

UK Electoral Commission investigates Leave campaign finances in Brexit referendum

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The UK Electoral Commission is investigating whether the Vote Leave campaign in the 2016 referendum on British membership of the European Union (EU) breached its £7 million spending limit.

Vote Leave was the officially designated representative of those advocating exit from the EU. It was fronted by Foreign Secretary Boris Johnson and Environment Secretary Michael Gove—still figureheads of the strident pro-Brexit wing of the Conservative government.

The commission—which regulates electoral spending—is also investigating fashion design student Darren Grimes and his social media campaign BeLeave, which received £625,000 from Vote Leave.

While it was permissible for Grimes, a registered independent leave campaigner, to spend up to £700,000 in the referendum campaign, it is alleged that the funds he received were paid directly to Canadian-based data analysts AggregateIQ—the social media analyst firm employed by Vote Leave.

Veterans for Britain is also under investigation for the £100,000 it received from Vote Leave, which it also spent on AggregateIQ's services.

Under election funding guidelines, campaigns must declare if they are working with others. All the campaigns deny any wrongdoing.

The Commission's announcement came as the Good Law Project threatened a legal challenge over an earlier decision to drop an investigation into the spending of Vote Leave and others. Good Law's website, which states its objective as using "the law to deliver a progressive society," describes Brexit "as a terrible idea. And if the people agree we think they should be able to stop it."

The Commission denied its reopening of the investigation was in response to the legal threat. A review of information submitted previously had given "reasonable grounds to suspect an offence may have been committed," it said. It will investigate if Veterans for Britain, Grimes and Vote Leave delivered incorrect spending returns and whether "Vote Leave exceeded its spending limit in the referendum."

If proven, relatively paltry fines of up to £20,000 can be levied for each offence. The Commission has warned, however, that if further "potential contraventions and/or offences" were identified they would be referred to the police.

The traducing of democratic norms by a handful of billionaires is a matter of serious concern. But this is not the real target of the Commission, or the political agenda from which it is working.

The EU referendum was the most expensive in British political history. Some £32 million was officially spent on the campaign, with Leave receiving £16.4 million in donations to Remain's £15.1 million.

The ties between Vote Leave and numerous other Brexit groups with the right-wing of the Tory Party and the UK Independence Party are well known.

Although a minority position in ruling circles, Brexit was favoured by a number of oligarchs and hedge-fund operators. Their opposition to the EU has nothing to do with its anti-democratic and pro-austerity policies, but aims to dismantle all remaining impediments to their untrammelled enrichment by eradicating even minimal regulations on workers' rights and health and environmental standards.

The Remain campaign has even more friends in high places, however, whose interests are just as reactionary as their opponents. Supported by the majority of the political establishment along with NATO, the EU and significant sections of the City of London, Remain reflected the strategic concerns of British imperialism—not just for preserving European trade but also its role as a central linchpin of the US-led global military-intelligence apparatus, which depends on its role as Washington's key ally in Europe.

Official government policy was in favour of Remain, which distributed propaganda to this end from Downing Street. Then US President Barack Obama appeared in Britain to call directly for a Remain vote.

If one were to try to quantify the monetary value of such publicity it would vastly surpass any official spending limits.

None of those leading the complaints over potential spending breaches in the referendum are concerned with this, however, because it cuts across their self-serving agenda. Their objection is not to the influence of a super-rich cabal over political life per se, but that their faction of the ruling elite lost.

The referendum delivered a shock vote narrowly in favour of Leave, by 51 percent to 49 percent, opening an existential crisis for the British bourgeoisie. This reflects a global shift in the tectonic plates of geopolitical relations, at the centre of which is the historic decline of the United States, and which is the motive force behind an ever more hysterical campaign targeting Russia and China for military action.

Two further investigations are underway by the commission over the allegedly undeclared services provided by Cambridge Analytica—a US-owned firm based in London, to the unofficial campaign, Leave.EU. This was bankrolled by the multi-billionaire insurance tycoon, Arron Banks, who also funded the UK Independence Party, formerly led by Nigel Farage.

The commission is investigating whether Banks is the “true source” of non-commercial loans totaling £6 million made to Leave.EU and whether Better For The Country Limited—of which he is a director—acted as an agent for other parties in donating £2.3 million to five registered campaigners.

Outside the commission, the “other parties” is defined more explicitly as “dark Russian money.”

The *Observer* alleged that AggregateIQ and Cambridge Analytica are connected through an “intellectual property license,” which created a “binding 'exclusive' 'worldwide' agreement 'in perpetuity' [for] all of AggregateIQ's intellectual property to be used by SCL Elections (a British firm that created Cambridge Analytica with [Robert] Mercer).”

Mercer is a hedge fund billionaire with close ties to former Trump adviser and fascist Steven Bannon and Farage and Banks in Britain.

An article by Carole Cadwalladr in the *Observer* earlier this year placed Cambridge Analytica at the centre of an Alt-right network that “played a role in both Trump and Brexit campaigns.”

Cadwalladr expressed concerns at the ability of billionaires to lay the basis for an authoritarian state, utilising the type of psychological operations employed by the military to “effect mass sentiment change.”

Her material on the common political and economic agenda of such firms with billionaire fascists and sections of the military establishment is important. But it was employed to give the existing political set-up a clean bill of health. Claiming that the strategic objective of such operations is to

“smash the mainstream media” and replace it with “fake history” and “alternative facts,” Cadwalladr asserts that, in contrast, government in the US, like Britain, “is bound by strict laws about what data it can collect on individuals. But, for private companies anything goes.”

This whitewashes the massive illegal Prism surveillance network and other covert programmes, operated through the US National Security Agency and GCHQ in Britain. The exposure of this and other criminal activities led to the hounding of Julian Assange and Edward Snowden and the imprisonment of Chelsea Manning.

For the *Observer* and its sister newspaper, the *Guardian*, social discontent is the result of “psychological” manipulation by the Alt-right or “foreign actors.” This is used to justify state censorship of social media and anti-Russian warmongering.

Cadwalladr's article began with warnings by MI6 and security analysts of the role of “hostile” states in subverting the democratic process, before asserting that the “transatlantic links that bind Britain and America, Brexit and Trump, so tightly” also wrapped Russia in its “tight embrace.”

No evidence is presented to back up this assertion, other than a map “shown to the *Observer*” indicating that SCL and Cambridge Analytica have worked in “Russia, Lithuania, Latvia, Ukraine, Iran and Moldova” and some employees had travelled to Russia.

Such allegations are viewed by a section of the ruling elite as a means of overturning the Brexit result.

Once again, the so-called liberals lead the way. *Guardian* journalist George Monbiot previously cited questions over the funding of the referendum as a means of annulling the result. Brexit should be halted “until the means by which the result was obtained have been thoroughly investigated,” he wrote. A public inquiry into potential “serious breaches of electoral law” should be convened, he argued, which could result in the referendum being “annulled and repeated.”

The Electoral Commission investigation could yet lead in this direction.



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