UK: Cabinet reshuffle leaves May's government impotent and divided

Chris Marsden 11 January 2018

Britain's media obsessed for days over Prime Minister Theresa May's cabinet reshuffle. Adjectives such as "massive" were bandied around, alongside suggestions that she would "stamp her authority" as leader by making the party leadership less "white, male and stale."

Instead, May confirmed the weakness of her premiership due to the intractable conflicts over Britain's exit from the European Union (EU). So much so that at least as much attention has focused on the possibility that Labour, under the leadership of Jeremy Corbyn, can offer an alternative government that would reverse or at least ameliorate the impact of Brexit on the economic fortunes of British imperialism.

Even before May's two days of announcements, she had made clear that whatever changes were being considered—supposedly to ensure that ministers more amenable to a deal with the EU were in the ascendant—could not come at the cost of open conflict with the pro-Brexit wing of the party.

May was pro-Remain before becoming prime minister. Her reshuffle was made necessary in part by the loss of key allies Damian Green, her deputy prime minister, and Defence Secretary Sir Michael Fallon—both due to allegations of sexual misconduct. Green was replaced by May loyalist David Lidington. May's ally Brandon Lewis became Conservative Party chairman.

However, May was forced to leave key cabinet positions in the hands of contending Brexit factions—the soft-Brexit Finance Minister Philip Hammond and Home Secretary Amber Rudd on one side and leading Brexiteers Boris Johnson as Foreign Minister and David Davis as Minister for Brexit.

Some of her other planned cabinet changes unravelled after Jeremy Hunt, a former Remain advocate who now pitches himself as a staunch critic of the EU, refused to move from his post as Secretary of State for Health. His intransigence, amid the gravest crisis ever faced by the

National Health Service for which he bears responsibility, was rewarded by a change in job title to Health and Social Care Secretary.

Hunt's happy fate was contrasted with that of Justine Greening, who resigned after refusing to quit her post as Education Secretary to move to Work and Pensions. May took a hard line against someone in favour of a "pragmatic Brexit" and who represents an overwhelmingly pro-Remain constituency.

As for presenting a more "representative face," there are now more privately educated ministers than in May's original cabinet—at 34 percent, up from 30 percent, while the number of Oxford and Cambridge graduates is up by 4 percent to 48 percent.

Even as cabinet seats were being rearranged, the comparison with deck chairs on the Titanic was underscored by the escalating crisis inside and outside Westminster over Brexit.

Cabinet ministers met Monday with leading pro-Remain Conservative MP Dominic Grieve to propose amendments to the EU Withdrawal bill. This is to prevent a repeat of December's parliamentary defeat due to a Tory rebellion. The proposed changes include limiting the scope of "Henry VIII" powers that allow laws to be changed without full parliamentary scrutiny and an extension of three months after the date of Brexit, during which court cases over alleged breaches of the general principles of EU law can be launched.

Yesterday, Hammond and Davis united to make an appeal to German business leaders to support a post-Brexit trade arrangement that would safeguard Britain's financial services industry—part of a bespoke deal that would be "the most ambitious in the world," covering "the length and breadth of our economies."

Warning of a financial catastrophe for Europe in an article in the *Frankfurter Allgemeine*, Hammond and Davis warned that "contagion can spread from one

economy to another without global and regional safeguards in place," especially given that the City of London is the financial capital of Europe. They appealed to mutual economic interests based on trade between the UK and EU worth €750 billion a year, with a quarter of EU exports to Britain, worth €113 billion, coming from Germany.

The appeal was made in response to memos sent by Brussels to 15 industries in November and December, warning of a "regulatory no-man's land" should the UK leave the EU without a deal, which provoked an angry response from Davis. EU chief Brexit negotiator Michel Barnier also publicly insisted that there was no place in any trade agreement for financial services, including retaining a "passport" to do business in the single market, or of the UK benefiting from "a system of generalised equivalence of standards."

So fractious have relations become that May was forced to fend off demands from Brexit hardliners to create a special ministerial post to oversee a no-deal Brexit. Her opponents expressed their dismay publicly, while the first public comment by newly appointed junior Brexit minister Suella Fernandes was that a no-deal Brexit would be "great" for Britain.

With the possibility of opposing Brexit within May's Tory Party closing down, the ongoing offensive to shape Labour as the leadership of a pro-Remain parliamentary block has escalated.

Last month, leading Blairite Lord Andrew Adonis resigned from May's National Infrastructure Commission (NIC), declaring, "The European Union Withdrawal Bill is the worst legislation of my lifetime. It arrives soon in the House of Lords and I feel duty bound to oppose it relentlessly from the Labour benches."

In a January 7 interview with the *Independent*, Adonis urged Corbyn to call for a second referendum on a final Brexit deal, stressing that it would become "increasingly difficult" for him to stand "shoulder to shoulder" with May "when the living standards of ordinary and hardworking Brits are being trashed."

His remarks were meant to reinforce the intervention of his former Prime Minister, Tony Blair, who also demanded Labour propose a second referendum to "Make Brexit the Tory Brexit."

The *Independent* cited a YouGov survey for the *Daily Mirror* and the pro-EU Best of Britain campaign asserting that eight out of ten Labour members either agree or strongly agree with having a second vote and that nearly 60 percent of Labour voters would switch their allegiance

if Corbyn backed leaving the EU without a vote.

Of that total, however, only 38 percent are completely or mainly against Brexit, while 21 percent back it. Another recent poll found that 87 percent of Labour's 600,000 members want to stay in the EU single market and customs union. Divisions in the country are much narrower, with 51 percent wanting to remain in the EU, compared with 41 percent for Brexit and 10 percent undecided.

With the Blairites having suffered a major setback due to Labour's strong performance in last year's general election, Adonis took pains to state, "As the Government gets worse and worse I think the Labour alternative looks stronger and stronger. ... Jeremy looks very good next compared to this very unimpressive Government we have at the moment."

But all professions of peace are conditional on Corbyn continuing to accede to the demands of the right wing as he has on Trident, NATO membership, opposition to deselections, and so much else.

Corbyn and his key allies such as Shadow Chancellor John McDonnell have so far maintained a position of "constructive ambiguity," insisting that the party shares the desire of the City of London and business for negotiated access to EU markets, but without EU membership. He reiterated this position to a closed meeting of the Parliamentary Labour Party Monday evening. Single market membership was tantamount to staying in the EU, and people voted to leave the EU and therefore the single market, Corbyn said.

Corbyn also rejected an invitation to attend an anti-hard Brexit "summit" meeting Tuesday involving leaders and MPs from the Scottish National Party, the Liberal Democrats, the Welsh nationalist Plaid Cymru and the Greens in the House of Commons. That same evening, 40 Labour MPs rebelled in a vote to block the crucial cross-border trade taxation bill, giving Her Majesty's Revenue and Customs the power to collect taxes on EU imports after Brexit.



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