Interview with Neil Davidson on Brexit: An Excerpt

written by Neil Davidson, Ashley Smith | May 26, 2019

With the recent announcement of Prime Minister Theresa May's pending resignation, and the general chaos surrounding Brexit and British governance, New Politics *has decided to offer a preview of a lengthier article which is to appear in the Summer 2019 print edition. Ashley Smith interviews Neil Davidson about the roots, politics, and trajectory of the battle over Brexit. Davidson is a member of Revolutionary Socialism in the 21st century (rs21) across the UK and RISE within Scotland, and the author of numerous books, including* How Revolutionary Were the Bourgeois Revolutions? *and* We Cannot Escape History: States and Revolutions.

Ashley Smith: The EU just gave a long extension to Brexit negotiations until Halloween to give the British government time to come up with an agreement and pass it in Parliament. Why did this happen and what will be the impact of the long delay?

Neil Davidson: The first reason for the delay is the failure of Theresa May and Parliament to vote in favor of any plan. The EU is itself divided between hards and softs. The six-month extension is a compromise between the two […] No one in the EU wants a hard Brexit or no-deal Brexit. At the same time Germany and France, who really run the EU, want to make sure that Britain does not set a precedent that leads other countries to leave. […]

AS: A lot of people, even on the left, think the EU is a progressive formation. What was the EU set up to do, and what is its nature?

ND: The EU developed over many decades since the end the World War II. (I'm just going to call it the EU regardless of earlier forms and names it took.) It was set up for four reasons. First, France wanted to avoid another war with Germany like the three they had fought over the previous seventy years. They wanted to establish rules that would separate economic competition from geopolitical and military competition. That's the element of truth in the idea that the EU has kept peace since 1945.

Second, the United States wanted the EU established as a political and economic complement to the NATO military alliance. […] It was part of Washington's Cold War imperial project.

Third, the EU was designed to avoid protectionism within Europe. The United States, Germany, and France thought such limitations on trade were one of the causes of the Great Depression. So, from the very beginning, free trade and globalization were immanent dynamics in the EU.

Fourth, the EU took shape during the postwar boom—the greatest boom in capitalist history—when capital needed outlets for investment beyond the boundaries of individual states at a time when de-

colonization meant that this was no longer possible across the Global South in the way it had been before 1945. The EU provided a mechanism for that to take place within Western Europe itself.

Given the illusions many on the left have in the EU, it's ironic that its structure corresponds quite closely to the model of "interstate federalism" devised by Frederick Von Hayek in 1939. Hayek, in many ways the intellectual forerunner of neoliberalism, proposed that economic activity in a federal Europe should be governed by a set of nonnegotiable rules presided over by a group of unelected bureaucrats, without any elected governments and irrational voters getting in the way.

That's how the EU is actually structured. The institutions that are least democratic— like the European Commission, the European Council, the Central Bank, and the Court of Justice—have the most power, while those that are at least nominally democratic—like the European Parliament—have the least.

[…] Its structures make it almost impossible for left-wing reformists like Jeremy Corbyn to implement his program in the EU. […]

AS: What has been the majority viewpoint among the British capitalist class on membership in the EU?

ND: British capitalists on the whole have always been in favor of the EU. They saw it as a replacement for their colonies, which they had used as key sites for investment. […] British capital remains in favor of remaining in the EU today.

There are two exceptions to this rule at the opposite extremes of that capitalist class. First, many among the smaller capitalists, shading into the petty bourgeoisie proper, support Brexit. They do so because they are negatively impacted by the EU regulations on health and safety, maternity leave, and so on, which they can least afford. These form part of the base of the United Kingdom Independence Party (UKIP) and the Tory Brexiteers.

Second, some large financial capitalists also support Brexit. They tend not to be based in the City of London nor are they oriented toward investment in the EU. Instead they are oriented toward Asia, the United States, and the Middle East and don't see the importance of the EU. But these two extremes are dissident wings of the capitalist class. Most of the core of British capital in finance, manufacturing, and service want to remain in the EU.

AS: Why then did the Tory Party, the traditional party of capital in Britain, opt for Brexit? How have Labour and its party leader, Jeremy Corbyn, positioned themselves on the issue?

ND: The Tory Party is not acting in the interests of British capital in pushing through Brexit. This dereliction of its duty is the result of how ruling-class parties have evolved in the neoliberal era. […]

[S]ince Thatcher the Tory leadership has progressively degenerated in their capacity to think about developing a program to solve problems. They have been recycling the same ideas for four decades. On top of that, since the Poll Tax revolt of the late 1980s, they've not faced real opposition from organized labor, social movements, or even the Labour Party, which fully accepted and implemented neoliberalism until Corbyn took leadership.

The Great Recession changed all of this. Neoliberalism has stopped delivering for a capitalist class that desperately needs solutions to restore growth and profits. But the Tories have not been able to come up with any. As a result, three things have happened.

First, as I mentioned earlier, the capitalist class has splintered, with the petty bourgeois and a small

section of finance capital deciding to call for leaving the EU, even though it's not in the general interests of the class.

Second, the leadership of the Tory Party started denouncing the EU to fend off a challenge from their right by the nationalist and bigoted UKIP. […]

Third, a lot of Tory politicians are incompetent, ideologically driven, and incapable of thinking through the consequences of their rhetoric and policy proposals. This is a symptom of the decline of the quality of the ruling class—a global phenomenon, but one which for historical reasons is particularly acute in the UK. So, you have a perfect storm of divisions in the capitalist class over the EU, deep discontent in British society with neoliberal austerity, and ideological madness and political incompetence in the Tory Party. […]

On the other side, the capitalist class on the whole backed Remain. Other sections of the professional middle class and well-paid workers in places like London, Edinburgh, and Manchester voted to remain for good anti- racist reasons. But they also fell for ideological fantasies that the EU is progressive, anti-racist, and pro- migrant.

Corbyn and the Labour Party were caught in a contradiction. Corbyn stands in the tradition of Tony Benn and others, who long opposed the EU as a capitalist club. But he knows that the bulk of MPs supported Remain, and his base was divided between Leavers and Remainers. As a result, the party mildly supported Remain.

AS: May's failure to get a deal over Brexit and the long delay are likely to precipitate both a general election and a leadership fight in the Tory Party, right? What will happen to them in an election? What will happen in Labour, where Corbyn seems to be under massive pressure from Remainers and Leavers at the same time?

ND: Most of the sane elements of the Tory Party did not want a delay for Brexit, because they were worried it would trigger a general election, in which they know they would suffer one of the biggest defeats in their history. There will be a fight over party leadership in the run up to the elections.

A bunch of buffoons like Boris Johnson will stand for party leader. […] Many of those members are in the extreme wing of the Tory Party; most of them are over 60 and will probably vote for the most right-wing candidate possible. The more rational elements know that would be a disaster because they know that a right-wing leader would be totally unpopular in the general election. […]

But the main electoral opposition to them, Labour, is also deeply divided. The Blairites, who are for remaining in the EU, have launched unrelenting attacks on Corbyn for months. They charged him with being an anti- Semite, and they have denounced him for his reluctance to aggressively campaign for Remain.

Their attempt to portray Corbyn as antisemitic and their assertion that antisemitism is rampant in the Labour Party are of course absurd. They are intentionally confusing Corbyn's support for Palestinian rights with antisemitism. In reality, he has a long record of combining opposition to antisemitism with support for Palestine. […]

Nevertheless, the Blairites, who are the majority of the MPs, weakened Corbyn with these attacks. They will do anything to get rid of Corbyn. So, Labour is deeply divided and it will be very difficult for the party to come up with a manifesto for either the upcoming EU election or a general election.

While the two main parties are deeply divided, other parties are in a better position politically. There are two anti-EU parties, UKIP and Nigel Farage's new Brexit Party, with clear platforms. On the

other hand, there are a range of parties supporting Remain, including the Scottish National Party (SNP), the Greens, and the Liberal Democrats, and as a result they too stand to gain in any future general election.

AS: What are the dynamics behind the push for a new vote on Brexit? What are the class and social forces behind it? Will it happen, and what would be the likely result of a new vote?

ND: The main backers of Remain and a new vote on Brexit come from the big capitalists, the professional middle class, and sections of the well-paid working class. Each has different visions of the EU. The bourgeoisie wants to stay in the EU or secure a soft Brexit for their class interests and neoliberal project.

They have drawn behind them sections of middle- and working-class people who have illusions in the EU as a progressive and anti-racist institution. […] In reaction to this push for a new vote to remain, Corbyn is trying to maintain a studied ambiguity about where exactly he stands. He supports the least bad Brexit possible, while all the time saying we need a general election, but has so far been silent on the question of a second referendum. […]

AS: How will the fight over Brexit affect the EU?

ND: As I said earlier, the EU is of two minds on Brexit. On the one hand, they want to punish the British suffi ciently scare anyone else away from doing an exit of their own. And they are succeeding in this; even right- wing governments and parties, who are mainly opposed to migrants, have dropped plans for leaving the EU because they do not want to suffer Britain's fate.

On the other hand, the EU doesn't want to be so punitive as to force a hard no-deal Brexit that would affect their economies. […]

Nevertheless, they don't want to concede too much to Britain that would in any way compromise their neoliberal project. […]

AS: What does this all mean for the neoliberal program of free trade globalization?

ND: Brexit is a sign that neoliberalism is weakening as a regime of accumulation or possibly coming to an end, not just in Europe but around the world. Protectionism is beginning to revive. Some of this is just rhetorical, but the conflict between the United States and China is a harbinger of things to come. I think we are probably in a transition to a new phase of capitalism.

This transition is going to last a long time. […]

I'm not sure what that new regime of accumulation will be, nor am I clear what range of options capitalism has now. We won't know the real form of its replacement for a decade or two. At the moment, you're seeing the ruling classes reviving old strategies from the 1930s, like tariffs. […]

AS: Finally, the radical left seems to have been divided, confused, and unable to impact the crisis over Brexit. Are there any signs of this changing? How should the revolutionary left position itself today?

ND: British politics is highly contradictory right now. On the one hand, there is the unending crisis around Brexit, which frankly the radical left has yet to figure out how to intervene in with any degree of coherence and influence. On the other hand, there signs of hope, especially the Extinction Rebellion, which has essentially closed down the centers of London and Edinburgh for days, with hundreds of young people arrested.

This action has come on the heels of the massive protests and school strikes against climate change. These have been some of the biggest actions since the anti-war protests in the 2000s. But they are different from those protests and earlier ones. Young people, largely from outside the traditional parties and organizations of the left, are initiating these demonstrations. […]

We need intellectual clarity about what we're doing, first and foremost. The approach of the British International Socialists back in the early 1960s is more like what we need to do today. It was about 500 people, it had real analysis of the dynamics of the system, and it was open and fl uid and really more "Luxemburgist" than Leninist. So, we need revolutionary organization of that sort.

In the movements we need to gather together people who agree and want to collaborate, regardless of organizational affiliation, around shared viewpoints to push demands on a left government if it comes to power. This is classic united-front tactics […] [W]e have to work together on what we agree on, like anti- austerity, freedom of movement, more democracy, defense and expansion of the welfare state, and so on.

We have come to the end of the process of party building that began in the 1960s. We are in a new phase and there are new movements. Of course, there are similarities with the past, and there will always be as long as capitalism exists; but the left should stop expecting tomorrow to be like yesterday and the day before that. […]