

Identity crisis

“A large part of the political class, and seemingly a sizeable proportion of the country’s educated elite, have distanced themselves from the majority of the country. Never in modern times has there been such an overt and even contemptuous attempt to deny the legitimacy of a popular vote. Edmund Burke in the 1790s gave credit for our freedoms to ‘the wisdom of unlettered men’; William Ewart Gladstone believed that ordinary voters ensured the morality of government; the great French political theorist Alexis de Tocqueville realised that everyday experience enabled people to make sensible choices. But today, some prominent voices imply that only those with university degrees have opinions worth listening to. We might be back in the 1860s, when the Liberal MP Robert Lowe, who opposed giving working men the vote, sneered that ‘you should prevail upon our future masters to learn their letters’.

“Why has Brexit caused such a strain to our politics and, more worryingly, to our sense of community? It was fashionable not long ago to say that no one cared about ‘Europe’. What has changed? It goes much deeper than debates about the merits or demerits of the single market or the customs union — technical issues that few people on either side understand and which experts seem to think will have few long-term consequences.

“Brexit has become a question of identity. Theresa May touched a sore point when her innocuous comment about ‘citizens of nowhere’ caused such outrage. I am not the only person who feels an odd sense of déjà-vu when listening to Remainers. The philosopher John Gray recently ventured a comparison with the ‘fellow travellers’ of the 1930s. Others recall George Orwell’s contrast between ‘the vast majority of the people who feel themselves to be a single nation’ with ‘the English intelligentsia’ who ‘take their cookery from Paris and their opinions from Moscow’. When I hear prominent Remainers unquestioningly supporting the demands of the EU Commission, however incoherent and excessive, I cannot but remember the opposition leader Charles James Fox happily admitting during the Napoleonic Wars that ‘The Triumph of the French government over the English does in fact afford me a degree of pleasure which is very difficult to disguise..’”

“..We may be entering a more dangerous age, and certainly a more volatile one. Globalisation and economic instability, technological innovation and the shifting balance of power will change our world. The revolution in communications may have as seismic an impact as the printing press, which began two centuries of cultural and political earthquake.

“Even within established democracies, what would once have seemed unthinkable is now commonplace: whoever predicted the victory of Trump, the apotheosis of Corbyn, the invention of Macron, the crisis in Spain? No one knows the future of China or the dangers posed by newly nuclear-armed states. No one can tell whether the ‘clash of civilisations’

warned of by the American political scientist Samuel Huntington may break out. No one can predict whether we shall manage to limit climate change.

“Brexit means that in the face of all these dangers and uncertainties, we have chosen a national, rather than an international, path. This choice, which may turn out to be truly historic, is at the root of our present dissension: it has, at least for a time, divided what David Goodhart calls the ‘Somewhere’ people from the ‘Anywhere’ people. We have chosen to leave an organisation which, whatever its many failings, was an attempt to deal with modern problems by supranational organisation. For more than a century, theorists have advocated just such an approach: the nation was obsolete, the future lay with great continental or even global federations run by high-minded elites..”

- [Robert Tombs](#).

Two science fiction classics have a bearing on our current political predicament. The earlier of the two is John W Campbell Jr.’s *Who Goes There ?*, a 1938 novella that would be made into films in the guise of *The Thing* in 1951, 1982 and 2011. The second is Jack Finney’s 1954 novel *The Body Snatchers*, which similarly would make its way onto the silver screen in the form of *Invasion of the Body Snatchers* in 1956, in 1978, and again in 1993 and 2007. Good ideas have a tendency to be refreshed (that is to say, stolen) by subsequent generations.

The premise of *Who Goes There ?* is that a team of scientists in Antarctica stumbles upon a crashed alien spaceship and its frozen pilot. Said pilot, having been thawed out, turns out to be a shape-shifting entity that can imitate any animal form it likes, including that of man. Having debated whether thawing out an alien is a good idea in the first place, the scientists then set to wondering how they can possibly distinguish between their original selves and those among their number that *The Thing* might already have imitated. What happens next ? To paraphrase company man Burke from a third wildly successful sci-fi film franchise (*Aliens*), “there are problems and.. a few deaths are involved.” You can read the *Who Goes There ?* e-book [here](#), or listen to a wonderfully atmospheric narration [here](#).

Unlike the Campbell novella, *The Body Snatchers*, from the outset, was explicitly labelled by the critics as political metaphor. Mill Valley, California also experiences the arrival of an extra-terrestrial presence, in the form of seeds drifting earthwards from space. Cultivated in pods, the seeds replace sleeping people with perfect physical duplicates, but incapable of human emotion or feeling. A little like compliance staff, then. Many 1950s reviewers were quick to see some obvious parallels between the pod people and the Communist threat.

In the wake of the Brexit referendum (and, arguably, the election of Donald Trump), as in *Who Goes There ?* / *The Thing* and *Invasion of the Body Snatchers*, it is becoming increasingly difficult to know who to trust. Media entities, political parties and individuals that previously stood for something give every appearance of having been replaced by a duplicate from another world. So a quick refresher, for the benefit of those who may have forgotten:

- 17.4 million British voters voted for the UK to leave the EU – more UK voters than have ever voted for anything, **ever**.
- The British government promised to implement their decision.

- 85% of current members of parliament were subsequently elected on manifestos promising to honour the result.
- And here we are..

Exactly where **here** is, however, is unclear. Take Anna Soubry, for example (please !). Here is what she was saying in 2017: “You can’t vote for a referendum and then renege on delivering the result because you don’t like the result.” SoubryWorld: where all things are possible and all things can exist. Apart from cognitive dissonance, apparently. Much though we might like it to be otherwise, she isn’t alone. Project Fear 2.0 (whose membership includes the IMF, the Bank of England, and the CBI, though no longer the serving US President) is alive and well and pursuing exactly the same dismal propagandising that helped it to lose the referendum the first time around.

“I spy a Leaver !”



Courtesy United Artists

Insurance, insurance, insurance. British politics has become so dreadfully debauched, and the future political (and therefore economic) outlook so uncertain, one hesitates even to renew a monthly travelcard. If Brexit becomes disorderly or, even worse, is frustrated, can a Corbyn / McDonnell government be far behind ? This, not Brexit ‘in isolation’, may be behind the jitters rippling through the FTSE and manifest in the GBP exchange rate. Which is one **huge** reason for maintaining an interest in genuine geographic diversity (among equity investments, and not merely FTSE-related holdings) and in genuine asset class diversity (by keeping bond exposure in general and long-dated Gilt exposure in particular to a minimum, given the potential geopolitical threats). And we haven’t given up on the precious metals and related equities, either.

This is not ‘merely’ the vocalised concern of a Leave voter who fears that his vote will end up having being utterly wasted by a craven political class, a.k.a. ‘the Establishment’. If, after a 17.4 million-strong majority vote is ignored by said political class, there will be repercussions way beyond a lingering, ill-tempered debate about how best the UK is to govern itself and manage relations with a continental political bloc that it never agreed to join in the first place. If Remainer MPs want to reshape the UK in the form of a banana republic in line with their willingness to overturn a legitimate vote whose outcome they simply do not accept, they should appreciate that banana republic financial markets also trade at banana republic discounts to those markets where democracy and the rule of law still find some respect amongst politicians. Open Pandora’s Box, get evils. Or, as Bertolt Brecht put it,

Wouldn’t it be simpler if the government
Dissolved the people and
Elected another ?

One would like to think that sanity might prevail. But on current evidence, expecting sanity from the tainted political class of 2018 seems like a pretty tall order. We will continue to invest on a globally unconstrained basis. When the UK sorts itself out, let us know.

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