI has suggested staying in the single market and a customs union until a final deal comes."

One report after another complains of delegations from Germany, France, Switzerland and Ireland seeking to poach business from the City of London.

Hammond has even reached out to the Labour Party. Blairite Labour MP Chris Leslie said that his pushing for a longer transitional period maintaining close economic ties with the EU was "welcome news" and "might be able to secure a lot of support on all sides of the House." In reply, Hammond welcomed "any opportunity to build consensus across the House and across the nation."

Such overtures point to a possible political realignment to rescue the bourgeoisie from the crisis it faces.

In the *Financial Times*, Gideon Rachman suggested that, in the end, "revelatory moments in the next two years" would "create a clear demand for a second vote" because the "vision of a pain-free Brexit was an illusion."

"The sheer incompetence and infighting of the current May government can also be relied upon to undermine the case for Brexit on a weekly basis," he added.

Brexit was advanced by the Tory right as a way of liberating the City of London from the restraints placed on it by its rivals Germany and France. Instead, it has exposed the underlying economic and political decline of British imperialism.

Those in ruling circles who opposed Brexit—and saw preserving Britain's place in Europe's trade block as vital—want to reverse the disastrous outcome of last year's referendum. However, the inter-imperialist tensions that gave rise to Brexit have only deepened.

It is not merely that Berlin and Paris will now only accept London back on the most humiliating terms. The stepped up pursuit of economic, political and military integration led by Berlin to strengthen Europe's hand against the United States risks closing the door to even this possibility. Moreover, Europe itself only appears strong in contrast to the UK. It is rent by deepening political and social tensions that would blow up in the event of any serious downturn in the global economy.

Politically, the Tory Party appears broken. Labour's pro-business, "soft Brexit agenda should be an attractive alternative. A Corbyn-led government, however, remains anathema to those who fear that his anti-austerity rhetoric will spark genuine opposition in the working class. This is why Labour is still in the midst of a civil war that many in ruling circles hope will produce a new, pro-EU party or coalition.

Political turmoil and economic dislocation has dramatically undermined the authority of Britain's rulers, not only in Brussels but also in the eyes of millions of workers, offered only further austerity from the pro and anti-EU wings of the bourgeoisie alike. As indicated by the reaction to the Grenfell Fire, the situation is becoming ever more politically and socially explosive.



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