

# Still no deal in Brexit talks as working class faces disaster

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The bitter political conflict over Britain's exit from the European Union (EU) continues.

Amid a deadly catastrophe unparalleled in Europe since the end of the Second World War, the UK and the EU governments are locked in an intractable struggle for economic and political advantage.

By law, Britain leaves the EU on January 1. If no post-Brexit trade deal is in place, the UK will begin trading on World Trade Organisation terms involving tariffs and quotas.

On Sunday, the latest in a series of “final deadlines” passed. The leaders of the European Parliament had announced last Thursday that they would be able to pass a Brexit deal before the New Year only if “an agreement is reached by midnight on Sunday 21st”.

No agreement was reached, with a UK government source telling the *Guardian*, “We continue to explore every route to a deal that is in line with the fundamental principles we brought into the negotiations.” Talks between the two sides' negotiators are ongoing this week.

As a senior EU diplomat told the *Telegraph* late last week, “December 31 is the only final deadline.”

Many government figures are now discussing the possibility of EU member states “provisionally applying” a deal agreed in the next few days on January 1, pending official ratification by their respective parliaments later in the month. However, the later the negotiations go the less time various governments have to translate, scrutinise and apply the text of any agreement, and the more likely it is that Britain is left in a “legal limbo” come the New Year.

It is a mark of the extreme political fragility of British and European capitalism, and the fraught state of inter-imperialist antagonisms, that the Brexit crisis has been allowed to reach this point. Most sources suggest the largest remaining division between the two sides' negotiators is fishing rights in the UK's waters. The economic value of fish caught in British seas is miniscule

compared to overall GDP—UK vessels catch €850 million worth of fish in British waters and EU vessels €650 million.

French President Emmanuel Macron is worried about the political fallout of conceding anything to the UK on this issue. He faces an election in 2022 and is making an increasingly right-wing pitch to win over supporters of Marine Le Pen's fascistic National Rally party. One key battleground includes the coastal communities with close economic ties to fishing in UK waters.

A major concern of the leading EU powers is that allowing any significant concessions to Britain could inspire other breakaway attempts from the increasingly fractious union.

For Johnson's part, securing “British sovereignty” over its waters is a vital sop to the Tories' far right, nationalist constituency. If reports from the negotiations are accurate, Britain has been forced to accept a mechanism for preventing the UK from undercutting the EU on labour, social and environmental protections—the driving agenda behind the Brexit campaign.

Any such retreat—made necessary by the huge power imbalance between the EU and an isolated Britain, and the ongoing collapse of the Brexiteer's perspective for a close alliance with a Trump-led America—threatens serious divisions in the Tory party. Members of the European Research Group of backbench Tory MPs are threatening to vote against a “bad deal”.

Johnson is pursuing a policy of brinkmanship over a marginal economic issue to hold together the party of government in a period of unprecedented crisis for British capitalism. In pursuit of this goal, he is courting economic ruin.

The House of Commons Brexit committee warned last week that British businesses were not ready for a no-deal Brexit. The deputy director of the Confederation of British Industry said earlier this month, “Preparation

doesn't mean protection if a tidal wave is coming. You can put in place the sandbags, and that helps a bit, but the water is still going to get through."

These dire prospects have been brought into sharp focus by the latest development in Europe's coronavirus pandemic. The explosion of a new, even more infectious strain of the virus in Britain has been met with travel bans on passengers arriving from the UK by a slew of countries, including most of Western and Northern Europe. On Sunday night, France barred UK lorry freight from entering the country for 48-hours, with only a few hours' notice and without informing Downing Street.

The UK's ports—already groaning under the weight of Brexit stockpiling and coronavirus restrictions, with queues of lorries more than five miles long—have been thrown into chaos. Rod McKenzie, policy director at the Road Haulage Association, warned of a "devastating effect on the supply chain." He continued, "What we are talking about is everything: factory parts, fresh and frozen vegetables, and all the Christmas deliveries."

The effects are being felt throughout the British economy. On Monday morning the FTSE 100 fell 3 percent, wiping out £50 billion from company shares, and the pound fell significantly against the dollar and the euro. The markets closed down 1.7 percent. A double-dip recession had already been predicted for the UK by the Bank of England last week.

The costs of this crisis will be borne by the working class through a further disastrous collapse in their standard of living, heralding a period of fierce class struggle.

In 2019, the government was forced to release its forecast for a no-deal Brexit, partially leaked the previous year, codenamed "Operation Yellowhammer". The document warned of the hold-up of freight transport, long-term disruption of supply networks affecting medicines and an increase in food and energy prices. It predicted, a "rise in public disorder and community tensions."

This summer, a Cabinet Office paper was leaked which warned of a combination of a no-deal exit from the EU and a second wave of the pandemic, plus flooding and the flu season, causing "a systemic economic crisis with major impact on disposable incomes, unemployment, business activity, international trade and market stability." The document warned of price hikes and shortages, significant "impact on low economic groups" and public disorder.

These scenarios are now coming to pass. The Johnson government's only answer is brutal repression.

Operation Yellowhammer took shape amid plans for the use of the army and riot police in the event of a no-deal Brexit, and the use of the police-state measures outlined in Tony Blair's 2004 Civil Contingencies Act. Emergency coronavirus legislation was passed earlier this year with the announcement that tens of thousands of troops would be placed on standby.

Brexit and the coronavirus pandemic have confirmed the utter bankruptcy of all nationalist political perspectives. Johnson's Brexit campaign, given a "left" cover by various pseudo-left formations—including the Socialist Workers Party and Socialist Party—who claimed an independent UK would be the basis for a rebirth of reformism, has laid the ground for the growth of the far right and a savage assault on the working class. The EU offers no progressive counterweight, seeking only to advance the reactionary national interests of its own most powerful member states.

Britain and the EU powers have all refused to take the necessary steps to contain and eradicate the COVID-19 virus to protect the profit interests of their super-rich oligarchs and out of fear of losing out in economic competition with each other, the United States and China.

An answer to the social and public health crisis facing millions can only be found by opposing the nationalist, pro-capitalist politics of the ruling class and all its agencies and fighting for an internationalist, socialist movement of the European and international working class. The Socialist Equality Party (UK) and its sister parties across the continent call on workers to take up the struggle for the United Socialist States of Europe.



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