SocialistAppeal

The Marxist voice of the labour movement

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Mass protests in France, General Strike in Italy

A Warning to Blair

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Comrade Hameed Khan arrested again!



Baluchistan Civil Secretariat Union Leaders Arrested

Musharraf Military
Dictatorship Resorts to
Severe Repression





A warning from Europe: Blairism will lead Labour to defeat

illions on the streets of Rome and a general strike against the right wing government of Berlusconi; huge demonstrations of workers and youth in France against Le Pen, are a taste of what is to come throughout Europe, including Britain

The election of Berlusconi in Italy was a direct result of the failure of the previous Centre-Left government, which had bowed down to the pressures of big business and introduced pro-capitalist policies. This is not an isolated incident, as the political earthquake in the first round of the French Presidential elections demonstrates. The Socialist party government of Lionel Jospin continually attempted to appease big business, resulting in profound disillusionment. This failure opened the road to the right wing capitalist parties.

The votes in France reveal a massive polarisation to the left and to the right. Disillusionment with the failure of Jospin was clearly demonstrated by the highest abstention in the history of the Fifth Republic. Jospin was humiliated with only 16% of the vote, just behind Le Pen.

Le Pen is a reactionary racist demagogue. He must be defeated. However, those who call for a vote for Chirac to block Le Pen are making a big mistake. The working class cannot place any trust in bourgeois parties but must organise to defeat the right with their own

organisations and methods, in the first place the trade unions must organise demonstrations and protests.

Chirac will win the second round, and he will seek a Right victory in the June parliamentary elections. He will attempt to crack down hard on the working class. The worker's and youth has to prepare now for these inevitable attacks, and organise to meet them on the industrial front and on the streets.

In Britain, while there is no immediate threat from the Tories, let alone the far-right (despite the media scaremongering), the pro-business policies of Blair are preparing a disaster here too. The 2001 general election saw a huge rise in abstentions, the highest level since 1918. Now, the turnout forecast for the local elections represents an even lower point. An ICM poll reveals that on 2 May, we are heading for an alltime low poll of 26%.

The advance of the National Front in France has led some to raise fears of a BNP breakthrough. "We are taking it extremely seriously", stated Labour's chairman Charles Clarke. And what is his answer? To place 'law and order' at the centre of Labour's campaign! To undermine the BNP, they are scan-

dalously pushing Labour further to the right!

Although the BNP is a pernicious racist grouplet - it represents a physical threat to individuals and should be combated by the labour movement - its electoral support nationally is insignificant. It can in no way be compared to the French NF. Any support the BNP may pick up is out of disillusionment with Labour, which has failed to answer the problems of the inner city areas.

Phil Woolas, a government chief whip and MP for Oldham East and Saddleworth argues that voters should back other parties than Labour to keep the BNP out. Voting for Tories or Liberals is no way to fight the BNP. "What has been brilliant is the number of Labour, Lib Dem and other candidates coming on board wanting to work with us," said Charlotte Smith of the Anti Nazi League.

But this "broad church" opposition is no solution either. Neither by moving to the right nor by cosying up to parties and groups on the right, can these poisonous aroups be defeated

The only reason why the racists can get an echo is due to the unemployment, poor housing and social conditions in the inner cities. It is the failure of Labour policies that plays into the hands of the racist groups. Unless you can offer a solution to these problems, which are a product of capitalism, then no amount of moralising will defeat the racists. Only by Labour adopting socialist policies can

the ground be cut from under their feet.

Instead, Blair is continuing his big business policy. He has linked up with the right wing in Europe, notably Berlusconi and Aznar, to promote an anti-worker agenda. No doubt he will seek an alliance with Chirac into the bargain.

The Blairites are agents of big business within the Labour movement. There is growing opposition to their policies within the trade unions, and this is also reflected in the growing abstentions in elections in traditional Labour strongholds. France is a warning to the workers of all Europe, including Britain. The danger is not of fascism, but that the failure of reformism and Blairism prepares the way for new right wing Tory governments. The attempt to stand candidates against Labour by such groups as the Socialist Alliance is a dead end. Predictably, these groups will gain a derisory vote.

The solution is in the hands of the trade unions. They created the Labour Party. Why should we leave the Blairites in control? It is about time the unions took it back! This must go hand in hand with the fight for socialist policies. Only by taking over the commanding heights of the economy can we solve the problems of unemployment, poverty pay, poor housing and poor social conditions once and for all. Only then can the aspirations of working people be fulfilled and the Tories and racists confined to the dustbin of his-

AMICUS-AEEU General Secretary Election: Right wing attempt to fix branch nominations

desperate attempt to prevent branch nominations for Derek Simpson, the left wing Unity Gazette candidate for the AEEU-Amicus General Secretary election, has been made by full time union staff with the help of the AEEU Head Office Membership Department. AEEU rules require 15 branch nominations for a candidate to be able to stand for election as General Secretary. Over the last few years, since the EETPU merger, there has been a wholesale branch closure and merger programme with the imposition of un-elected full time officers as Branch Secretaries by the Executive Council of the Union. The branches that have been closed and merged are mostly left wing branches, or those outside the control of the right wing Executive. Opposition branches, such as Dagenham Motor Vehicles or the London Construction Branch, whose members were involved in the successful Jubilee Line strike action, have been formed from a merger of smaller left wing branches into large branches with over 3000 members. There are some branches however, such as those in the staff association section EESA, with a membership of one!

At it's nomination meeting on the 8th April the Dagenham Motor Vehicles Branch had five newly transferred union employees attending and voting for Jackson. They failed with only 6 votes, while 16 voted to nominate Derek Simpson. The following night two of the five turned up at the West London Branch, along with other union employees, complete with newly issued membership cards to vote for Jackson with a narrow victory of 24 votes to 25. On the 10th April another of the employees who had voted at the Dagenham meeting appeared at the London Construction Branch, along with other union employees, to once again vote for Jackson!

Despite all of these desperate attempts to prevent Derek Simpson from being nominated, he has so far received over one hundred branch nominations. This is despite the refusal to circulate information that Derek Simpson was standing, even though a letter was sent by the Union appointed Returning Officer to every AEEU Shop Steward that Jackson was seeking nomination at the April Branch meetings. There will no doubt be more dirty tricks displayed by the right wing up to the time of the election in July but their tactics show they have lost the political argument. Derek Simpson opposes privatisation, partnership and no strike deals; which do nothing to protect members' jobs or conditions but only allow further exploitation. He wants to restore democracy to the union and return it to the traditions of class struggle on which it was built. It is these issues that will defeat all of the manoeuvrings of the right wing and will lead to Jackson's defeat.

By Des Heemskerk, AEEU Dagenham Motor Vehicle Branch (personal capacity)



Overworked, underpaid and in debt

slef members at Nexus, the Tyne and Wear metro system, have voted for a series of strikes after throwing out the latest pay offer from management.

Members voted 53-7 to reject the offer following news that the Director General of the company had just been awarded a 10% pay hike.

Unison members in London are voting for strike action over their claim for increased London weighting. The ballot result is awaited as we go to press but indications from big workplaces and a recent consultative ballot are that there is likely to be a significant majority in favour of action.

41% of nurses are suffering from work-related stress according to a new survey by the Royal College of Nursing. The results were released following news that an NHS nurse had committed suicide after running up huge debts as a result of being paid just £16,000 a year.

Students debt has trebled in the last three years according to their union.

The National Union of Students survey showed that students would on average be £10,000 in debt when they leave University this year. The union said debt was restricting access to education and causing health and other problems for students.

A roof over you head? A housing crisis looms large...

he annus horriblus of Stephen Byers continued this month with yet another confirmation of Britain's looming housing crisis. The Joseph Rowntree Foundation has published its 'Britain's Housing in 2022 - More shortages and homelessness'. If New Labour has two distinguishing features they are neglecting the infrastructure - railways, hospitals and schools, and roads, and an irrational fetish for the private sector. True to form both these Blairite 'habits' feature strongly in the report.

Crisis - What Crisis?

Only a Martian or a Tory peer could fail to have noticed the regional disparity in housing costs developing over the last 20 years. In London and the South East you'll need a cool £150,000 to £200,000 just to get a bedroom for yourself and the kids whilst in parts of the North East and Mersevside local authorities have held buy one get one free sales! The media has recently discovered the problem; stories of public sector staff commuting bizarre distances into the capital from deepest Kent and Hampshire (and even County Durham!) have been flavour of the month. Alongside this a recent Newsnight televised the decline of swathes of Oldham depicting a mood of northern estates devoid of residents and hope.

Britain is heading for a staggering housing shortage. But as is the style of New Labour - its a third way crisis. Put simply the existing housing capacity is not where the jobs and demand are and no one in Millbank has a clue how to deal with it!

Anatomy of a shortage

Over the next 20 years the crisis will worsen - Why? Here's why.

More and more households! - The DLTR predict that between now and 2021 there will be roughly another 4.3 million households that need housing. Why? Well....

- ☐ We are living longer -Many homes that become vacant when their 60-year-old occupiers died are now occupied by 21st Century octogenarians wanting to stay put.
- ☐ Lifestyle trends More of us stay single for longer whether we want to or not! this has meant a huge leap in

single person households increasing by 2 million between 1996 and 2021.

☐ Economic demand - More people coming to the country to work. Between 1998 and 2021 around 135,000 people a year will come to live in Britain.

So, a cool 4.3 million new households will need to be accommodated by 2021. Taken with other demand pressures that's 210,000 new homes per year. Now you could say...'What's the panic we'll get Barrat homes on double time!' The big problem is that they are on triple time at present and they are still 56,000 homes a year short. Over 20 years that's a staggering shortfall of 1.1 million homes. You could also argue 'Okay, so time's tight, we need about 4 plus million new homes, but at least we've got the room!' We have the room but this is where the problem gets really nasty especially when you think about where the demand really is. If you leave your fate to the market and New Labour have, the vast majority of those homes will need to go into London and the South East. Surrey's looking at losing a golf course or two! Not providing these homes will have a dramatic effect. Public services, already at crisis point, will find it impossible to find staff who have been priced out. Schools, hospitals and transport will worsen further.

Where is this demand in the South East coming from? Contrary to the popular belief the South East is not heaving with Geordies or displaced Mancunians. The greatest pressure on the Housing stock in the South East is from Londoners abandoning the capital, often splitting from one household into two. Second to this pressure is the natural growth of the population (more births than deaths). Whatever the cause the effect is the same. Prices in the South East are now so high that workers on an average wage really do have to hope 'it could be you!'

By Mark Townsend

New Labour-New Homes?

Okay, You might want to stop me here. Didn't I just say that you need a hefty £150,000 plus to bunk down in the South East? So how are we meant to buy these houses? In the strange world of New Labour the answer apparently is 'Don't panic! - Rent!' The plan is to build affordable housing for rent or shared ownership, and bung an interest free £10,000 on teachers, nurses and the police to enable them to get that all-important foot on the ladder. Looks good on New Labour glossy paper but how's it turning out on the ground?

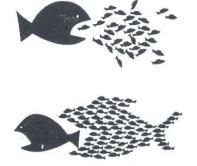
Well to be honest it makes railtrack look good. Blair and Byers have managed to continue the national house building shambles. Incredibly house building in the UK is lower than in 1940 - 41. Churchill could at least blame Hitler! What about affordable housing?...To New Labour's shame, since 1997 the number of affordable homes for rent, built by Housing Associations and Councils has declined. At no time under Thatcher were fewer homes for cheap rent built... a mere 17,700 homes last year.

So let's summarise. The UK needs 4.3 million new homes by 2021. The vast majority are needed in the places where most workers can't actually afford them, the solution of building cheap rental homes and part buy part rent schemes is delivering a mere trickle. Easy to see why Byers ignores it isn't it?

Housing doesn't exist in vacuum. There's no lever in the DLTR that Blair or Byers can pull to fix the problem. The housing crisis is the product of the market. Its imbalances - poverty and empty homes in the north with overcrowding and £100,000 bedsits in the South. The only alternative is a planned socialist approach to dealing with this imbalance. Jobs and homes are two sides of the same coin.

Britain needs a massive investment in housing over the next 20 years all the signs are that it won't happen. The Tories and New Labour have no desire to buck the market. Socialist Appeal's programme makes that link and its delivery is a crucial step in ensuring that in 2022 you'll have a roof over your head.





Cardiff UNISON strike solid

by Mark Turner **Cardiff Co UNISON Labour Link Officer** (Personal Capacity)

uch has been made in the media of the 'control freak'-ery of the Millbank tendency and Tony Blair in particular. Of course, to give it this title denigrates its significance to a peculiarity of the personalities concerned; a mere psychological tick and nothing more. However, to those on the left of the movement there is nothing unusual or peculiar about this tendency, towards total control kept in the hands of a few privileged individuals at the head of the movement. It was one of the most obvious features of the Stalinist trend in socialist history, and the phenomenon is present wherever the rank and file of the labour movement are inactive and allow power to be soaked up by its 'leaders' and away from democratic control. So it should come as no surprise to find that same 'control freak'-ery reflected in local New Labour fieldoms. Such is the case at Cardiff, apparently 'Europe's Newest Capital'.

The Labour leader and Lord Mayor, Russell Goodway, since the Welsh Local Government re-organisation in 1996, has

steadily acquired more power and personal influence over the workings of Cardiff County Council. He has weeded out those who are not avid sup--porters and now controls a lucrative system of patronage within the council. The Labour group is very obedient, with those few councillors who dare to even hesitate giving full support being disciplined by the whip. The council is now run by a 'cabinet' system which has meant the abolition of committees, and the handful of cabinet members making all major decisions in private, without minutes of these meetings being available. Whereas previously minutes of committee meetings were available in public libraries for all to scrutinise, now they are only available through the council web-

'Backbench'

Labour 'backbench' councillors frequently complain that they know so little about what is going on and have so little effect on decision making that their role is pointless. Meanwhile the Cabinet and executive councillors are reaping rich financial rewards, being paid in line with Welsh Assembly members, 'allowances' of up to sixty thousand pounds a year. Now Goodway, who has earned the nickname in the local press of 'Goodwage', has further centralised power by ending the election of the cabinet by the Labour Group and directly appointing them himself.

sheds light on a little local dispute that is underway in the Welsh capital. On March 27th the Cardiff County Branch of UNISON took a day's strike action in protest at the sacking of a senior social worker. Charles Faber, Charles Faber has been a UNISON(previously NALGO) activist for 20 years and is a very respected senior steward. His job is to manage the Children's Services Emergency Duty Team, which provides round the clock, 7 days a week protection to vulnerable children in the capital. For years Charles has pointed out that there are dire problems within the children's services part of the County's social services, and that the failings in the system, lack of qualified staff etc would result in some poor child being killed. In Spring of 2000 he appeared, with another UNISON steward, before the Council's so-called 'Scrutiny Committee' to present this case publicly. The one Labour Councillor who questioned the authority over Charles Faber's evidence had the whip withdrawn from her. Immediately following his appearance before the Committee, a major audit was carried out on the area over which Faber presided. When no action was taken to address the real issues he'd raised, Charles agreed to take part in a Panorama TV programme highlighting problems with Child protection nationally. However, the programme was pulled by the BBC as it was due to be aired soon after September 11th. Instead

It is this background which

the BBC Wales documentary series 'Week In Week Out' took up the footage and based an entire programme on Charles Faber and Cardiff's Child Protection failings. Within hours of the programme being aired Charles Faber was suspended. In February he was sacked.

Injuction

Goodway took out an injunction against the BBC. When the South Wales Echo then ran a series highlighting problems with Children's Residential Homes identified by UNISON, they referred them to the press complaints commission. When UNISON tried to get the matter discussed at the County Labour Party, the Cabinet members refused to discuss it, saying it was 'sub judice' but still managing to smear Faber in the process. They say that he was not sacked for whistle blowing but for managerial failings, basically that he went over budget and paid himself too much overtime. As Aneurin Bevan once said, 'you show me your truth and I'll show you mine!'. It is true that Faber made many mistakes as a manager, but he was working up to 90 hours per week on occasion in order to cover vacant positions and ensure the vulnerable children of Cardiff were protected. If his choice was to stay within budget or not provide the service then his choice was clear-children come before money.

On March 27th 3500 UNISON members from all council services took strike action in defence of one man. A rally with nearly 500 members took place outside County Hall and many members from other trades unions observed picket lines. It was a marvellous display of solidarity, and an indication of the power of the trade union, that even with a difficult case like this - a point of principle - the members will take action. The focus now shifts to the Employment Tribunal and a campaign to raise the profile of the case, with fringe meetings at the Wales TUC conference etc, and the practical issue of sustaining Charles Faber and his family. The question of further industrial action has still to be determined, but the defence of those who refuse to bow in deference to Goodway, and of victimised trade union activists is clearly something trades union members will continue to rally to. March 27th was a warning to Goodway not to think that UNISON members are the sheep that many of his councillors are.

Donations to the Charles Faber Hardship Fund should be sent to Cardiff County UNISON, Room 104 County Hall Cardiff. ◆

Strikers step up fight for a living wage

Strikers at Guardian-owned Greater Manchester Weekly Newspapers have named a further five strike days in their fight against low pay and for union rights.

Journalists at the titles are paid as little as £10,480 a year while the company made £12.4 million profit last year.

NUJ members at the titles voted 100% in favour of strike action after rejecting a 2.5% pay offer. On the day the ballot result was declared the company announced that they were derecognising the NUJ and removing all the rights of the union to negotiate on behalf of its members.

Journalists have already staged four successful days of strike action and have won widespread support from across the trade union movement. On the first day of the strike three new members joined the union on the picket line.

What shocks many people is that these papers are owned by the Guardian Media Group, whose flagship titles The Guardian and The Observer have much to say in their pages about low pay and bad employers. Yet they fail to see the hypocrisy of the situation where some of their journalists are earning more than £10,000 less than the national average wage and where they deny workers the fundamental right to be represented by their union.

On top of that local bosses have offered strikebreakers £100 a day "production bonuses" to try to break the strike. NUJ members responded in the best way possible by naming further strike dates.

by Dean Jenkins

What you can'do:

- Send letters of protest to Hugo Young (Chair of the Scott Trust that owns the company) to hugo.young@guardian.co.uk and Alan Rusbridger (Editor, Guardian) at alan.rusbridger@guardian.co.uk or to 119 Farringdon Road, London EC1R 3ER. Please send copies and messages of support to Jeremy Dear, NUJ, 308 Grays Inn Road, London WC1X 8DP or lisar@nuj.org.uk
- Send donations to NUJ, 22 Swan Street, Manchester M4 5JQ. Payable to GMWN NUJ Fund
- Join strikers on the picket lines at Rochdale, Middleton, Accrington, Oldham, Salford, Heywood and Rossendale
- If your union advertises in The Guardian, Manchester Evening News or Observer please write to your General secretary calling on them to stop

For further information on the campaign contact Miles Barter on 0161 834 0240



Gordon's gamble

by Michael Roberts

o there it is. The most popular budget in 25 years. 65% of those asked thought Gordon Brown's 2002 budget was "good for the country", despite the fact that it meant a rise in annual taxation of over £8bn. Indeed Brown is now the most popular Chancellor since Denis Healey (!) in 1977, another tax-raising Labour Chancellor.

What does that tell you? First, it tells that, contrary to all the Tory press lies, British working people are not opposed to paying more in taxation if it is for worthwhile services and the form of the tax burden is fair. And second, it shows that the great gain of the labour movement after 1945: a National Health Service - tax-funded and free at the point of use - is something still cherished by most working people, despite the terrible way that it has been run down by successive Tory and Labour governments.

At last, this New Labour administration has recognized the importance of at least

some public services, rather than continually encouraging and financing big business to deliver the basic needs of the community. But remember this new spending programme 🕝 does not start until April 2003. That's nearly six years after New Labour came to office. And in those first years, Blair and Brown stuck rigidly to Tory public spending plans. Education, health, transport, social services, local government services and housing were starved of funds, even though the tax burden of the national economy rose.

Tax revenues

What happened to tax revenues? As Gordon boasted in his budget speech, the money was used to pay down "public debt". New Labour paid off the owners of government bonds used to borrow money for spending in the past. In other words, for six years, the government raised the tax burden to pay off loans from the City of London. As a result, Gordon can boast that Britain

has the lowest public debt to national output ratio in the OECD, around 30%. This policy outdid the Tories for what Gordon likes to call "prudence". It's as though you had a mortgage on your house that was equivalent to 50% of the value of the house and you decided that rather than spend any money making sure the guttering was all right, the electrics worked and you had central heating, you would use any extra money you scraped together to pay down the mortgage by 10%. This was "prudence" gone mad.

But anyway, now the policy is to be altered. Taxes are to be spent on improving health and education. Of course, there's nothing for anything else. Britain's deplorable and expensive transport system gets nothing. The UK's shocking lack of reasonably priced and available housing will get no help from the public purse. Local authority services, particularly social services that look after the elderly, the ill, the disabled and young people in care will get nothing.

OK, you might say, but at least something is being done about health. And at first sight, Gordon's promises are bold. Over the five years to 2007-08, the plans are for total spending on the NHS to rise at 7.4 per cent a year in real terms. But to do this, overall taxation must rise, from 39.1 per cent of GDP last year to 40.5 per cent in 2006-07. By then, the ratio of taxation to GDP will be some five percentage points of GDP higher than in 1993-94.

That doesn't sound too bad. But the reason £8bn of extra taxes each year only translates into a 1% point increase in tax to GDP is because Gordon expects the UK economy to grow faster than it has done in 30 years. Trend growth in the economy is now assumed to be 21/2 per cent a year, up from the $2^{1/4}$ per cent previously assumed. This year the Treasury forecasts growth at 2 to $2^{1/2}$ per cent, though it is forecast to rise to 3 to $3^{1/2}$ per cent in 2003 and

 $2^{1/2}$ per cent to 3 per cent in 2004.

That's optimistic, to say the least, in a capitalist world still strugaling at the lowest rate of growth for 30 years. It assumes that the world economy will start to arow fast and sustain that growth right through this decade without any economic slump. And interestingly, the Treasury's increased estimate of longrun growth owes nothing to Gordon's efforts to improve the productivity of British capitalism through an "enterprise culture". It is based purely on a higher estimate of growth in the workforce caused by immiaration and higher labour force participation. In other words, health and other public services are staffed increasingly by skilled workers from other parts of the world prepared to take the poor pay - and it is their incomes which will help pay

And that brings us to how the taxes are to be raised. The increase in tax is not through income tax rates but by increases in national insurance. That means both people at work and their employers must pay more. The danger of this is that it is a tax on iobs. As one bosses' representative said: "Experience suggests the higher payroll costs will be shifted on to employees." Higher wage costs would cause employers in labour intensive sectors to review employment levels ahead of next April. Companies could scale back recruitment. Companies could also recruit more part-timers. They number 7m, about a quarter of whom earn less than £70 a week, below the £89 at which NI contributions start. Supermarkets, for example, could take on more casual part-timers.

As for ordinary families, many will gain from the new benefits in the budget, including the child tax credit, but many will also pay higher national insurance. What the chancellor gives with one hand, he takes with the other. The Institute for Fiscal Studies calculates that couples with children will on average be 79p a week worse off from next April due to the combined effects of the tax increases and child tax credit. Lowincome couples will gain significantly from the tax

credit, while better off couples will lose out due to tax increases outweighing the £10.45 per week credit they will get. The Institute says just over half of couples with children will lose between £1 and £10 a week, and 13 per cent will lose more than £10 a week.

And of course the key auestion is: will the increased burden of taxation mean that there will be a decent health service at the end of this decade? The government commissioned a special report to find out the answer. The Wanless report concluded that the proposed increase of £34bn in real spending on the NHS would still leave UK public spending as a share of GDP lower than Germany's, well below France's and lower than Italy's, while squeezing money for anything else.

What that conclusion suggests is that the way to generate sufficient funds to deliver a proper health service, decent schools and colleges and other key public services that also pay their staff a proper wage is through the economy growing at a reasonable rate, not just through increased

taxes. If the UK economy could grow at 4% a year for the next decade rather than even the increased rate of 2.5% that Gordon Brown hopes for, then there would be plenty of resources to meet health service targets without raising the tax burden on the average family. But capitalism has not been able to deliver such growth rates anywhere in the OECD since the 1960s. The decade of the 1990s. supposedly a boom decade, saw growth in the UK no higher than 2% a year, and no better elsewhere.

But because New Labour has no intention of challenging the fundamental nature of the way the UK economy is structured, namely that economic growth depends on big business making sufficient profits to invest, it cannot tax business too heavily to raise funds. And above all, it cannot improve the rate of productivity of the British economy. So a better health service must come from the pockets of the hardest-working labour force in Europe. •

TAKING CARE OF BUSINESS

t now seems that Enron was not the exception which proves the rule but rather the unexception which disproves the rule. Many thought that Anderson Accounting's taste for the shredder was just a blip which had nothing to do with the noble traditions of accounting but it seems not. According to The Times of 16th April, four out of the 'Big Five' international accounting firms are now facing major legal actions of one sort or another over their conduct. Struggling Equitable Life is seeking to claw back as much as £2.6 billion from their (former) auditors, Ernst and Young. The Life Insurance firm, which stopped accepting new business in 2000 after losing a court case which forced them to meet guarantees costing over £1.5 billion, are accusing E & Y of "negligence" over their accounts. PricewaterhouseCoopers (PwC) are being accused by a setup called Hermitage Capital of providing "false and misleading audits" over the Russian monopoly Gazprom. According to this firm of stock market "investors" PwC covered up the actions of former Gazprom bosses in diverting billions of dollars away from the com

pany's coffers. This included the selling of part of a subdivision of Gazprom, called Purgaz, for just \$1,200 dollars rather than its actual estimated value of \$400 million dollars! The share was sold to a strange Florida based company called Itera, which seems to have now become the second largest gas company in

Russia. Even by the standards of Russian capitalism this all looks very dodgy indeed.♦



They think its all over is a literal

They think it's all over. The world capitalist economy, led by the US is recovering fast. Indeed, there was no economic recession or downturn at all. Or if there was, it was hardly noticeable. That's the story coming out of the business pages of the newspapers, from the TV pundits on the CNBC business channel and from all the capitalist experts.

By Michael Roberts

rom all appearances, things could scarcely be better for the US economy. It has put the recession behind it with so little attendant suffering that most people never even noticed. And now the way is clear for another upswing of growth. So are those few of us who think it's not all over clearly biased Marxists hoping in vain for the "collapse of capitalism", or just plain wrong? It looks as though we are. As the financial year ending March came to an end as Easter began, the US statisticians revised their estimate of US economic growth for the period from October to December 2001 yet again. Despite the disaster of the terrorist attack on the Twin Towers on 9/11, despite the biggest corporate collapse in American financial history in Enron, despite the war in the Middle East and Afghanistan, the US economy increased in size by Q.4% (or 1.7% on an annual basis). And last week, it was announced that in March confidence about the economy among American households took the biggest jump up in ten years. Yes, they think it's all over.

Indeed, throughout the "recession" of last year, consumers continued to spend like there was no tomorrow. "Never before have consumers spent with such abandon during a recession," comments Stephen Roach, chief economist at Morgan Stanley. "In the 28 quarters of the past six recessions, consumer demand rose, on average, at just a 0.5% annual rate. In the 4th quarter of 2001, consumption spending rocketed at a 6% annual rate."

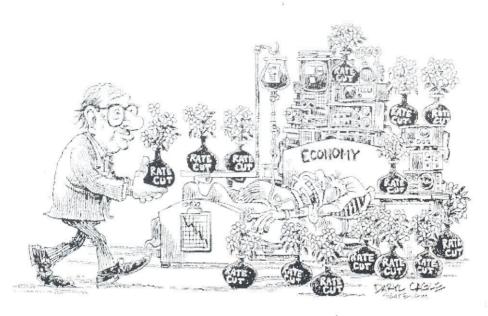
Even the unemployment picture is hardly one to associate with real recession. Factory workers were laid off in respectable numbers, but the number of managerial workers actually grew. Stephen Roach reports that "managerial bloat" increased 2.9% last year. One out of every three employees hired in

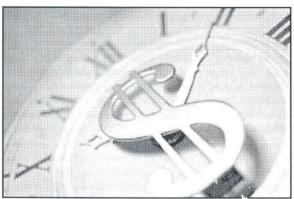
the last three years is a "manager", increasing the managerial class to 15.3% of the workforce.

At the same time, productivity continued to rise at above 5% a year, when normally it goes down in a recession because workers cannot be cut as fast as sales fall off. But rising productivity is just one of the very peculiar features of what must be not merely the mildest, but the strangest, recession ever. As recessions go, the most recent one is remarkable not for the pain that it inflicted, but for the pain it didn't.

And last month, the final seal of approval for the end of the recession came from the US Federal Reserve Bank Chairman, Alan Greenspan, the guru of the America's capitalist New Economy. But the great man sounded a note of caution about the future. "Although household spending should continue to trend up," said the Fed chairman, "the potential for significant acceleration in activity in this sector is likely to be more limited than in past cycles. The recovery in spending on business fixed investment is likely to be only gradual. In particular, its growth will doubtless be less frenetic than in 1999 and early 2000.

So the recovery may be modest. Or, it may not happen at all! And everybody should remember the experiences of previous capitalist recessions since 1945. It's quite common that after an initial contraction in GDP, a recovery follows for a quarter or two before the economy slumps once again. Indeed, in every previous downturn, economists, investors, and especially politicians remained very optimistic. They all continued to forecast an imminent economic recovery in the 1957, 1960, 1969-1970, 1973-1974, and 1980-1982 recessions. But in all these recessions GDP contracted, then expanded after the initial phase of contraction, but again fell thereafter.







And this time, the conditions for recovery are even more absent. In the fourth quarter of last year, profits fell another 8% and profit margins (the difference between the costs of production for each unit and the sale price) are at their lowest levels since the Depression of the 1930s. And that's key. Without profits, there will be no investment and no recovery.

Businesses make profits by selling products and services for more than they cost to produce. An individual business can increase profits by cutting costs. But one business' costs are another's revenue. So cutting costs does nothing for the economy as a whole. The way an economy increases its profits is by selling more or by raising productivity.

Productivity growth is the great hope of Alan Greenspan and bullish economists to create profits. "The synergies of key technologies markedly elevated prospective rates of return on high-tech investment, led to a surge in business capital spending and significantly increased the growth rate of structural productivity," said the Fed chairman last summer, explaining why stock prices were

so high.

With Greenspan's remarkable new productivity, one might have expected business profits to soar. Greenspan said they would. Everybody thought they would. And stocks were priced as if they would. Instead, corporate profits have collapsed. Profits were supposed to increase, thanks to the enlightened new management practices of US corporations and the new, productivity-enhancing information technology.

But the influence of these two major changes in the US economy was grossly misjudged. Instead of improving profits, they demolished them. Why? It's because rising productivity did not go into profits but into intense competition. One man's profits became another's losses. Huge investment in new technology was accompanied by no rise in prices. Profits disappeared with inflation. US prices are now hardly rising. In the last three months, the rise has been just 0.1%! The same phenomenon has been repeated across the globe in the major capitalist economies. So corporate profits worldwide have fallen for five quarters in a row, the largest drop in three decades.

And without profits, there will be no investment. Almost the entire recent rise in GDP is from rebuilding stocks. But this is a short-term phenomenon. Unless consumer spending and business capital spending takes off, demand for new production will sag. With consumers already spending as though we were at the top of a boom, and more deeply in debt than ever before, capitalists can hardly expect Americans to do more spending. And capital spending shows no sign of the real level of growth necessary to jump-start the economy.

As mentioned above, management payrolls have actually increased during the "recession". So has corporate borrowing, reaching a record of \$4.93 trillion by the end of September 2001. The cost of carrying this debt is a big burden and it is growing. Although wholesale prices (prices at the factory gate) are falling at an annual rate of 2.6%, average real interest rates are over 10%, one of the most painful rates for debt service in our history.

US corporations are building up debt. From 1995-2000 US business net fixed capital investment edged up \$321 billion but indebtedness ballooned by \$2,472 billion. For each dollar added to net new fixed investment, there were 7.7 dollars added to indebtedness. By this stage of the recession, the corporate sector has normally cleaned up its deficit spending and is well into saving for investment - but not this time around.

So we may go from the recession that never was, to the recovery that never came. They think it's all over, but Kenneth Wolstenholme is no longer here to say: "it is now!"

Workers' Rights Under Attack Unions must follow Italian lead

Following the example of the United States, Thatcher attempted to transform Britain into a deregulated low-wage economy. To the disgust of trade unionists, Blair is attempting to carry through a similar policy. **Rob Sewell** examines what has happened and argues for a radical alternative to Blairism.

he Labour Prime Minister was accused recently by the Transport and General Workers' Union of being "more Thatcherite than Thatcher." This was after Blair's decision to privatise the dockyards at Faslane, Rosyth and Devonport.

Coming on top of the privatisation of Air Traffic Control and London Underground, it was one privatisation too many. "This government is infatuated with rich men and bestows magical qualities on the private sector," said Jack Dromey, national secretary of the TGWU.

Blair has stolen the clothes of the Tories. "The Labour Party is more pro-business, pro-wealth creation, pro-competition than ever before," states Gordon Brown in an interview in the Financial Times. These so-called Labour leaders bow down and grovel before big business, while at the same time pressurising teachers to "communicate the virtues of business and enterprise" to schoolchildren.

After introducing his 'fairness at work' proposals, Blair boasted that Britain would be one of the most deregulated economies of the Western world. Now, despite promises to the contrary, the government is pushing ahead with a two-tier workforce when workers are transferred to the private sector. A leaked Cabinet Office document reportedly suggests that union demands for the

Blair has stolen the clothes of the Tories. "The Labour Party is more pro-business, pro-wealth creation, procompetition than ever before,"

same rights and conditions for transferred workers would "seriously lessen" contractors' "flexibility" and "diminish the benefits of outsourcing and public private partnerships".

Scandalously, British workers work the longest hours in Europe and the United States - something like 25% longer. The 48-hour working week is the most frequently flouted workplace right. However, Tessa Jowell, employment minister, says the government has been very careful not making the legislation an "unnecessary regulatory burden on business."

Britain is the only country to insist on a loophole making the 48-hour rule voluntary. In many places, workers are regularly denied sick pay and holidays. At the same time, business pays the lowest corporation tax (lower than any time in its history!), and the lowest employment costs in Europe and the United States. Social insurance and labour taxes average 24% in France, 21% in the US and only 13% in Britain.

"Enterprise and fairness"

Brown, who is seen by some as an alternative to Blair, has been the most strident in support of pro-capitalist policies. "Those people who are suggesting we move backwards from that agenda are not in my view expressing the sentiments the Labour party wants to support - that we have got to combine enterprise and fairness." But this pandering to big business goes against the fundamental traditions of the Labour Party as a party of the working class.

After 18 years of Toryism, the bosses have the whip hand in the workplaces of Britain. And yet, those who seek to defend the public services and the rights of workers are attacked as "wreckers" by Blair.

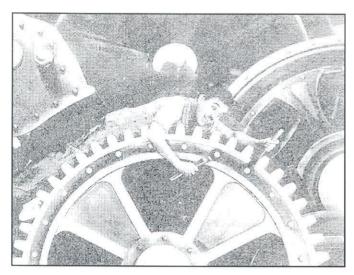
Blair has also linked up with the extreme right in Europe, like the Italian PM Berlüsconi and the Spanish PM Aznar, to undermine workers' rights. This follows the British experience, where workers here have less workplace protection, work the longest hours and have the shortest holidays in Europe. Stress levels have gone through the roof. Last year, the official figures for the number of deaths at work rose by 32%. There is even talk of increasing the retirement age to 70!

Blair, Berlusconi and Aznar

"Europe's labour markets," Blair wrote in Italy's Corriere della Sera, "need to be more flexible.

Businesses are still encumbered by unnecessary regulation." The paper produced by Blair, Berlusconi and Aznar, called on EU states to introduce "more flexible types of employment contracts"; to replace labour laws with "soft regulation"; and to increase "the effectiveness of public employment services... by opening this market to the private sector."

The Blairites have turned the clock back for British workers. Job insecurity is at a post-war high. Workers can be sacked more easily in Britain than any other European country. And yet, the Blair gang wants to marginalise the trade unions even further. They have maintained the anti-trade union legislation of the Thatcher years. They have told the union leaders in no uncertain terms that they can expect "no favours" from the Labour government, only "fairness". But this is simply a bad joke. There is absolutely no fairness in the workplace for millions of workers. The only people who are getting



"favours" are the bosses.

They are systematically using their dominant position to squeeze every ounce of surplus value from the labour of the working class. Profit comes from the unpaid labour of working people. Therefore, through a variety of means (part-time working, short-term contracts, new terms and conditions, etc.) workers are facing a vicious increase in exploitation. This applies to white collar as well as blue collar workers, as is testified by the increased workload of teachers and civil servants over the past years.

No wonder every year, 150,000 workers take at least one month off for illness caused by job stress. More than 6.5 million days are lost and, at any one time, an estimated 500,000 workers are off sick with anxiety or depression. Now, in true Dickensian style, new rules have been introduced to prevent compensation claims for stress-related illness. "Lady Justice Hale said it should not be the responsibility of an employer to make exhaustive investigations into the mental health of employees" reported The Independent (6/2/02). "Instead, the onus was on the stressed worker to decide whether to leave the job or carry on working and accept the risk of a mental breakdown"!

This is the Thatcherite model of Britain in the 21st Century. In reality, it is a vision of the 19th Century. It has now become the model for Tony Blair. Follow our example says Blair to his European counter parts. "Free up your economies from the burdens of worker protection!" No wonder Berlusconi and Aznar have come to his aid. They are the most rightwing leaders in Europe.

However, Berlusconi's attempt to take Blair's road has brought him into collision with the trade unions and the Italian working class. Up to three million workers have taken to the streets to oppose him. A successful general strike has paralysed the country. The Italian workers are not prepared to give up their rights and conditions without a struggle.

A real fightback

It is about time the trade union movement in Britain got off its knees and started to fight back. Even John Monks described the alliance of Blair. Berlusconi and Aznar as "bloody stupid". However, Monks can squeak all he wants. He supported Blair all the way in his class collaboration policies. Monks wants the lion and the lamb to lay down together. He sees nothing wrong with taking the lamb to the slaughter, if it provides him with peace and quiet. But the British working class is no lamb. Once aroused, the British worker can be as determined as any other.

It is about time the trade union leaders organised a real fightback. The bosses have been getting away with murder □ Down with the Blair-Berlusconi-Aznar Alliance!
 □ Link up with our brothers and sisters in Italy and Spain!
 □ No two-tier workforce!
 □ Repeal all anti-trade union legislation!
 □ For a 35 hour week! A living wage for all workers!
 □ No to PFI! No to privatisation - rena tionalise the lot!

Fight for socialist policies in the

over the last fifteen years. They have robbed the workers of their rights in one sector after another. The spate of strikes and strike ballots over the past period is an indication of a new mood in the working class. You can only stomach so much. Enough is enough.

Labour movement!

Blair and his new-found friends in Europe have thrown down a challenge to the workers. Blair wants to go much further in his attacks on the working class. The "reform" of the public services, privatisation, PFI and PPP, are all part of a generalised offensive against the conditions and rights of working people. Now is the time to fight back!

Jack Dromey, the opportunist Transport Union leader, has talked about a new Summer of Discontent. It is about time that the trade union leaders used the power of the trade unions to stop the employers' offensive in its tracks. They must take the Italian road!

The TUC must organise a mass demonstration and lobby of Parliament over workers' rights.

he annual TUC report Focus on Services for Injury
Victims shows that work related stress has increased
twelve fold, with 6,428 new cases reported this year,
compared with just 516 last year. Many unions report that
stress claims represent the largest increase in cases, which
in the last year have included 51,204 new personal injury
claims.

THE Health and Safety Commission's (HSC's) Health and Safety Statistics 2000/01, published in October 2001, show that there were 295 workplace fatalities last year, compared with 220 the previous year. Just over one third of these occurred in the construction industry alone and a further 17 per cent in the agriculture, forestry and fishing sector.

There were also and estimated 7,800 new cases of workrelated musculoskeletal disorders and an estimated 6,600 new cases of work-related stress and mental health problems seen by specialist physicians in 2000/01. ◆



Tangled up in blue

Is the new-found Royalist optimism justified? The events following the death over Easter of the Queen Mother have aroused considerable passion amongst the nation's press for a so-called revival of the monarchy's public standing. By Steve Jones

he editorial in *The Mirror* on the day after the funeral was not untypical of what the papers have been saying: "...It was a turning point. A day after which the future of the Monarchy is assured... Long may they reign over us. After almost 50 years on the throne, the Queen has never had such authority"(April 10th, 2002) *The Mirror* then continued for paragraph after fawning paragraph to attempt to push the clock back to an era when all us common folk stood for the national anthem in cinemas and had pictures of royalty on the shelf. Except we didn't do that then and it won't be happening now. *The Mirror* may think that recent events have "...reignited the British people's faith in, and love for, the Monarchy." But in the real world things are actually very different.

Let's consider the process of events following the Queen Mother's death in detail. The news broke late Easter Saturday afternoon. All the media immediately moved into auto-pilot using much rehearsed plans which had been reworked and polished for, in some cases, decades. Much would be made later, especially by the Tory press, of the BBC's Peter Sissons' failure to immediately wear a jet black tie. However, whereas 15 complained to the BBC about this, over a 1000 complained about the moving and cancellation of scheduled programmes for that weekend. This was an early sign that the nation was not exactly paralysed with grief. Commentators rushed with TV crews to Buckingham Palace and Windsor to attempt to describe scenes of silent sobbing people wandering around in a state of shock, except that what they were actually getting was shots of some bemused tourists and other TV crews. Something was clearly not happening. By the beginning of the week books of condolence had been opened and signs set up for the expected queues of loyal subjects queues which never formed.

By Wednesday *The Mirror* could stand it no more. In a front page leader, headed by a picture of a non-queue outside St. James's Palace, the paper laid in to all us disrespectful lot: 'To many people, the Queen Mother meant very little. To others, she was a symbol of a past best forgotten. But the truth is, we should all stop and think again.' (April 3rd, 2002). Really? In a funny way *The Mirror* had noticed something which had become all too evident, that people had just not connected with this death.

To repeatedly describe the Queen Mother as a com-

moner, "one of us", was clearly being seen as nothing short of laughable. She was born into privilege and moved upwards into a world of extreme privilege. This was someone who, at her death, bore the following titles: '... the late Most High, Most Mighty and most Excellent Princess Elizabeth, Queen Dowager and Queen Mother, Lady of the Most Noble Order of the Garter, Lady of the Most Ancient and Most Noble Order of the Thistle, Lady of the Imperial Order of the Crown of India, Grand Master and Grand Dame Cross of the Royal Victorian Order... etc. etc. 'One of us? Hardly. How could anyone really relate to this?

The Mirror clearly agreed and decided that action was needed. A drive was required, they felt, to get us all literally back in line. The leader article of April 3rd, after a long rant about how hard working etc. the Queen Mother had been, concluded: 'The Mirror realises there is a big and important debate to be had on the future of the Monarchy. What relevance has it to 21st Century Britain? How much longer should we continue with an unelected dynasty as our heads of state? But there is time yet for that... So, over the next seven days, we should make the effort to think again about the Queen Mother... to pay her a fitting tribute.'

This was the cue to start the campaign. The Royal Procession was in effect turned into something to be sold, not as a solemn event of mourning but rather, as a great pageant, a spectacle not to be seen again, and all free - during the Easter school holidays as well! Come along and bring the kids! By the day itself TV reporters were excitedly out on the streets describing the best points to assemble to get a good view. Given all this and the good weather it was not surprising that people came out to see the show. This was followed up by the lying in state show and then the big funeral itself. Again the mood of those attending, whilst mixed up with assorted royalist sentiments, was more akin to that of people queuing up for the rides at Disneyland. In truth it was only through this selling of the whole event as a great historical funfair that the claimed numbers were achieved.

But what was the mood away from Westminster, in the country at large. The two-minute silence on the day of the funeral itself was largely observed by virtue of all the main shops being shut from 10.30am to 1.00pm. This was not so that people could sit weeping and watch the event on TV but rather so that behind the scenes

stocktaking or tidying up could take place. with staff being additionally forced to take early lunch hours, according to angry emails from disgruntled staff to Breakfast TV. The fact that April 9th was never made a public holiday laid down the line; nothing should disrupt the flow of profit to big business. Factories and businesses merely carried on working, in many cases without a break in production. Away from the workplaces, there was little sign, even after The Mirror's call to arms, of people responding in the 'required' way. Even walking around the East End of London, there was little sign of public grief and a desire to mark the event. No posters in windows, no flags, no nothing in fact. By and large, apart from official flags at halfmast on public buildings, there was little visual evidence to indicate that anything had happened at all.

The massed ranks of the Royal Family industry, who have all been scratching around for a living since the glory days of Diana and Fergie, are now convinced that the good times are back again. They look towards the coming Royal Golden Jubilee in June with an optimism that seemed impossible just a few weeks ago. But they should be careful. Moods can be whipped up, but will remain only skin-deep.

So are we at the point where the future of the Royals can now be debated? Since it is still apparently illegal to call for the abolition of the Monarchy in print, one assumes not. You could get an inkling of why from the Queen Mother's funeral itself. There you could see all the pillars of the state; government, civil service, the armed forces, the church and all the Lords and Ladies, the great and the good, intertwined like serpents around each other. It was a show of strength and power demanding obedience and deference from the people at large.

For decades now the Royal Family has been trying to present itself as a 'modern' force in society, opening public buildings, doing 'good works' and involving itself in important 'moral' issues of the day. During the 1980s and 1990s it moved into something akin to a soap opera for the nation, complete with marriages, births and divorces - all on TV in full colour. This culminated in the ultimate soap opera event, the death of a leading character, when Diana, Queen of the Tabloids and Hello! Magazine, went for one fast car ride too

many. What came next profoundly shocked the pillars of the establishment. In the wild days which followed her death in Paris, Diana came to be seen somewhat bizarrely as the 'people's princess' whereas the rest of the Royals were felt to be out of touch and insensitive to the feelings of the masses. In a state of panic they hurriedly had to upgrade their plans for the funeral in order to deflect mounting criticism.

When Diana's brother, speaking at the funeral itself, raised all too clear criticisms of the royal family's arrogant attitude, the resultant applause from the people outside struck a blow at the heart of the monarchy itself. To the massed ranks of privilege sitting in Westminster Abbey it must have seemed as though the age of deference itself was being buried alongside Diana. But why should any of this matter to them? After all, the monarchy surely represents an outdated expensive feudal relic that does nothing but consume huge amounts of state money.

Weapon of reaction

The reason is clear. The monarchy exists to act as a reserve weapon of reaction, ready to be used if needed. The Queen, not the elected government, is head of the armed forces, police and civil service. Indeed, the royal family have spent considerable time and energy in cultivating very real links with the military. They also have close business links with the City of London to go alongside their obvious class connections. If called upon, for example, to stop a Labour government (although clearly not a Blair led one) from carrying out left wing measures, the institution of the monarchy could be used to act against such a government, giving such actions an air of legality under conditions of crisis. The bosses are normally quite happy to keep us all believing that we decide our own fates through the so-called democratic institutions. Happy, that is, so long as real power is kept in their hands. But should these bodies become 'unreliable' then they will seek to act and in that they will hope to make maximum use of 'our' royal family. But this eroding of their position of respect and authority within society at large, so clear to see at Diana's funeral, could prove fatal to such an option.

The big plan has been to use this year's Jubilee celebrations (complete with an



additional public holiday in June) to whip up a revival of support for the Monarchy. But with just a few months to go it is becoming clear that public enthusiasm for this event is still distinctly cool. Certainly the media, which had been deriding the event, will now attempt to build it up and put a positive spin on it. However the hard reality for the Royals is that most people will still just treat the Jubilee as another extended holiday and hope that the weather holds up. Dreams that in some magical way the Royal family can be made relevant to a modern 21st Century Britain will remain just that.

The monarchy exists to act as a reserve weapon of reaction, ready to be used if needed. The Queen, not the elected government, is head of the armed forces, police and civil service.

The overwhelming majority of ordinary people face a daily life of struggle to achieve some sort of standard of living the monarchy does not live in this world. Ours is a world of rent reminders, credit card bills and wage slips, theirs is a world of tiaras, state dinners and hand waving. There is no common ground here. The Queen Mother was well known for having a hatred of the Labour movement and anything that sought to overturn the established social order. Does anyone really believe that this is not also the case with the rest of the Royal clique? They may be figures of fun to many but in the future could, if allowed, become a very real focus of opposition to the aims of the working class and the struggle for socialism. We should be very clear in demanding the abolition of the whole royal family, their privileges and powers. After all, given the chance would they hesitate to do the same to us? ♦



Trotsky and the Struggle Against Fascism in Germany

by Phil Mitchinson

he German working class was one of the most powerful in the world with hundreds of thousands of workers organised in communist and socialist militias. In 1930, when Hitler and the Nazis got six and a half million votes, the Communist Party won four and a half million, and the Social Democrats eight and a half million between them more than double the Nazis. United the Communists and Social Democrats could have crushed the fascists, had they fought alongside one another on the basis of a serious programme of struggle. Yet in 1933 Hitler could boast that he had come to power "without breaking a window pane". How could such a situation come to pass? Could it have beer: prevented? The whole period is rich in lessons for us today.

Today the word "fascist" has become a general term of abuse hurled at every reactionary bigot. The papers are full of stories about the "rise of fascism" thanks largely to the electoral support of Le Pen in France. Not every reactionary nor every dictatorship is fascist, however. It is necessary to understand the nature of a regime or a movement otherwise the tasks of the workers in relation to it can be confused.

Since the second world war, having seriously miscalculated over Hitler, the ruling class has no intention of resorting to the fascist madmen. That is not to say that they defend democracy. They turn instead to military police dictatorships to try to preserve their system, and are quite happy to use the fascist gangs as reserves to carry out violent attacks.

At the same time the social base of fascism as a mass movement of the petty bourgeoisie ruined by a severe crisis of capitalism, along with the poorest sections, has largely dwindled in Europe. The working class is now the decisive majority of society. This should in itself provide a guarantee against reaction and for the success of socialism.

However the question of class relations is not solved simply by arithmetic. It is necessary to have a correct policy, a programme, a party and a leadership capable of leading the struggle to a conclusion.

The leadership of the Communist International, by 1930 firmly in the grip of the Stalinist bureaucracy, had already been responsible for the squandering of the most favourable revolutionary situation in 1923.

In 1923, the collapse of the Mark and the seizure of the Rhineland by French imperialism had led to a revolutionary situation in Germany. Under the leadership of Rosa Luxemburg and Karl Liebknecht the revolution could have succeeded. However they had been murdered in 1919. In their absence, there was a crisis of leadership in the German party. The leadership of the Communist International under Zinoviev interfered changing the personnel of the German party for their own ends.

Comintern's manoeuvres

The result of these manoeuvres was that, when the revolutionary wave developed in 1923, the party was completely disoriented. Zinoviev repeating his error of October 1917 when he and Kamenev opposed the insurrection - was skeptical about revolutionary prospects in Germany. Stalin was not even interested in the problems of the German Revolution,

which was only a distraction from his manoeuvres in the apparatus. He urged the German party not to take any action. His advice to the German leaders was extraordinary and abominable - "Let the fascists try first!"

of the The leadership International and the German party failed this vital test and let slip a tremendous opportunity. As in Russia in 1917, before the return of Lenin and Trotsky, so in Germany in 1923, sections of the leadership vacillated, held back by Stalin, Radek and Zinoviev. They dismissed Trotsky's proposal to map out a plan and a timetable for insurrection and blundered too late into a botched attempt to take power.

Trotsky viewed these events with horror. He wrote *The Lessons* of *October* in an attempt to get the leaders of the Communist Parties to draw the necessary conclusions from the German events. But Stalin's clique could not tolerate an honest discussion of the German events which would damage its prestige. Trotsky's work was taken as the signal for a furious onslaught against so-called Trotskyism, and its central message was buried under a mountain of slander and abuse.

In a previous article we described how Stalin had burned his fingers badly in his attempts to lean

on the capitalist elements in



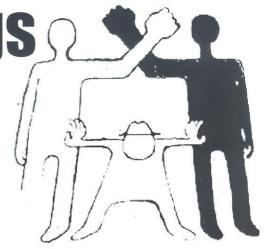


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WORKERS

May Day Greetings
to
Socialist Appeal



TOGETHER

May Day Greetings
From Left Unity Comrades
In Leicester Revenue Branch
PCS Union

"The Future is ours!"





May Day Greetings to Socialist Appeal from **Dawn Stuart T&GWU GEC** (personal capacity)

Reinstate Mick O'Reilly and Eugene McGlone!

For Workers Unity to Defeat Sectarianism!

May Day Greetings to all Trade Unionists from the Southend TUC

N. Cumbria Health Branch

Carlisle and White Haven

Wish all health workers across the world a good May Day



May Day
Greetings from
Jeremy Dear
General
Secretary,
(personal capacity)

NUJ

- Fight low pay
- Repeal the anti-union laws

Greetings to Socialist Appeal on International Workers' Day
From Nigel Pearce NUM NEC (personal capacity)
Defeat Blairism, no to social partnership
Trade Unionists fight to reclaim Labour

UNISON NORTH WEST ANGLIA <u>DISTRICT HEALTH BRANCH</u> Sends May Day Greetings to *Socialist Appeal*

- NO! To PFI and privatisation!
- YES! To a democratically controlled NHS free to all at the point of need!
- THE RIGHT TO LIFE IS HIGHER THAN THE RIGHTS OF PRIVATE PROPERTY."

PETERBOROUGH TRADES UNION COUNCIL

May Day Greetings To Socialist Appeal!

Repeal the anti trade union laws.

Full employment rights for all workers.

☆For a £6 per hour minimum wage, with no exemptions.

NO MORE PRIVATISATION!
RENATIONALISE THE RAILWAYS!

May day Greetings Socialist Appeal from Phil Waker CWU NEC

(personal capacity)

Repeal all anti-trade union laws For a socialist Labour Government

CWU London 7 May Day Greetings

For the repeal of all Tory anti-trade union laws

Supporters
of Socialist Appeal in Scotland
send May Day Greetings to workers in struggle everywhere.

Long Live International Workers Day

Long live the struggle of the working class

For a socialist world to put an end to poverty, misery and despair

Brighton

Marxists send May Day Greetings to all readers of

Socialist Appeal

cwu East London Postal Workers branch sends May Day Greetings to the Labour Movement

London Socialist Appeal Supporters send May Day Greetings to workers in struggle everywhere!

St. Andrews University Marxist Society sends May Day Greetings to Socialist Appeal

No to imperialist war Socialism is the only future for humanity Workers of the World Unite!



May Day Greetings

from Andover and

Salisbury to

Socialist Appeal

supporters

Harlow Trades Union Council

Sends May Day Greetings

To Defend Public Services Labour must adopt a Socialist Programme CWU East London Postal Workers branch sends May Day Greetings to the Labour Movement

Merseyside Supporters send May Day Greetings to Socialist Appeal Our greetings for the 10th anniversary of SOCIALIST APPEAL is our commitment for a militancy for a socialist alternative inside the Portuguese mass organizations, SP, CP and trade union movement.

Socialist Greetings TRIBUNA SOCIALISTA (Portugal) João Pedro Freire



May Day Greetings from Youth For International Socialism

YFIS

Marxists in
Macedonia wish
you all strength to
keep the fight
going, to spread
the rays of
light in the dark
world

For Socialist Dawn!
For The Revolution!



Greetings from the Russian comrades! For a New October Revolution!

Greetings from the United States

Although the Workers' International League and Socialist Appeal newspaper here in the United States are relatively new, we are proud to know that our ideas have a heroic history.

The ideas of the Socialist Appeal tendency stretch all the way back to Marx and Engels themselves. Now more than ever, we here in the U.S. are convinced that the tendency surrounding Socialist Appeal represents the traditions of Marx, Engels, Lenin and Trotsky. We are proud to stand with our comrades from around the world in defense of the traditions of Marxism and the working class.

Forward to socialism!

That the Socialist Appeal has left 10 successful years behind has a great importance not only for the British working class, but also for the cause of the working class all over the world. Socialist Appeal is the voice of Marxism in the labour movement, and the need for this voice has especially assumed a burning character in today's world. Thus we greet the 10th anniversary of Socialist Appeal with full enthusiasm. And we also wish days of struggles full of success. In addition, because we are approaching May Day which is the international struggle day of the proletariat, we also extend our revolutionary May Day greetings to Socialist Appeal and workers of the world.

Comrades,

A lot of traditions should be abolished. But not so with May Day! Especially in this epoch of capitalist decay, workers' and students' internationalism has never been so important. I wish you well with the website.

Happy May Day! Maarten, Belgian student

Turkish supporters of Marxist.com

Special greetings also from the following comrades

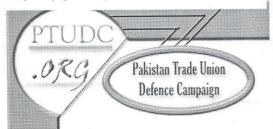
Revolutionary Greetings from Canada!

Happy May Day and congratulations on the tenth anniversary of Socialist Appeal! The in depth analysis published by Marxist.com has been and will continue to be crucial to activists in the labour movement. Marxist.com has become a fabulous source of information and a point of reference for activists of all nationalities.

Keep up the good work comrades!

In Solidarity, L'Humanite Editorial Board

May Day greetings from





May Day greetings to Socialist
Appeal from the
comrades of
'The Struggle' in
Pakistan
Forward to the
socialist
revolution!

editor Lal Khan





China and to conciliate the trade union bureaucracy in Britain. Now he turned the Comintern around 180 degrees. In the face of a mortal danger from reaction, not only did the Stalinists underestimate the threat they pursued an appalling adventurist policy.

The Comintern proclaimed the end of capitalist stability and the beginning of what they called the "Third Period". (The first period was that of revolutionary upheavals after 1917; the second was the relative capitalist stability after 1923). Now, this so-called Third Period was supposed to usher in the final collapse of world capitalism. At the same time Social Democracy, according to theory of Stalin, was supposed to have transformed itself into "Social Fascism". No agreement was now possible between the Communists and the "social fascists" who were declared the main danger confronting the working class.

In the 1930 elections the CP enjoyed a small rise in their vote. This was immediately declared a great victory. Meanwhile the Nazis vote rocketed. In the face of mounting crisis the CPs share of the vote, their membership, and their position in the unions should have grown far more rapidly. Twice as many workers supported the social democrats. The CP leaders had done little to win their confidence since the defeat of 1923.

To conquer reaction, to conquer capitalism, one must first of all conquer the masses. They remained in the hands of the social democracy and could hardly be won over when they are denounced as twins of the fascists. The same geniuses who in China had catastrophically arqued against independent class organisation and for the subordination of the Communist Party to the bourgeois nationalist Kuomintang, was now opposed to unity with other workers organisations. In response to Trotsky's urgent demand for a united front, which could unite the powerful forces of the working class and demonstrate in action the consistent policy and determined fight of the Communists while exposing the lack of programme and the betrayal of the social democratic leaders, the Comintern leaders could accept only a united front "from below". The social democratic workers should abandon their own organisations and join with the Communists - but they had no faith in the Communists otherwise they would already have done so.

Despite Trotsky's appeals, the Stalinists continued with their adventurist line culminating in the obscene episode of the "Red Referendum". In 1931, the Stalinists went so far as to form an unofficial 'united front' with the Nazis to bring down the Social Democratic government

in Prussia!

Hitler was able to come to power almost without a struggle because of the paralysis of the German workers as a result of the policies of both the Social Democratic and Stalinist leaderships.

This is how the mighty German working cluss was handed over, bound and gagged, to the Nazis. The workers' organisations were destroyed. Communists and Social Democrats alike ended up in Hitler's concentration camps.

Despite their expulsion from the Communist International, Trotsky and his supporters still considered themselves as part of it, and insistently demanded that they be allowed to return to the ranks. At the same time they subjected the policy of the Comintern to withering criticism. In place of it they demanded a return to the realistic Leninist policy of the United Front as a means of winning the masses in action and through their own experience, to communism. With the victory of Hitler at the polls Trotsky sounded the alarm. In a pamphlet entitled The Turn in the Communist International and the Situation in Germany, he issued a signal for a campaign demanding that the German Communist Party call for a united front with the Social Democrats to prevent Hitler from coming to power.

A united front is the unity in action of the workers mass organisations on the basis of a programme of struggle. Placing the workers organisations, and therefore their interests, at the disposal of bourgeois liberals is not a united front but what Trotsky called the 'strike breaking conspiracy' of the popular front.

"Social fascist"

On the orders of Stalin himself, the German Communist Party denounced the united front policy as a counter-revolutionary "social fascist" one. Social Democracy was the main enemy of the working class. In September 1930, the Rote Fahne, organ of the German Communist Party proclaimed: "Last night was Herr Hitler's greatest day, but the socalled election victory of the Nazis is the beginning of the end." In May 1932, the British Daily Worker could proudly 'condemn' the Trotskyists for their policy in Germany thus: "It is significant that Trotsky has come out in defence of a united front between the Communist and Social Democratic Parties against Fascism. No more disruptive and counter-revolutionary class lead could possibly have been given at a time like the present." Meanwhile Trotsky had written four pamphlets and dozens of articles and manifestos, to exert pressure on the Comintern to change its policy. To no

avail. In January 1933 Hitler was able to take power without any organised opposition

This betrayal doomed the German Communist Party forever. But the Comintern did not accept the nature of the catastrophe or its own role in it. Rather than recognise the episode as a massive defeat for the German workers, the Comintern declared it a victory, with the unbelievable slogan "After Hitler, Our Turn!" Yet there was not a murmur of protest or opposition within the ranks of the Communist Parties internationally. In this sense their degeneration was complete. The only conclusion was that the Communist International was politically dead and could no longer be considered a vehicle for socialist revolution. In March 1933. Trotsky changed the perspectives for the reform of the Communist Party and the Soviet Union. Rather than fight for the reform of the German Communist Party, he now called for a new party to be built in Germany to replace the Communist Party.

An organisation which cannot learn from the lessons of history and its own errors is doomed. As a force for world socialism, the Communist International was dead. The International Left Opposition broke away. It had become necessary to build a new International. There can be little doubt today that had the German Communist Party pursued the policy of the United Front Hitlerite fascism would have been defeated and in its ghastly place could have flowered a workers republic in Germany. The victory of the proletariat at the heart of the continent would have spelled the end of the bureaucracy in Russia and of decaying capitalism in Europe. The way would have been prepared for a new socialist world order. Instead the world was plunged into world war and all the barabaric nightmares of fascist reaction.

After the disaster in Germany Stalinism quickly performed a new somersault by-passing the policy of the united front of workers organisations and flew straight over to the opportunist policy of the popular front. This led to new catastrophes and defeats. Popular frontism will form the subject of a further article.

There are many lessons to be learned from this period in history and from Trotsky's writings. Above all the importance of theory, of understanding. With the wrong ideas even the most favourable situation can turn to dust. Armed with the correct ideas, a party and a leadership worthy of the struggle of the working class, no force on earth can prevent the victory of socialist revolution.



Political Earthquake in French Presidential Elections Jospin's Policies Responsible

Last night, as soon as the results of the first round of the presidential elections were announced, spontaneous demonstrations took place in almost all major towns and cities.

> By Greg Oxley, Editor of the French Marxist magazine La Riposte, www.lariposte.com

> > or the first time since 1969, all the left candidates, including the socialist Prime Minister Lionel Jospin, were eliminated in the first round. The second round will be between Jacques Chirac, and the extreme-right candidate, Jean-Marie Le Pen. About ten thousand demonstrators, mainly young people, flocked into Place de la Bastille and Place de la République in Paris. This morning, in Lyon, hundreds of school students marched out of their schools towards the city centre, shouting slogans against racism and calling for action against Le Pen's Front National. Jospin has announced his withdrawal from politics. The parliamentary elections will take place in June, raising the very real danger of the return of a right-wing government.

The right-wing parties are trying to hide their reactionary intentions. However, there can be no doubt that a new right-wing government would launch a full-scale attack against the rights and living conditions of the working people, against the public services, and against pensioners. Chirac has already announced his intention to "let people work as much as they like", which means, in plain language, overturning the gains included in the legislation on the 35-hour week.

This devastating defeat is the direct consequence of the policies carried out by Jospin, and also by the leadership of the Communist Party, since the victory of the left in the parliamentary elections of 1997. The policies carried out by Jospin over the last five years

have been a confusing combination of half-hearted social reform on the one hand, and of reactionary counter-reforms taken from the sinister "plan" of his hated right-wing predecessor, Alain Juppé, on the other, Between 1997 and 2001, the French economy experienced fairly high rates of growth. Unemployment fell, but not to any great extent, in spite of the 350,000 "youth-jobs" directly financed by the state. Above all, stable, qualified employment lost ground to contracts with temporary employment agencies, parttime and low-paid jobs. Agency contracts doubled in number over five years, reaching the staggering figure of 750,000. Hundreds of thousands of workers who need full-time work are forced to accept part-time jobs, reducing their standard of living to the barest essentials. A recent study published by the CREDOC social statistics institution drew a clear parallel between the growing numbers of the "working poor" and the increased casualisation of labour. The "working poor", together with the unemployed, form a huge mass of people living below the poverty line, which did not fall in size during the years of the economic boom, and which includes between 5.5 and 6 million people. Now that the boom is over, the poorest sections of society will inevitably be hit even harder.

35-hour week

The introduction of the 35-hour week was undoubtedly the most important measure included in the election platform of the socialist and communist parties back in 1997. This proposal played a decisive part in the victory of the left in the parliamentary elections of that year. Today, five years later, the results of this measure are far from satisfactory. To date, the 35-hour week concerns only one worker in three. Of these, one third consider that the legislation has led to an overall worsening of working conditions and pay. The legislation included numerous concessions and omissions which meant that, unless the unions were strong

enough to prevent it, employers could very often turn the new law to their advantage, taking far more back - through annualisation, flexibility, productivity agreements and the like - than they were forced to concede in terms of shorter hours.

Massive financial handouts were made to the employers from the state coffers, supposedly to compensate their losses as a result of the legislation. In 1999 alone, 104 billion francs was paid over to the capitalists in this way. Whereas the 35-hour week was supposed to create jobs, the government itself has consistently refused to recruit into the public services, leaving the workers to carry out the same workload in less time. This policy has created enormous resentment against the left government among public sector employees.

The socialist-communist government has carried out a programme of privatisation. Jospin has privatised more than Balladur and Juppé together. This scandalous policy - in complete contradiction to the resolutions voted at the congresses of the socialist and communist parties, has led to a serious deterioration of working conditions in the banks, industries and services concerned. The tens of thousands of workers, victims of closures, redundancies, fusions and other forms of "restructuring", like those of Danone, Bata, Péchiney, Moulinex, Air France, AOM-Air Liberté and many others, met with a wall of indifference on the part of the government. When Michelin workers appealed to the government in their fight against massive job losses, Jospin simply shrugged his shoulders and said that his government would not interfere with a decision taken by shareholders.

Loss of support

There are many more reasons for the loss of support for the government parties. For instance, the racist legislation introduced by previous right-wing governments has been left largely intact. The right to vote for immigrants, promised by the left since the 1970s, was once again shelved. A number of prominent representatives of the left parties have been involved in corruption scandals. The foreign policy of the Jospin government has been no different to that of previous rightwing governments. The Arabic-Muslim community in France, particularly the youth, has been alienated by the flagrantly pro-Israeli stance of the Jospin government, for example.

Since 1995, the number of days lost in strikes has been constantly on the increase, in both the public sector and the private sector. Just about every sector of the economy has been affected by these strikes. The middle layers of society have also moved into action. Lawyers and even judges have been on strike. Gendarmes and policemen, customs officers, firemen, freelance nurses, doctors, and many other traditionally conservative sections of society have taken action, imitating the methods of the labour movement. This indicates the potential for changing society, but instead of basing themselves on these movements in order to struggle against capitalism, the socialist and communist leaders opposed them, and, on many occasions, sent in the riot police in order to teach the strikers a lesson. Striking Ministry of Culture workers, protesting against their notoriously poor working conditions, were severely beaten by riot police outside the ministry building. The workers have tried to push the government to the left.

In March 2000, Jospin was forced to retreat in the face of a sharp rise in the strike movement, involving teachers, Finance Ministry employees and workers in many other sectors of the economy. Undoubtedly, trade union resistance has prevented Jospin from going as far as he intended with his "pro-market" policies. But overall, half-measures, double-talk, slavish submission to the banks and the stock exchange, and hostility to legitimate demands of workers on the part of the government have created a deep-seated feeling of disappointment and betrayal among many traditionally socialist and communist voters. In spite of their criticisms and in order to defeat the right, many remained loyal to the Socialist Party, but the big increase in the number of abstentions, combined with votes lost to

Eyewitness report - Paris, April 21, 2002

grammes, announcing the stunning news that the racist National Front (FN) party had come second in the first round of France's presidential elections, tens of thousands of Parisian youth were on the streets demonstrating their anger.

This was one the largest, spontaneous demonstrations I had ever seen - reminiscent of the poll tax demonstrations up and down the UK, back in 1990. When I got to Place de La Republique around 11 o'clock, there were only a few hundred demonstrators huddled in the middle of the square shouting slogans. A bare 30 minutes later thousands of youth, few over the age of 25, had already converged, waving red flags, holding makeshift placards and shouting anti-FN slogans. Without any official organisation, the demonstrators stewarded themselves and proceeded to invade the streets and the main boulevard leading straight down to Place de la Bastille, the traditional rendezvous for workers' demonstrations in the French capital. By the time the march was heading lown the main boulevard de Beaumarchais towards the Bastille, the whole street was full of protestors as far as the eye could see five thousand at least! As the march slowly snaked its way downwards, more and more people joined - this time the demonstrators had a little more grey hair on their heads! Many youth were carrying placards saying that they were "ashamed of being French" but the overwhelming atmosphere of the demo was combative and anti-racist. Slogans such as " 'F' like fascist, 'N' like nazi - Down with the National Front (FN)" or "We are all the children of immigrants" mingled with renditions of the Internationale. By the time the demo reached the Bastille - around the same size as Trafalgar square in London - it numbered at least 10,000 and filled up the whole square thanks to the addition of other smaller demos from other parts of the city.

Interestingly, there were few police about and the only signs of any "official" presence at all was a fire brigade truck which cut its way through the crowd on its way to an emergency elsewhere in the city. The crowd parted quickly to let it through and as the engine left the square, a couple of fire-fighters could quite clearly be seen through the window clenching their fists in solidarity. Owing to the late hour (1 o'clock in the morning) and the fact that there were no speakers, many drifted away, with a smaller contingent heading off towards the Elysées presidential palace!

This was just a taste of what can be expected in the next few days. Already today, Monday 22, reports are coming in of spontaneous demonstrations around the country, particularly secondary school students in Lyons who marched out of their classes to protest at the FN in the central square. This sets the scene for a massive demonstration next Wednesday, May 1, in Paris to challenge the provocation of the National Front, who dare to march the same day in Paris to celebrate their heroine "Joan of Arc". The trade union leaders and leaders of the Left parties must call a united demonstration for this day so that the racists are massively outnumbered and to signal the start of the fight-back against the FN and the right-wing parties in general, particularly in view of the coming general elections in June. •

MC, Socialist Party, Paris

France





Other presidential candidates on the left, was enough to allow Le Pen through to the second round, with 17% of the vote, just ahead of Jospin who scored 16%.

he Communist Party, with just 3.4% of the vote, has sunk to the lowest ever score in its entire history. This is the result of the support for the privatisations, some of which have been carried out directly under the authority of the communist minister, Gayssot, and of numerous other unpopular measures. What use is a "Communist" Party which agrees with privatisation and the market economy?

Jospin led a flat, uninspiring campaign, in which the question of "security" occupied the central place. We needed more police, harsher treatment for young offenders, and "zero impunity" for delinquents. He did promise an allowance for youth provided they accepted training

schemes, and a series of measures against homelessness. By exaggerating the problems relating to delinquency and criminality, the Socialist Party campaign was lending credence to the propaganda of Le Pen. Jospin said he would protect pensions, although he left open the possibility of increasing the number of years' work required to gain full pension rights, and of an increase in the monthly payments made to the fund. In other words, in relation to pensions, as in relation to other questions, Jospin was in effect proposing a thinly disguised counter-reform.

The ultra-left candidates, taken together, attracted 10% of the vote. While it is true that the media pushed forward to some extent the Lutte Ouvrière candidate with the aim of further weakening the Communist Party, fundamentally the vote for the ultra-left candidates shows the revolutionary mood which exists among a

wide layer of society. People are looking for a way out of the capitalist nightmare. In reality, none of the three sectarian candidates put forward anything like a revolutionary alternative during the campaign. Nonetheless, the vote they received is of enormous symptomatic significance.

Now, trade unionists, militant youth, and the working people of France in general are faced with the immediate prospect of a second round in the presidential elections, which will be fought out between two of their enemies, namely Chirac and Le Pon. Chirac is certain to win. Many left-wing people, shocked by the sight of Le Pen going through to the second round, will vote for Chirac. We do not recommend this course of action. After all, the difference between the two men is not so great. Chirac and Juppé introduced openly racist and discriminatory legislation in 1995-1997. The presidential election is lost for the left. The real fight will take place later on. Once the election is over, and especially if the right-wing parties win the parliamentary elections in June, Chirac will launch a vicious attack against the interests of the working class. Furthermore, the right-wing parties in government will play for the support of National Front voters. However, the French labour movement has a long tradition of struggle, and is in a fighting mood. Alain Juppé discovered what this means when, just a few months after taking office in 1995, he provoked the biggest strike movement since the revolutionary events of 1968. Things will be no different this time, except that the social explosion may well be on an even higher plane.

The struggle on the trade union front must go hand in hand with cleaning out the left parties of these hopelessly compromised and bankrupt socialist and communist leaders who have led us into this mess. The hundreds of thousands of youth and workers who demonstrate against the policies of these same leaders must deal with this problem for themselves. A fight needs to be opened up within the SP and the CP in order to re-establish the militant and revolutionary traditions of the past. The workers' parties do not need "promarket" specialists, drawn from the ranks of the privileged and the wealthy and only interested in their own careers to lead them. They need honest, militant fighters for the cause of the working people, with a proven record of struggle, and a serious Marxist understanding of the tasks at hand. This is the way forward. Chirac has won this round, thanks to the false policies pursued by the leaders of the socialist and communist parties. We need to fight for a genuine socialist alternative. The future will be ours. ♦

BALUCHISTAN CIVIL SECRETARIAT UNION LEADERS ARRESTED

Musharraf Military Dictatorship Resorts to Severe Repression

COMRADE HAMEED KHAN ARRESTED AGAIN!

e have received news from Pakistan that the leader of the victorious November strike of civil servants in Quetta, Hameed Khan, has been arrested again, together with other union leaders and protesting workers. This is a serious development and the dictatorship seems to be moving towards a greater repression. This is an extremely serious situation and it is essential that we move immediately to protest against this action and to bring every pressure to bear on the Pakistani authorities. Experience has shown that such pressure has an effect. Due to international pressure Hammed Khan was released last November. Speed is essential if we are to save our comrade. Please give this matter the maximum publicity in your trade union organisation. We urge all our readers and friends to act immediately to protest against the brutal repression of our fellow workers and trade unionists in Pakistan

Appeal from Pakistan Trade Union Defence Campaign

Quetta: Today April 22, the Workers' Action Committee - which is an alliance of Baluchistan Labour Federation, Baluchistan Civil Secretariat Staff Association (BCSSA) and All Pakistan Clerks' Association (Shaheed Saqi Group) and All Pakistan Paramedical Federation - launched protests on different important roads of Quetta City. In this context at one time on different roads more than 2,000 members of workers' action committee participated in protest demonstrations in different parts of the city.

They were chanting slogans against the Governor of Baluchistan, the Baluchistan Government, and in favour of their demands. Meanwhile workers passed through different roads for half an hour and when protesters reached the City Police Station, huge numbers of police under the command of SSP (Senior Superintendent of Police) Quetta were present. They attacked and batoncharged the protesters and here comrade Hameed Khan, city organiser of PTUDC

and Press Secretary of BCSSA with about 25 to 30 protesting workers was arrested. Now they are in police custody. Similarly police arrested more then 30 protesters during these demonstrations form different roads of Quetta.

This protest was launched by the unions under the banner of PTUDC and its activists participated displaying placards in their hands with slogans like "Workers of the world unite", "Down with capitalism", "Down with IMF and World Bank", the demand of 40% allowance must be given, "Down with Privatization and Down-sizing", "No to Presidential Ordinance 2001", "Immediate release of President of Baluchistan Secretariat Staff Association president Mr Abdul Khalia Kakar" (who was arrested one week ago). Nazar Baluch one of the main leaders of BCSSA mainly involved in this movement was also arrested.

The arrested leaders have vowed to continue the struggle until their demands including the 40% increase in their wages (which they won in their last struggle) are accepted and delivered. The PTUDC has launched a nationwide campaign for their release. Protest demonstrations and rallies will be held in different cities and industrial centres of Pakistan. The PTUDC appeals to the workers internationally to come to the support of these workers and put pressure on the Musharraf dictatorship for the release of these comrades who are fighting for a genuine cause. This military regime is now moving towards a serious repression and the workers in Baluchistan and elsewhere in Pakistan need the support and solidarity of the trade unionists and workers internationally.

With Revolutionary Greetings, Abid Hussain, Information Secretary, PTUDC Quetta



Stop Press:

250 to 300 workers have been arrested; the newspapers in Quetta have been prohibited from publishing anything about the workers' protests.

Please send your protest messages to: General Pervez Musharraf (e-mail: ce@pak.gov.pk)

Federal Interior Minister (e-mail: minister@interior.gov.pk)

Ministry of Interior 'R' Block, Federał Secretariat, Islamabad, Pakistan

The Governor of Baluchistan Mr. Justice (Retired) Amir Ul Mulk Mengal Governor House, Quetta, Pakistan

Please send copies of all protest and solidarity messages to the Pakistan Trade Union Defence Campaign: ptudc@nexlinx.net.pk
Visit the PTUDC website at www.ptudc.org
Donations to the Pakistan Trade Union Defence Campaign can be made here.

Revolution and Counter-Revolution in Venezuela

By Alan Woods and Ted Grant

n Saturday April 13, less than 36 hours after a group of rightwing businessmen and army generals had assumed control, the coup collapsed in a welter of confusion. Shortly after 10 pm, interim President Pedro Carmona Estanga resigned and was reportedly under arrest. Vice President Diosdado Cabello, who was sworn in as president by National Assembly President William Lara after Carmona was forced to reinstate the assembly's elected members and other public officials he fired on April 12.

Finally, amidst scenes of wild rejoicing, Hugo Chávez, having been flown by military helicopter to the Miraflores Presidential palace, was reinstated as President of Venezuela.

Counter-revolutionary provocation

The counter-revolution in Venezuela was spearheaded by the recent anti-Chávez strikes in the Venezuelan oil industry. These were counter-revolutionary strikes - the equivalent of the lorry-owners' strike that was organised by the CIA against the Allende government in Chile. These strikes were organised by the management of the Venezuelan oil industry (the PDVSA) in alliance with the right-wing trade union bureaucrats of the CTV. That the movement towards reaction was headed by oil interests was no accident. The PDVSA managers wanted to end the restrictions on oil production and return to their previous position as the single largest oil supplier to the

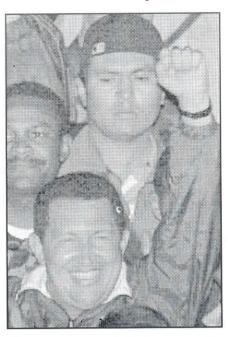
The coup itself flowed from the events of April 11, when a demonstration said to be 350,000-strong was organised against the Chávez government. Since the media in Venezuela are virulently anti-Chávez, this

figure is almost certainly exaggerated. Press agency reports put the real number at no more than 50,000. Government security forces and pro-Chávez militia were alleged to have fired into a crowd of unarmed anti-Chávez protesters, killing 15 and wounding 157 people. The right wing used this as an excuse to demand the resignation of President Hugo Chávez. But in fact, later reports have indicated that most of those killed were pro-Chávez demonstrators who were apparently shot by snipers on rooftops. The whole thing was a manifest provocation.

The class interests behind the coup were obvious. The head of the counter-revolutionary government was a wealthy businessman, Pedro Carmona - the chief of the bosses' association. His first action was to rescind Chávez's so-called anti-investment laws - that is, all those laws intended to defend Venezuela's interests and raise the living standards of the masses. The corrupt and rotten Venezuelan bourgeoisie is incapable of playing a progressive role. Its plans would signify putting the country and its considerable oil wealth firmly in the grasp of US imperialism.

The coup was headed by the Venezuelan bourgeoisie and their cronies in the armed forces (FAN). But the hand that pulled the strings was clearly in Washington. This plan was born and bred in the United States. This is part of the broader strategy of US imperialism after September 11 to intervene aggressively everywhere.

The US's interest in Venezuela is partly economic. There is talk in America of an economic recovery. But this is still weak and unstable. What is required for a serious recovery is not only an increase in demand (which can have an episodic character) but an increase in profitability. Profit margins



still remain depressed. An increase in the price of any one of the factors of production would depress profit margins still further, sending the world economy into an even steeper fall than before.

But there is a wider dimension to the activities of US imperialism in Venezuela, which far transcends the question of economics. The US military is actively involved in a dirty war against the FARC and ELN guerrillas in neighbouring Colombia. It is well known that Chávez maintained friendly relations with the Colombian guerrillas.

But the main thing was that the radicalisation of the masses in Venezuela threatened to spread to other countries in Latin America, which is now in the throes of a deep economic and social crisis. By removing Chávez from power, US imperialism hoped to tighten its grip on Latin America. It would be a lesson to the masses in other countries. And in addition, the installation of a more friendly and pliable government in Caracas would lead to an increase in Venezuelan oil production, thus bringing more stability to oil prices. In short, a very sound business proposition! All that was required was a little coup....

Defending "democracy"

Predictably, the right-wing coup was greeted by scarcely-concealed satisfaction by the bourgeoisie internationally. These hypocrites described the events of April 11 as a "return to democracy" in Venezuela! Chávez supporters were forced to go into hiding as the armed forces moved to arrest all government supporters. Prisoners were taken to army barracks where they were beaten and tortured. Such are the methods of the bourgeois "democrats" in Venezuela!

The victorious reactionaries sought absolute powers for themselves - an

unelected gang of conspirators - while cancelling 49 decrees of the democratically elected government, suspending and arresting elected members of the National Assembly, plus 20 judges (so much for the independence of the judiciary!), 12 governors and all pro-Chávez mayors. All these activities earned them the applause of the western "democracies" as "steps towards the restoration of democracy" in Venezuela!

From all the reports, the counter-revolutionaries were over-confident. They were convinced that there was little or no danger that the supporters of Chávez could launch a successful counter-strike to regain control of the government.

But these gentlemen reckoned without the Venezuelan masses. Despite the fact that Chávez had not carried the revolution out to the end, and the crisis in Venezuela had begun to have adverse effects, the masses instinctively realised the threat posed by the counterrevolution. Having recovered from their initial shock, they poured onto the streets of Caracas and other cities, sweeping all before them.

The collapse of the coup

The role of the masses was decisive in defeating the counter-revolution. Faced with the spontaneous uprising of the masses, the attempts to impose a dictatorship immediately ran into the sands. Without the support of the armed forces, the bourgeoisie could not establish a dictatorship. But the reaction of the masses rapidly aggravated the splits within the army. This was not supposed to happen! It seems that Carmona's short-lived interim presidency unravelled because the bourgeois counter-revolutionaries doubtless under the pressure of the CIA - tried to go too far too fast, opening up a rift between them and a section of the generals who, quite correctly, feared civil war.

The leaders of the coup began to split and argue among themselves. From this moment, the coup was doomed.

When Carmona announced the National Assembly's dissolution, the civilian-military coalition supporting Carmona's interim government collapsed immediately, while the balance of forces swung back in Chávez's favour. With the growth of protests on the streets, Carmona's civilian and labour support evaporated, and the FAN also split into at least three distinct groups now struggling for power inside the military.

Realising that the situation was escaping from his hands, Vasquez, conditioned his continued support for Carmona to the immediate reinstatement of National Assembly. the Carmona immediately complied. However, reinstated National Assembly President Lara hastily deposed Carmona and swore in Vice President Cabello as acting president, pending Chávez's return to the presidential palace. The rebellion collapsed like a house of cards. And the army was split wide open.

Splits at the top

It is clear that Chávez still has considerable support, not only among the masses, but also in the army. General Baduel declared himself against the Carmona government even before it was sworn in on April 12. Having command of 2,000 elite paratroopers and a large arsenal of weapons, this was no small threat! Division Gen. Julio Garcia Montoya, permanent secretary of the National Security and Defence Council, also declared himself in rebellion and made his opposition to the interim government known through a telephone interview with Cuban television that was then broadcast back Venezuela.

Alexis de Toqueville pointed out long ago that revolution begins at the top. The latest reports show clearly that the ruling class in Venezuela is split. And this split extends to the tops of the state and the armed forces. This, as Lenin explained, is the first condition for a revolution. The failed attempt at counter-revolution will have



exacerbated these contradictions and splits in the ruling class, and created the most favourable conditions for a complete social overturn. The reactionaries have been forced onto the defensive, and for a time will be paralysed and unable to act. A courageous word from the top would be sufficient to deprive the reaction of its social base and permit even a peaceful transfer of power to the working people.

There are moments in history that are decisive. It is a question of "either...or". The counter-revolution has thrown down the gauntlet. Their first attempt has failed. But it will not be the last! The bourgeoisie and its supporters in the military, is determined to get rid of Chávez. Their resolve will be stiffened by Washington, which has many reasons for wanting to overthrow the Chávez regime.

Marx pointed out that the revolution needs the whip of counter-revolution. The present situation is reminiscent of the tancazo in Chile - the abortive first attempt to overthrow the Allende government - which was defeated by the movement of the masses. There is no whatsoever that if doubt Salvador Allende had taken advantage of that moment to appeal to the masses to act, the revolution would have easily succeeded. But when the opportunity was thrown away, the counter-revolutionaries in the armed forces (let us recall that Pinochet was supposed to be a loyal "democrat") regrouped and prepared a bloody coup a few months later.

This is a very serious warning to the workers of Venezuela!

The role of Chávez

After the events of April 11-13, the situation is completely unstable. Nothing has been resolved. The situation resembles in many respects that which existed in Cuba in 1960. It is not generally realised that when Castro first came to power, he did not intend to nationalise the means of production. His programme was a programme of democratic reforms that did not go beyond the limits of the capitalist system. In fact, his publicly declared model was...the USA.

However, on a capitalist basis there is no way forward for countries like Cuba and Venezuela. Castro's attempt to carry through reforms to improve the conditions of the Cuban people immediately brought him into conflict with US imperialism and the big US monopolies that controlled the Cuban economy. In order to defend the gains of the revolution, Castro was compelled to nationalise the property of US imperialism and eliminate capitalism in Cuba.

Although the Cuban revolution did not follow the classical model of the October revolution, and the workers never held power through the rule of democratically-elected soviets, nevertheless Castro had the support of the masses and the expropriation of landlordism and capitalism in Cuba represented a blow to imperialism and a big step forward. The US imperialists burned their fingers badly in Cuba. Their attempt to

destroy the revolution by relying on counter-revolutionary forces armed and financed by the CIA ended in a humiliating defeat at the Bay of Pigs.

There is no doubt that Washington feared that Chávez might go down the same road as Castro, whom he is known to admire. But that seems unlikely. Chávez can expect no help from Havana if he follows that path. The Cuban regime will want to stay out of it. Havana will limit itself to giving advice - and the advice it will give will be to impress upon Chávez the need not to go too far, not to provoke the Americans and so on. Since Castro will not want to provoke the Americans himself, from his point of view, this is sound advice, which he has already given to Chávez. But it is advice that will mean the destruction of the Venezuelan revolution.

Workers of Venezuela! Everything depends on you now. By your actions, you have defeated the counterrevolution.

The drama is not yet played out. Venezuela is still in deep economic crisis, the gulf between the classes is profound. There is a growing polarisation between left and right. The immediate crisis has resulted in a setback for the counter-revolution. However, the conflict is far from over. The balance of forces that shifted so decisively back toward Chávez on April 13 can swing the other way equally rapidly. He will be under the remorseless pressure of US imperialism. The bourgeoisie, with the active support and encouragement of the CIA, will intensify its campaign of sabotage and disruption.

The real Bolivarian revolution

Chávez is no doubt an honest man who wants to act in the interests of his country and his people. His intentions are good. But in politics as in life, intentions are never enough. The problem is that Chávez is not a Marxist, and is inclined to be inconsistent. That can be fatal in a situation where the balance of forces is so unstable. If Chávez were a Marxist, he would appeal to the masses over the heads of the National Assembly. The establishment of action committees in every factory, oil refinery, and army barracks is the only way to defend the revolution and disarm the counter-revolutionary forces. The working class must be

armed to defend itself against the danger of another coup. Only decisive action can prevent a new crisis in which the counter-revolution will assume an even more violent and murderous character.

The position of the army is a crucial factor. The reactionaries in the barracks have suffered a serious set-back. But they will already be regrouping, with the active assistance of the US embassy. If firm action is not taken to defeat and disarm the counter-revolution, civil war could erupt, with fighting between military units that support or oppose Chávez. If the working class acts with sufficient energy, the rank and file of the army can quickly be won over to the side of the revolution. The best of the officers will follow them, isolating the reactionary elements in the general staff. The revolution can still succeed with minimum violence and loss of life. But if the revolution hesitates, it is lost. The way will be prepared for terrible bloodshed, ending in a brutal military dictatorship later on.

Above all, it is necessary to smash the resistance of the bosses and their cronies. For the immediate expropriation of the property of the imperialists and the Venezuelan bourgeois! The only way to remove the danger of counter-revolution is to eliminate its basis of support - by expropriating the capitalist class. An emergency decree to this effect must be put to the National Assembly. If the counter-revolutionaries in the National Assembly attempt to block it, then the only way forward is to dissolve the Assembly and rule through the elected popular committees.

Workers of Venezuela! Everything depends on you now. By your actions, you have defeated the counter-revolution. But your victory is not secure. A terrible danger hangs over your heads and that of your families and loved ones. Remember what happened in Chile! Do not trust those who tell you that all is resolved, that the situation must calm down, that democracy is now safe in the hands of the National Assembly! Unless and until the power of the capitalists - those local office boys of US imperialism - is overthrown, the conquests you have made will never be safe.

Rely only on your own strength and unity! Build action committees to defend the revolution and defeat the reaction! Extend them and link them up, on a local, regional and national basis. Once the power of the working people is organised, no power on earth can resist it. The stage will be prepared for the final, inevitable showdown between the working people and the forces of reaction.

You face a powerful enemy in US imperialism. But in reality, this enemy is a colossus with feet of clay. You have powerful

allies in the millions of exploited and oppressed people of Latin America. These people are finding their feet and their voice - in Argentina, Peru, Ecuador, Colombia - in one country after another, the workers, peasants and unemployed are beginning to fight back. These are the mass reserves of the Venezuelan revolution!

Long ago, Leon Trotsky spoke of the permanent revolution. This is the only way forward for countries like Venezuela. The bourgeoisie cannot play a progressive role in Venezuela. Only under the rule of the working class can you even begin to solve the problems. On the basis of a socialist planned economy, under the democratic control and administration of the workers themselves, immense progress can be made. But the revolution in isolation could not last for long. Either it spreads to other countries, or it would be destroyed sooner or later. Internationalism is therefore a matter of life and death for the Venezuelan revolution.

Hugo Chávez has spoken of the Bolivarian revolution. When Simon Bolivar raised the banner of revolt against Spanish imperialism, he had in mind a war of national liberation that would unite all the peoples of Latin America. But this dream was betrayed by the so-called national bourgeoisie that organised the Balkanisation of Latin America. This is the true cause of the enslavement and oppression of a mighty continent.

The only way

The only way to defeat US imperialism is by uniting the revolution in Venezuela with the struggles that are taking place in all Latin America. Everywhere, the capitalist system is in crisis. It offers the people nothing but poverty, misery and unemployment. It subjugates whole nations to the control of US imperialism and the dictatorship of Capital, turning the words "democracy" and "sovereignty" into meaningless phrases. All that is required is one victory and the rotten and bankrupt capitalist regimes would collapse everywhere. The road would be open for the realisation of Bolivar's dream in the only form possible - as the Socialist United States of Latin America.

What is required is a conscious and audacious Marxist tendency, which would participate in the Movement for the Fifth Republic (MVR) and give it the necessary revolutionary perspective, programme and strategy. The elements for such a tendency already exist. Everything now depends upon the speed with which they can organise, mobilise the working class, and lead it on the path to victory. The victory of the Venezuelan revolution would light a fire that would set all Latin America ablaze. •



Workers back on the move!

April 16 general strike a huge success

By Fernando D'Alessandro

The general strike in Italy on April 16 was a huge success, as could be expected after the demonstration of nearly 3 million in Rome earlier this year. 13 million workers came out on strike. That is actually more than the total trade union membership of CGIL, CISL and UIL combined. There was a 90% participation in the strike. Two million workers came out on demonstrations in 21 cities all over Italy. these were the biggest regional trade union demonstrations ever seen in Italy.

There were 350,000 in Bologna, 300,000 in Rome, 200,000 in Milan and 400,000 in Florence where the main speaker was Cofferati, the general secretary of the CGIL. But even in the smaller towns there were big turnouts: 100,000 in Palermo, the regional capital of Sicily; 30,000 in Ancona and even in Potenza in the deep south 30,000 workers marched through the streets.

The strike did not only affect industry. Hotel workers, government workers, bank workers, transport workers, all came out. In the hospitals in Rome about 90% of the staff were out. The airports were also affected, as anyone who was trying to fly to Italy could testify. The country was brought to a standstill.

Now the question being asked is what effect will this have on the Berlusconi government. There is a "conciliatory" wing of the government around Fini that is hinting that they should try to lean more on the CISL and the UIL. In fact one of the tactics of the government has been to try to divide the trade union front by "isolating" the CGIL. The CGIL went ahead on its own and called the massive 3 million-strong demonstration. Rather than the CGIL being isolated it was becoming clear that it was the CISL

and UIL who were out of touch with the mood of the workers. Also the CISL and UIL leaders know that if they do backtrack they could lose ground to the CGIL, which has already begun to happen.

The position of the government now seems one of open confrontation with the unions. The overwhelming majority of the Confindustria, the Italian bosses' union, has come out with a hard line. They want the government to adopt a hard-line "Thatcherite" policy. The unions, especially the CGIL, are saying that unless the Berlusconi government withdraws its proposals to abolish article 18 of the Workers' Statute they will not sit around the negotiating table.

Building Pressure

Enormous pressure is building up for a major confrontation between the working class and the government. Cofferati, leader of the CGIL, is under enormous pressure. He has been pushed to the left and now has enormous support among the workers of Italy, because he is seen as leading the fightback. This is the same leader who up until recently was seen as a "moderate" and had been collaborating with the previous "centre-left" government. This process of radicalisation within the main trade union federation in Italy confirms what the Marxists have always maintained about the mass organisations. Under the pressure of the working class they can become radicalised whatever their past position may have been.

Now, it is clear that these trade union leaders cannot be trusted, but the problem is that there is very little room for manoeuvre now. The bosses are on the offensive. Italian capitalism is weak. It must attack the workers and their rights, won over decades of struggle. They must try and become "more competitive" on the world market.

The problem Berlusconi is facing in applying his "Thatcherite" policy is that he is provoking all sections at the same time - all sections of the working class, but also the youth and the students. He is creating a united front against him.

Now that the strike has been so successful, the confidence of the workers will be growing. Pressure will mount to raise the stakes. Already some trade union leaders are raising the idea of applying methods of struggle, such as the workto-rule. This would mean only doing what is strictly necessary to abide by one's work contract. This would mean slowing down production dramatically, without losing out on wages. The metalworkers' union, the FIOM, is also preparing for new strike action.

The position is one where both sides find it difficult to back off. If Berlusconi does not deliver for the bosses his government could enter into a crisis. But the unions, especially the CGIL, also are under enormous pressure. Everything seems to point to a new "Hot Autumn", in the traditions of the Italian working class.

The period we are entering will be one of heightened class tensions. At the moment the CGIL in particular is riding a huge wave of support, but the situation that is opening up is one where all the organisations of the working class will be put to the test. History is coming full circle. After many years of defeat and compromise the Italian working class is on the offensive. It will show the way to the rest of Europe, and the world. This is only the beginning! ◆



No to Israel's state terrorism

Fight for a Socialist Solution

The events in Palestine have shaken the public opinion of the whole world. The unbridled violence displayed by the Israeli army in the occupied territories has few parallels even in the blood-soaked history of Palestine. By Alan Woods

o distinction is made between combatants and non-combatants. Most of the victims are civilians, including men, women and children. Wounded people have been left to bleed to death in the street. The Palestinians have been prevented from burying their dead. The population is deprived of food, water and electricity. Palestinian women have had to give birth in the road, prevented by Israeli roadblocks from getting to a hospital, some have died as a result.

On April 8th, the Israeli army extended its operations in the West Bank, combing through villages in search of Palestinian militia fighters and arms. In Bethlehem battles flared in the refugee camps and around the Church of Nativity, where a bloody stand-off continued between 200 Palestinian militiamen, clergymen and civilians trapped in the sanctuary and Israeli soldiers and tanks

But the worst carnage took place in Jenin refugee camp and in the Old City of Nablus - both strongholds of the Palestinian militias. In Jenin, Israeli army bulldozers ploughed through ramshackle buildings in pursuit of Palestinian fighters; helicopters fired rocket after rocket into mosques; and Israeli and Palestinian machine-gun fire raked a camp that is home to 13,000 refugees. The Palestinian militias have fought back with great courage. In one ambush, 13 Israeli soldiers lost their lives.

How many Palestinians have been killed, no-one knows. A doctor at Jenin hospital, interviewed by The Economist could not be sure, because his ambulances are fired on when they try to cover the 200 metres to the camp. It is the same in Nablus, as soldiers and fighters fight house-to-house-and sometimes hand-to-hand-through the Old City's warren of cobbled streets.

Suicide bombing

The excuse for this brutal display of naked militaristic power was the suicide bombing of a dining-roomful of elderly Jews at their Passover supper in Netanya, which killed 26 people.

The campaign of suicide bombings has shocked Israeli society, because it underlined the vulnerable situation in which ordinary Israelis now find themselves. Pacifists wring their hands. European governments issue pious declarations about violence. Yes, violence is abhorrent to all thinking people. But such pious declarations do not get us very far. It is necessary to ask the question: where does this violence come from? In order to cure a disease, an accurate diagnosis is the first prerequisite.

The Intifada is a war against Israel's occupation of the Palestinian lands. Therefore, on the part of the Palestinians, it is a just war, whereas on the part of Israel, this is a war to occupy someone else's land and to perpetuate the oppression of one people by another. To try to place both sides on the same level is pure hypocrisy and in practice aids the oppressor against the oppressed.

That is the substance of the matter, its real content. But after content comes form. What is held up is the methods used by the Palestinians in their fight against Israeli imperialism. And it is true that some of the methods used, involving the indiscriminate killing of Israeli civilians, are appalling. They are terrible. They are shocking. But the question that needs to be asked is: what could drive an 18-year old girl to blow herself up in a supermarket?

The position of Marxism on individual terrorism is clear. We utterly condemned the terrorist attacks of 11th September as a mindless act of mass murder, which only aided reaction and imperialism on a world scale. What has occurred since 11th September has shown that what we wrote then was one hundred per cent correct.

However, it is not at all correct to equate every act of violence with the monstrosity of 11th September. In the struggle between the Palestinians and the Israeli occupiers, the latter have all the advantages. The Israeli military machine is one of the most powerful in the world, and certainly has no equal in the Middle East. The Israeli soldiers enter the towns and villages of the West Bank inside armoured vehicles and tanks

and blast everything that gets in their way. They have inflicted terrible casualties on the civilian population and Palestinian fighters. True, the Palestinian militias have fought back, but the conflict is completely uneven. By comparison, the Israeli losses have been almost insignificant. In this struggle, all our sympathies are with the weak against the strong, the oppressed against the oppressor, David against Goliath.

Yes, some of the methods used are brutal and inhumane. But they are also the tactics of desperation. And what has driven the Palestinians to desperation? Only the brutal and inhumane conduct of the Israeli imperialists who have forcibly occupied Palestinian lands and who are holding onto them by terror. Desperation has given a new and terrible cutting edge to the conflict between Jew and Arab, locked in a bloody hand-to-hand struggle. The balance of terror has been modified, although it is the Palestinians who still suffer the overwhelming majority of casualties. In the last Intifada, the killing ratio was approximately 25 Palestinians for every Israeli. At the start of the present uprising, it was 12:1. It is now 2:1. The odds are shortening. Both sides are suffering. But the principal victims remain the people of Palestine

Sharon's delusions

Sharon, wants to hold onto the West Bank and Jerusalem, and use the bullet, fist and army boot to do it. Unfortunately for him, these policies, far from ending the Palestinian uprising, are having the opposite effect. The merciless Israeli onslaught has not weakened Arafat. It has strengthened him by turning him into a national hero and a rallying point. Nor will it have the effect of forcing the Palestinian leadership to soften its stance and accept a compromise. The killing of Palestinian civilians will only force him to harden his conditions for accepting a ceasefire. By systematically pulverising the weak apparatus of the Palestine Authority, Sharon makes it impossible for the latter to clamp down on the militants.

Moreover, the idea that the application of overwhelming force would intimidate the Palestinians is groundless. Instead of breaking the spirit of the Palestinians, the Israeli attack has only increased the mood of anger and bitterness, sowing the seeds of new and desperate acts of revenge. Sharon's actions are therefore entirely self-defeating. He demands a complete cessation of all violence as a prior condition for ending his offensive, but Arafat cannot easily risk calling a stop with nothing to show for all his people's sacrifices.



Sharon blames Arafat for all his problems. That is nonsense. Arafat did not plan the intifada. And it was not possible for his policemen to stop every suicide bombing, even if they wanted to. After Sharon's provocations, they have not even tried. But before that, Arafat tried to clamp down on the Palestine militants, many of whom he arrested.

Unable to control the militants, Arafat is now posing as a champion of the national liberation struggle. With the noose tightening around his neck, Arafat calls for "a million martyrs" to liberate Jerusalem. This is just demagogy. For thirty years Arafat and the PLO leaders have shown that they are organically incapable of waging a serious liberation war against Israel. By signing the Oslo agreement, he in effect abdicated the fight for real Palestinian self-determination. He is largely responsible for the present bloody mess. No trust whatsoever can be placed in these people.

The Palestinian leaders are looking to the American and European imperialists to pull the hot chestnuts out of the fire for them. Arafat is hoping that the orgy of violence will bring about outside intervention. He thus places all his hopes on a change of heart by America. He dreams that international peacekeepers will save him and put pressure on Israel to agree to a settlement, possibly on the lines of the plan put forward by Saudi Arabia. This would offer Israel peace in exchange for withdrawing all the way back to its pre-1967 borders. But Sharon has other ideas. This rabid reactionary has set his face firmly against compromise. His motto is: what we have, we hold.

America and Israel

America is faced with a serious dilemma in the Middle East. On the one hand, Israel is their only really firm point of support in the region. On the other hand, the brutal actions of the Israelis against the Palestinians threaten to destabilise the whole region, where the USA has vital



economic and strategic interests. No wonder poor George is even more incoherent than usual!

America sent General Anthony Zinni to negotiate a ceasefire. But diplomacy always has a relative weight in the relations between states. The paper language of diplomats is always subordinate to the weightier argument of bombs and high explosive shells. Having started their offensive, the Israeli generals are reluctant to call it off before it has dealt a shattering blow (as they hope) against the Palestinian militias.

For thirty years Arafat and the PLO leaders have shown that they are organically incapable of waging a serious liberation war against Israel.

Not for the first time, the interests of Washington and Tel Aviv are contradictory. But Sharon knows he holds an ace card in his sleeve. The USA dare not break their relationship with Israel. The Americans, while fearful of the consequences of Sharon's policies, have been tacitly supporting him, at least up till now. There is an element of cynical calculation in the conduct of the Americans. Together with their stooges in the leadership of the Israeli Labour Party, they are probably hoping that Israeli military pressure will persuade Arafat to accept the ceasefire terms he has so far refused from General Zinni.

They hope that this war will force the Palestinians back to a ceasefire and peace talks. "Let Sharon kick them around for a while," they reason. "Then when they have been sufficiently softened up, we can step in as defenders of the peace, and push through a compromise plan." That is why Powell is taking his time. He plans to visit Morocco, Saudi Arabia, Egypt and Jordan before coming to Israel.

In an attempt to calm Arab public

Middle East

opinion, Washington now says it supports a Palestinian state. Arafat is clinging to this like a drowning man clinging at a straw. But this is a self-evident deception. Any such state could only come into existence with the permission of the Israelis, who would make sure that it was under their control.

The Americans' calculations have immediately come up against a series of obstacles. On the Palestinian side, the bloodshed and violence has produced a hardening of attitudes, not the reverse. As for Sharon, he is a champion of Jewish settlement in the West Bank who hates even the Oslo agreement. He has ignored the reiterated warnings of George Bush to end the incursion and open a "pathway to peace". Instead, he has merely stepped up the violence. His troops have even fired on the Church of the Nativity in Bethlehem, as we have pointed out. The Bible informs us that the Almighty once showed his backside to Moses. Sharon is now doing the same to the West.

The danger of a wider conflict

By its actions, Israel is destabilising the whole region. Tel Already, Aviv announced a limited call-up of reserves in the north of the country after a broad rocket and mortar barrage, mounted by Hizbullah, the Lebanonbased Shi'ite militia, on April 7th, in which seven Israeli soldiers were wounded. This suggests the imminent opening up of a second front in Israel's war with the Palestinians. And matters may not end there. Because of its involvement in Lebanon, Syria might be drawn into the conflict. Already Israel has appealed to Washington and the United Nations over the weekend to urge Syria and Lebanon to rein in Hizbullah, warning them that it could lead to what Mr Sharon called "a very large outbreak of hostilities".

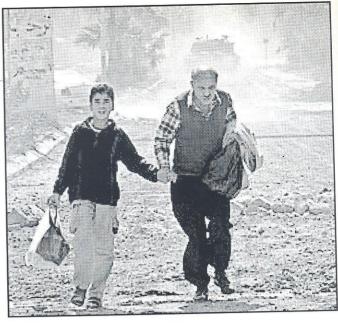
In the same breath, Sharon blamed Iran for the deployment of katyushas in south

Lebanon, alleging that Iranian Revolutionary Guards were active in the region, and accused Syria of providing help "without which the shooting could not occur". This is an ill-concealed attempt to bring about a collision between the USA and Iran, which has been described a "terrorist state" by Washington.

The whole situation is spiralling downwards, out of control. It is by no means excluded that it could end in a general war. The Arab regimes fear such a prospect as the devil fears holy water. But with every passing day, the sight of massacres and mayhem in Palestine increases the indignation of the Arab masses. There is not a single stable regime in the whole of the region. There have been demonstrations in one Arab country after another, In Amman, several Jordanian cabinet ministers were compelled to join the demonstration out of self-preservation. The Bush administration - fearful of a general conflagration in the Middle East, is now urging Israel to announce an immediate freeze on settlement building, as a way to increase prospects of a ceasefire. But with the present composition of the coalition in Tel Aviv there is no prospect of even negotiating over Jewish settlements - without which no solution is possible.

Sharon has pushed his coalition government even further to the right, bringing in the National Religious Party (NRP) and the small Gesher Party. The intention is to reduce his dependence on the Labour Party, which, as the mouthpiece of Washington, cannot always be relied upon to support Sharon's belligerent policy. The leader of the NRP, Effi Eitam, opposes any Palestinian sovereignty west of the River Jordan and predicts the eventual "migration" of the Palestinians out of the country. He speaks of the mosques on the Temple Mount as "a blight of universal proportions".

Speaking in parliament on April 8th, Ariel Sharon, the Israeli prime minister, held out



no hope of immediate relief, arguing Israel has no choice but to act with all its might. But sooner or later the Israeli army will have to be withdrawn. Probably the arrival of Cálin Powell, the American secretary of state, will serve as the signal for this. The question is: what then?

has been Palestine reduced to a smoking ruin. The economy has been shattered, and what remained of its governmental structures is in tatters. The Israeli assault has demolished the PA's governing and security institutions. In Jenin, for example, a local Palestinian says there is no longer a single PA police post left standing. Sharon has spoken of the establishment of Israeli-controlled buffer zones envelop will that Palestinian cities. In the meantime, he awaits a "responsible" Palestinian leadership. This is short-sighted in the extreme. Whoever replaces Arafat is not likely to be a more moderate option.

What next?

If the question is posed in purely military terms, neither side can win a decisive victory. The present bloody mess can continue, with ebbs and flows, for years and decades. A political solution is necessary. But who can believe in a peace brokered by the likes of Bush and Blair, or for that matter, Mubarak and king Abdullah? This would only be a new edition of the Oslo accord, probably with a few more concessions for the Palestinians. It would solve nothing and merely be the prelude to new and even more destructive conflicts and wars. If a lasting solution is to be found, the fundamental issues must be addressed.

Trotsky warned that the establishment of the state of Israel in Palestine would be a cruel trap for the Jews. This prediction has been shown to be correct. The Marxists were opposed to the setting up of the state of Israel in the first place. But now, over half a century later, the clock cannot be put back. Israel exists and cannot be wished away. The people of Israel have their right to exist just like anyone else. But they have no right to conquer and oppress other people, as they are doing. Such conduct can only lead to more and more bloodshed, which in the end can lead to a terrible catastrophe for all the contending parties. Even if Israel presently enjoys military superiority, how long can this last? Not indefinitely, for sure. And by accumulating so much hatred, anger and bitterness, the lives of future generations will be put at terrible risk.

Suicide attacks

The suicide attacks - involving just a handful of determined individuals - have already sown terror and destroyed normal life in the Jewish state. Ordinary Israelis begin to ask themselves: where is the security that Sharon promised when he was elected? When the state of Israel was established, it was supposed to offer a safe haven for the Jewish people after the

horrors of the Holocaust. Half a century later, the Zionist dream has been exposed as a reactionary utopia. There is neither peace nor security for the people of Israel, or for anybody else in this troubled part of the world.

If there is war in the Middle East, it will end in defeat for the Arabs yet again. That is why the bourgeois regimes in Egypt and Jordan are desperately trying to avoid a war. But it may not be possible for them to resist the tremendous pressure of what has become known as "the Arab street", that is, the masses. On the other hand, the provocative conduct of the Israelis seems to indicate that at least one section of the ruling clique in Tel Aviv has drawn the conclusion that, since war with the Arabs is inevitable, better give them a bloody lesson sooner rather than later.

Defeat in war will create explosive conditions throughout the Middle East, preparing the overthrow of one pro-Western regime after another. This is a nightmare scenario for American imperialism. Yet Bush and Blair- who have displayed their complete inability to understand anything- are apparently still planning to attack Iraq - in the middle of all this! Truly, as the German poet put it "against stupidity the very gods strive in vain".

The immediate objective is to force the Israelis to withdraw from Gaza and the West Bank. The fight against occupation must have the unconditional support and solidarity of the world working class movement. Withdraw the troops! For the right of self-determination of the Palestinian people! This is ABC for every conscious worker. But after ABC there are more letters in the alphabet.

What is required is a social revolution that will sweep away both the reactionary Arab regimes and the monstrous regime of Israeli imperialism. This perspective now seems very far away. Reaction seems firmly in the saddle and has unleashed the dogs of war. The position seems hopeless. But this is not the first time we



have seen situations that were apparently hopeless, but which in fact were only seething cauldrons that eventually erupted into revolutionary developments.

In 1915, Lenin was completely isolated. Europe was being torn apart by war. The workers of different countries were slaughtering each other under the black banner of imperialism. In this carnival of reaction, the voice of the proletarian internationalists was drowned out by the din of chauvinism that taught the British and French workers to hate the German "Huns", and vice-versa. It seemed impossible that things could ever change. Even Lenin, that irrepressible optimist, thought that he would never live to see the socialist revolution.

Wars in the Middle East will solve nothing, but will merely prepare the basis for new wars. But the general instability that is both the cause of wars and their consequence will create the conditions for a revolutionary movement of the masses in the next period. If this movement is led by a conscious Marxist - that is, internationalist, tendency, it can slice through the tangled knot of seemingly insoluble contradictions and point to the only possible lasting solution: the Socialist Federation of the Middle East.

We must look beyond the

present situation and see the fundamental processes. In the whole of the Middle East, conditions are slowly ripening for revolutionary developments. The present wars and bloody convulsions are a graphic expression of the fact that the old society is no longer capable of resolving the terrible contradictions that are tearing it apart. That is the essential explanation for the present madness. But the storm will eventually blow itself out. And in the cold light of day, the workers and youth of both sides will begin to ask questions and find the answers.

Only a federation, that gives full autonomy to Jews and Arabs, Druzes and Copts, Armenians and Kurds, can solve the national question once and for all. Each people would have the right to live in peace in its own designated territory, the boundaries of which must be amicably settled between them. The refugees would have the right to return. The economic potential of the region would be realised to the full in a common socialist plan of production. Unemployment and poverty would be a thing of the past. On that basis alone, the old national and religious hatreds could be overcome. They would be like the memory of a bad dream.

Is this a utopian vision? If utopian means something that

is not possible, then it is precisely the present situation that answers to this description. For more than two generations Jews and Arabs have been killing themselves. The situation has gone from bad to worse. National hatred is increasing and taking on an ever more murderous hue, where women, young children and old men are regarded as fair targets. Barbarism flourishes. The whole life of the Middle East has been poisoned and blighted by this fratricidal conflict. The socalled "realistic" solutions advanced by the bourgeois and petty bourgeois nationalists have solved nothing. The situation is deteriorating all the time, threatening to produce a catastrophe for all the peoples of the region.

A heavy responsibility lies on the shoulders of the Left Wing in both Israel and Palestine. The present situation is extremely difficult, but it is absolutely necessary to fight against the stream, to combat chauvinism and fight for the unity of Jewish and Arab workers. The Israeli Marxists will fight with all their power against the monstrous occupation of Palestine. For their part, the Palestinians must understand that, unless they succeed in joining hands with the working people of Israel in a common struggle against capitalism and imperialism, their cause is a hopeless one.

Towards the end of his life, sickened by the horrors of the Peninsular Wars and the civil strife that followed, the great Spanish artist Goya painted a picture of two men locked in single combat, mercilessly flaying each other with clubs, while both are slowly sinking into a swamp. This painting accurately conveys the madness that now reigns supreme in the land of Palestine. On a capitalist basis, no solution is possible. Only a fundamental change in the class relations in the Middle East - leading to the overthrow of landlordism and capitalism - can offer a way out. •

A call to all readers

irst of all a warm welcome to all activists and shop stewards attendina this year's trade union conferences around the country and who are perhaps reading Socialist Appeal for the very first time. This is a socialist journal produced by and for Labour and trade union activists, students and youth. We are not financed by big business. We are not financed by the media. We are certainly not financed by ITV Digital! Our one and only source of cash is the workers movement. This is as it should be. The national newspapers and magazines are all owned by big business, financed by big business and therefore answerable to big business. It is their interests that they defend. How can it be

otherwise? Our aim is to defend the interests of the working class, to explain what is happening and provide a way forward based on Marxist ideas. It is our journal, your journal. A journal which fights for socialism as the only solution to the problems of today, both here and internationally. But to do this requires two things - finance and sellers.

We are proud that we get all our cash from ordinary people but that doesn't lessen our actual need for it. We need cash to defend, improve and increase the resources to produce our journal. Linked to our 10th anniversary we have launched a special financial appeal to raise £5,000 by the end of spring. To date we have raised about half of this.

So we have quite a way to go and little time to do it. The next few weeks will see meetings around the country to mark our 10th anniversary and also launch the publication of "History of British Trotskyism" which arrives back from the printers in early May. This opportunity should be used to approach all our readers to make a special donation. Every bit will count. Please send what you can to us at PO Box 2626, London N1 7SQ.

Donations can also be made on a regular basis by standing order, automatically from your bank account into ours. This is proving to be an increasingly popular and convenient way of showing your support for Socialist Appeal and socialist ideas.

For details and a bankers form just drop me a line at the above address.

The other thing we need is sellers. We do not have access to the big newsagent chains so we rely on voluntary labour to sell our journal, your journal. At the meetings of the labour movement, on the anti-war demos, in the shopping centres and at the colleges, it is down to our supporters to actually sell Socialist Appeal. You could be one of them. You could start with just a few journals to sell - why not write or give us a ring to discuss supporting our ideas by becoming a Socialist Appeal seller.

Steve Jones

Socialist Appeal stands for:

For a Labour government with a bold socialist programme! Labour must break with big business and Tory economic policies. Vote Labour and fight to reclaim the party.

A national minimum wage of at least two-thirds of the average wage. £6.00 an hour as a step toward this goal, with no exemptions.

Full employment! No redundancies. The right to a job or decent benefits. For a 32 hour week without loss of pay. No compulsory overtime. For voluntary retirement at 55 with a decent full pension for all.

No more sell offs. Reverse the Tories privatisation scandal. Renationalise all the privatised industries and utilities under democratic workers control and management. No compensation for the fat cats, only those in genuine need.

The repeal of all Tory anti-union laws. Full employment rights for all from day one. For the right to strike, the right to union representation and collective bargaining.

Election of all trade union officials with the right of recall. No official to receive more than the wage of a skilled worker.

Action to protect our environment. Only public ownership of the land, and major industries, petro-chemical enterprises, food companies, energy and transport, can form the basis of a genuine socialist approach to the environment.

A fully funded and fully comprehensive education system under local democratic control. Keep big business out of our schools and colleges. Free access for all to further and

higher education. Scrap tuition fees. No to student loans. For a living grant for all over 16 in education or training.

The outlawing of all forms of discrimination. Equal pay for equal work. Invest in quality childcare facilities available to all. Scrap all racist immigration and asylum controls. Abolish the Criminal Justice Act.

The reversal of the Tories' cuts in the health service. Abolish private health care. For a National Health Service, free to all at the point of need, based on the nationalisation of the big drug companies that squeeze their profits out of the health of working people.

Reclaim the Labour Party! Defeat Blairism! Fight for Party democracy and socialist policies. For workers' MPs on workers' wages.

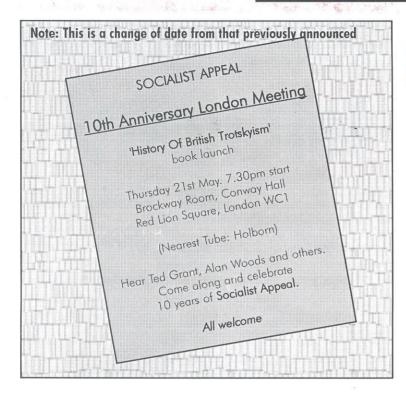
The abolition of the monarchy and the House of Lords. Full economic powers for the Scottish Parliament and the Welsh Assembly, enabling them to introduce socialist measures in the interests of working people. No to sectarianism. For a Socialist United Ireland linked by a voluntary federation to a Socialist Britain.

Break with the anarchy of the capitalist free market. Labour to immediately take over the "commanding heights of the economy." Nationalise the big monopolies, banks and financial institutions that dominate our lives. Compensation to be paid only on the basis of need. All nationalised enterprises to be run under workers control and management and integrated through a democratic socialist plan of production.

Socialist internationalism. No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.

notice load

May 2002



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Socialist Appeal

Marxist voice of the labour movement

PCS: Build left unity!

working for embers Jobcentre Plus voted 84% to 16% to accept an offer from Management that goes some way to ensure safety of members in the new open-plan offices. The strike action taken, which in some areas lasted eight months, is what forced management and ministers to finally take safety seriously. Health and safety is not the only issue for members working in Jobcentre Plus. We must go on to ensure all terms and conditions of service are not eroded.

During the forthcoming Group conference delegates will be discussing motions on important issues around harmonisation of pay and grading, sick monitoring and rights of part-time workers. The policies of the new Department for Work and Pensions (DWP) Group will be set at this first conference. It is imperative that the Moderates and others on the right are not allowed to hijack the debates and attack the left about what they see as a failed industrial campaign, which cost the union £7 million. The Moderates have already begun a campaign around this.

The dispute was important and the only way to show management and Government the strong feeling amongst members over health and safety at work. It was not however fully explained to the wider union and therefore other

Groups and Departments were left unaware of the issues involved. This was a deliberate tactic of the Moderate led National Disputes Committee (NEC) to undermine a dispute that was led by Mark Serwotka and other prominent Left Unity members within DWP. The Moderates refused to organise a levy, which would have involved the whole union in the dispute. This would also have reduced the overall cost of the strike to the union. The right are also using the amount of money spent by DWP to suggest in the Inland Revenue that they should split from the PCS and reform as a separate union where the left "cannot continue to misuse members' money". Left activists need to consider calling for a reduction in the 85% strike pay currently paid in order to strengthen the ability of the union to take wider and further action in future, which would be a proper test of the members resolve.

PCS is now in the balloting period for NEC and Group elections. This year the fight seems to be more acrimonious than normal. With the Moderates calling all other factions either "Trots" or in the case of Members First "Trots in disguise"! It is important for members in all Groups that the Left win these elections and take control of the national union. Government and management are watching these elections closely as

the result will have an effect on the reform agenda the Government is trying to push forward.

The left within PCS is not against reform as such but will fight any changes that disadvantage members or the public. The reforms New Labour wants to bring in will force people into low paid jobs, lower benefit payments or stop them if jobs are refused. The Government believes many jobs now done in the Civil Service could be done better in the private sector. A left PCS will fight to keep all these jobs within the Public sector.

During the national conference in Brighton the left must show a united front and ensure all policies that improve conditions for members are passed.

Rachel Heemskerk. Branch Secretary ES Essex (personal capacity)

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Youth for International Socialism