

The Marxist voice of the labour movement

Socialist Appeal

September 2003 issue 115

Price: £1 - Solidarity Price £2

Hutton inquiry exposes:



**Blair's Clique
of Liars**



www.marxist.com

editor: Alan Woods
 PO Box 2626,
 London N1 7SQ
 tel 020 7515 7675
 appeal@socialist.net
 www.socialist.net
 www.marxist.com
 www.newyouth.com

www.marxist.com

index

this month

Editorial:
 Blair's Nest of Vipers.....3

Britain:
 The Kelly Scandal.....4
 T&GWU - Tony Woodley's election
 Time to Reclaim Labour.....7
 Interview with Jeremy Dear.....8
 Foundation Hospitals.....13
 Blair's Weapons of Mass Deception.....14

World Economy: Sunny Summer Optimism.....16

Film Review: Goodbye Lenin.....19

USA: Power to the People.....20

Iraq: The war is far from over.....22

Venezuela: The Revolution at the Crossroads...24

History of British Trade Unions.....29

Fighting Fund.....30

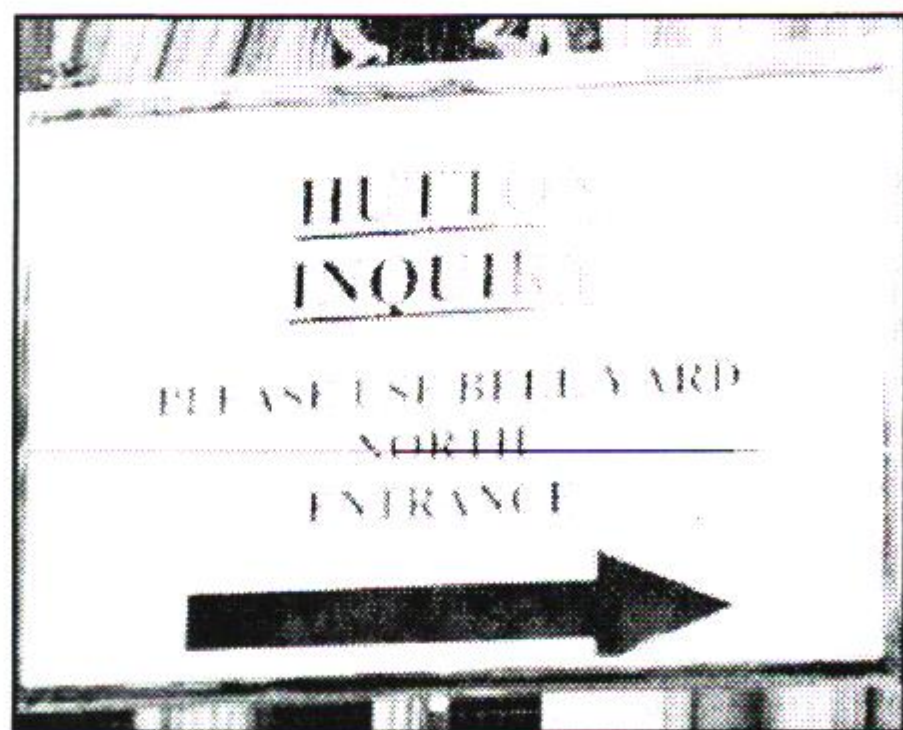
Amicus - page 10

Activists in Amicus gear up for vital executive elections

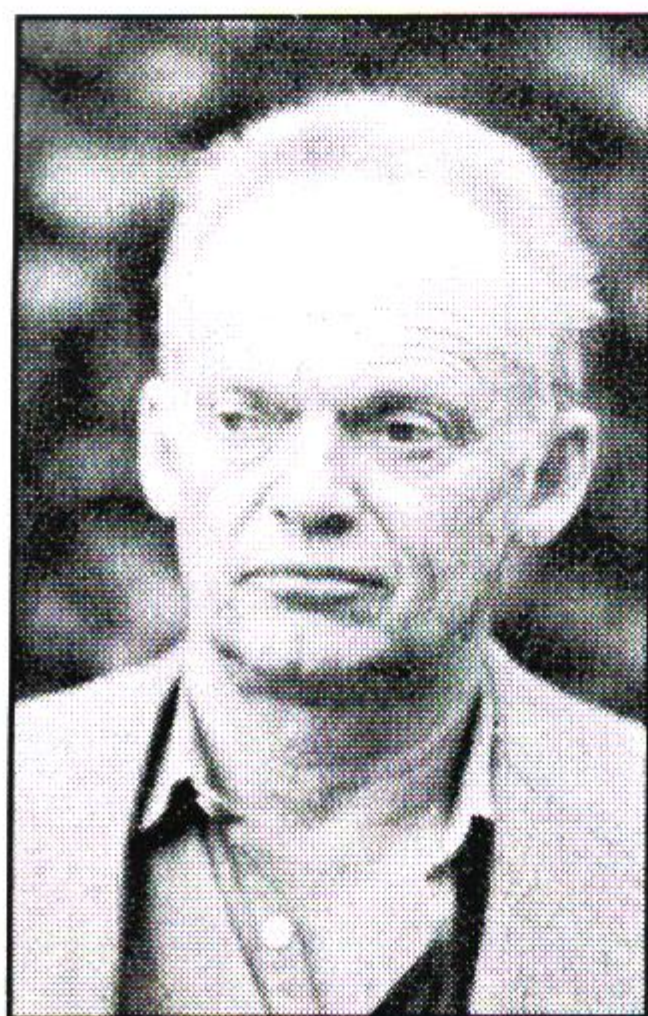
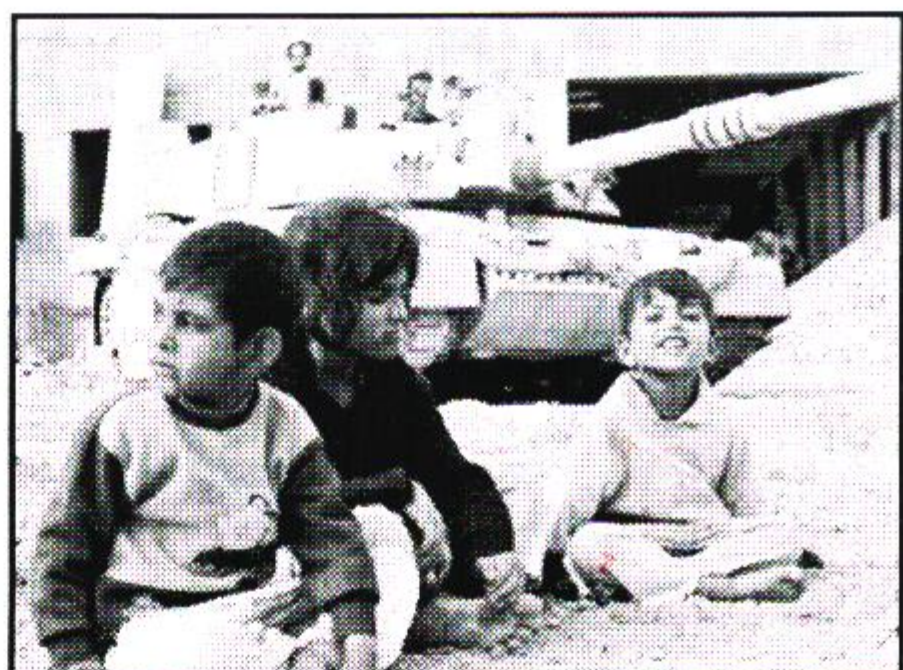
TUC 2003 - page 8

Interview with NUJ General Secretary and TUC General Council member Jeremy Dear

**The Kelly Scandal - Britain
 Rocked by Political Crisis
 page 4**



**Iraq - the war is far from
 over
 page 22**



**Esteban Volkov
 Speaks in Barcelona**

Esteban Volkov spoke at an international school organised in Barcelona at the end of July. On Page 26 we publish a transcript of his speech.

The deadline for articles for issue 116 is September 17th

Blair's Nest of Vipers

Each new piece of evidence presented to the Hutton inquiry raises the lid a little more on the real truth behind the government dossier on Iraq's weapons and the death of Dr. David Kelly.

With each passing day the Blair clique is being increasingly exposed as nothing short of a nest of vipers.

The inquiry's startling revelations and accusations now extend right to the very top of government where a conspiracy was hatched to slander and harass both Dr. Kelly and Andrew Gilligan of the BBC, and place them under intolerable pressure. The aim was to discredit and silence them, in order to protect Blair and co. by covering up the trail of deceit they left behind as they plunged the country into war with Iraq. Astonishingly, Dr Kelly had a feeling in February that he would "probably be found dead in the woods" if war broke out.

Today, months after the war officially ended, fewer and fewer people believe the government's lies. A *Guardian/ICM* survey has revealed that half the electorate now believes that the government deliberately embellished its report on Weapons of Mass Destruction (WMD). While an amazing 52 per cent trust neither the government nor the BBC to tell the truth, 34 per cent find the BBC more believable! Only 6 per cent trust the government more. The vast majority, some 68 per cent, say the government treated Dr Kelly - who apparently killed himself after being targeted by the Ministry of Defence as the source of a BBC allegation that the dossier was "sexed up" by Downing Street - unfairly. Just 8 per cent believe the government's treatment of the

MoD scientist was fair.

Despite all their spin, the only reputations being damaged by this affair are those of Blair and his unelected coterie of 'advisers'. A Populus poll, earlier this month, found 52 per cent now trusted Blair very little or not at all. The findings came after Downing Street was forced to admit that the prime minister's spokesman, Tom Kelly, had attempted to tarnish the late Dr. Kelly's reputation by describing him as a "Walter Mitty character", despite earlier denials from the government.

Serious Crisis

This is the most serious crisis faced by the Blair government since it first came to power in 1997. Already on thin ice both in relation to the war, and the government's big business policies at home, this new scandal could prove to be Blair's Watergate.

The evidence from Hutton reveals a government split at its highest levels over the Iraq crisis. Prior to the war, even Blair's chief of staff, Jonathan Powell, did not believe that the evidence presented in the crucial dossier demonstrated that Saddam posed any threat, "let alone an imminent threat". In an e-mail to Joint Intelligence Committee chairman Sir John Scarlett, Powell wrote: "We need to make it clear in launching the document that we don't claim that we have evidence that he (Saddam Hussein) is an imminent threat.

"The dossier is good and convincing for those who are prepared to be convinced.

"The document does nothing to demonstrate a threat, let alone an imminent threat from Saddam.

"In other words it shows

he has the means, but it doesn't demonstrate he has the motive to attack his neighbours, let alone the West."

Just one week later the so-called "sexed-up" version of the dossier was released, claiming that Saddam could launch weapons of mass destruction in 45 minutes.

The dossier was revamped in order to provide "evidence" on which the Attorney-General could declare an attack on Iraq to be legal. On this basis Blair declared Iraq to be "a serious and current threat" to Britain. This was the excuse used for backing the United States in first bombing and then invading Iraq.

When the Gilligan story broke, Tom Kelly, Blair's official spokesman, admitted in an e-mail, "This is now a game of chicken with the Beeb. The only way they will shift is when they see the screw tightening."

On 8 July, Jonathan Powell, Jack Straw, Alastair Campbell, the MoD's top civil servant, Sir Kevin Tebbit and Blair's two spokesmen, all took part in the drafting of a press release to say an official had come forward to admit talking to the BBC. The next day Dr Kelly was named in public.

The Blair team discussed making Kelly go before the Commons' Foreign Affairs Committee for a public grilling, but there was alarm that he might reveal doubts over WMD. As Powell stated: "Kevin Tebbit said that, while Dr Kelly supported the war and was certain that Saddam had WMD, he might say more uncomfortable things about specific items on which he had views.

"The Prime Minister wanted to know what Dr Kelly thought about WMD and what

he would say.

"The Prime Minister made it clear the MoD should continue its internal process and that Dr Kelly should be re-interviewed."

Liars

The evidence is piling up that Kelly was driven to suicide by this government-orchestrated witch-hunt. The full responsibility for this crime must be placed at the door of Number 10 Downing Street and the Blair entourage. No doubt Blair will distance himself from the scene and will persuade someone else to be the fall-guy, possibly Hoon. The entire labour movement must protest against the unaccountable, anti-democratic conduct of the rightwing clique around Blair. They dragged the British people unwillingly into war, sent British soldiers to their death, and sanctioned the killing of thousands of innocent Iraqis, on the basis of lies and a crude misrepresentation of the facts. To cover their tracks they are resorting to yet more lies and deceit. We say: enough is enough!

Blair should resign. The whole Cabinet should be cleansed. A new leader and Cabinet should be elected not tainted with the pro-business policies of the past. Market policies have led to a disaster. A foreign policy based on supporting the adventures of US imperialism is an extension of the pro-capitalist policies being pursued at home.

Now is the time for a return to socialist policies both at home and abroad. Only then can the aspirations of working people be satisfied.

Out with the warmongers and privateers!

Reclaim Labour for socialism and internationalism! □

The Kelly Scandal: Britain rocked by political crisis

By Alan Woods

"If the people have no faith in their leaders, they cannot stand." (Confucius)

WE LIVE in an epoch of sudden and sharp turns. As Tony Blair slept aboard a Boeing 777 bound from Washington to Tokyo, he was rocked by the news of the death of Dr David Kelly. In a single instant the whole situation was transformed. On leaving Washington, Blair was congratulating himself on his success, as *The Independent on Sunday* reported:

"After his triumphal speech to the houses of Congress, with its 17 standing ovations, the Prime Minister had a 20-minute meeting with President Bush, and a group of senior officials including Dick Cheney, Colin Powell and Condoleezza Rice in the Oval Office before a joint press conference and dinner with the President...

"After he boarded his Boeing 777 in bright Washington sunshine, Mr Blair will have been told of yet more good news from home. There was the wholly unexpected defeat of Mick Rix, who was standing for re-election as leader of the train drivers' union, Aslef. Mr Rix was regarded in Downing Street as the most dangerous of the new breed of 'awkward squad' union leaders, and this was the first significant union election in five years in which the winner was the candidate who was identifiably pro-Blair.

"More importantly, the foreign affairs committee had come out with an extraordinary attack on the BBC defence correspondent, Andrew Gilligan, branding him an 'unsatisfactory witness'. To

Mr Blair's advisers, that was a major advance in their campaign to reclaim public trust by disposing of the BBC's allegation that they had doctored intelligence reports to buttress the case for war in Iraq.

"So in one day, Mr Blair appeared to have defeated the BBC, improved relations with the unions, proved that he was not a 'poodle' of the American President and shown off his stature as a world figure. Unsurprisingly, his entourage enjoyed a celebratory drink aboard the plane - Blair had red wine - and talked over the day for about an hour before most of the party, Blair included, went to get some sleep."

But just when everything in the garden seemed rosy for Tony Blair, everything has started to unravel. At around 7am London time, the Prime Minister was given the news that David Kelly was missing. Mr Blair's reaction, according to one official, was one of

"shock".

Now Blair is desperately trying to distance himself from the crisis. He is looking around for scapegoats. The magnitude of these events signifies the inevitability of resignations at the highest level, so the Prime Minister is frantically looking around for friends prepared to fall upon their swords in order to protect their Lord and Master.

In Tokyo, the face of the Prime Minister told its own story. In place of the shining and angelic countenance that greeted the US Congress we have the strained and gaunt expression of a man who feels that he is delicately balanced on the edge of an abyss.

Hypocrisy

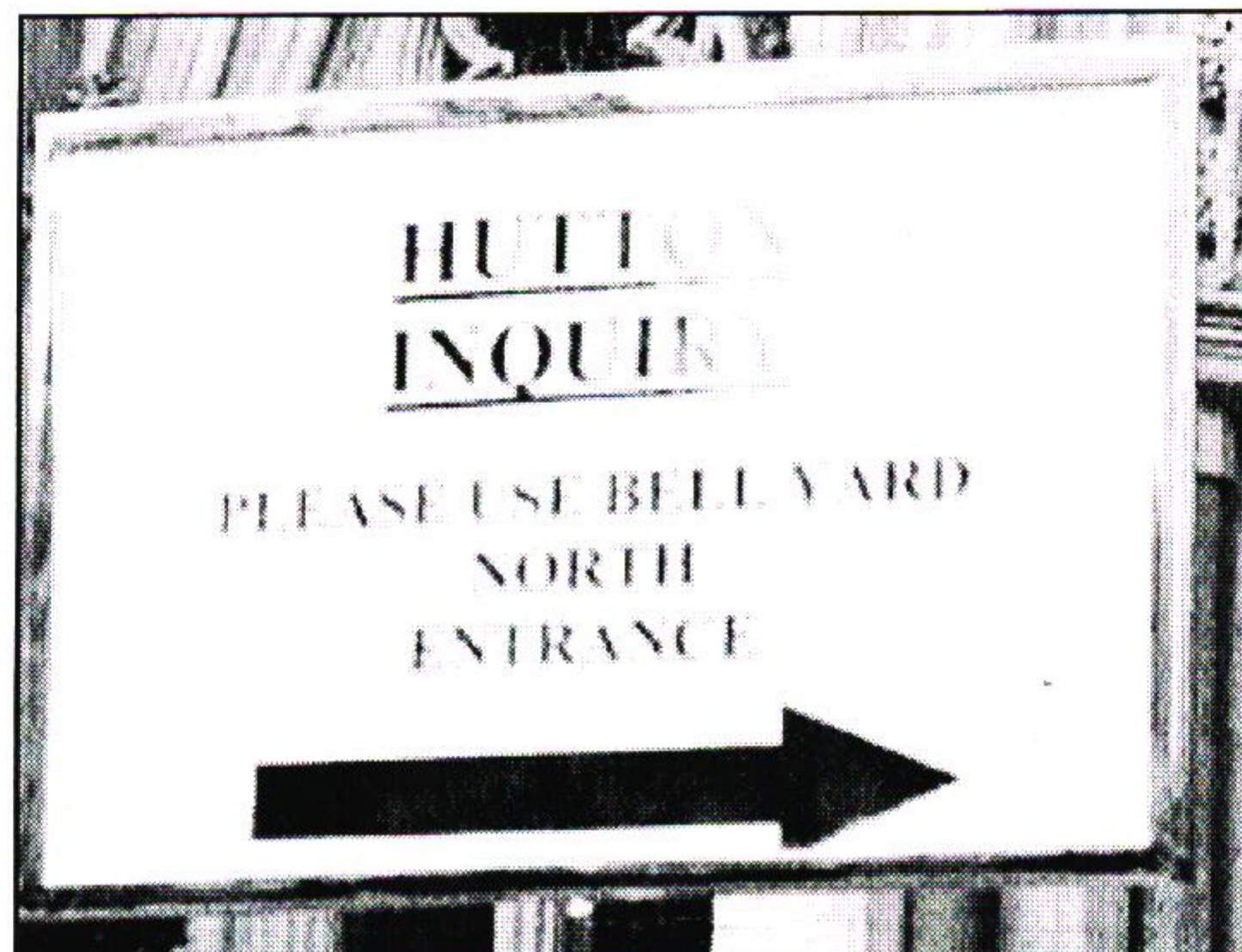
"I am profoundly sad for David Kelly and his family," he said to Sky TV. "He was a fine public servant. He did immense service for his country and I am sure he would have done so in the future. There is now however going to be a due process and a proper independent inquiry. I believe that it should be

allowed to establish the facts. We should set aside speculation, claims and counter-claims and allow that due process to take its proper course; and, in the meantime, all of us, politicians and media alike, should show some restraint and respect. That's all I'm going to say."

This is Mr. Blair's customary way of getting out of trouble: to assume a hypocritical attitude of pious morality and hope that people will be so impressed by his angelic expression that they will forget to ask the questions they had in mind. In addition he is trying to use the old trick of British politicians when in serious difficulties: refer the matter to an inquiry and then refuse to comment, pending the results thereof.

It is really a little late to recall the wonderful qualities of a man whom the government and its agents have just harried and hounded into an early grave. It is said that dead men tell no tales, but this one still has the potential to cause serious damage to Tony Blair and the clique of unprincipled right wing carpetbaggers who have seized the reins of power and until recently regarded themselves as above the law.

The row over the death of Dr. Kelly is not a passing incident or a little detail. It has opened up a crisis that has no precedent in recent British history. The nearest parallel would be the Profumo scandal that finished off the Conservative government of Hume in the early 1960s. If anything, this is even more profound. It has all the makings of a crisis of the regime. It has partially lifted the curtain on the functioning of the British state and shown what a



rotten can of worms lies behind the façade of bourgeois parliamentary democracy, what mafia methods are used by the state to defend the monopoly on power, and with what studied brutality the voices of dissidence are silenced. This is only the tip of the iceberg.

From the standpoint of the ruling class this is highly unfortunate. After all, it is important that the masses should not be aware of the real situation and that the illusion be maintained that it is the will of the people that decides everything. But it was not the will of the people to go to war in Iraq and this was shown by the biggest demonstrations in British history last February. In order to swing British public opinion in favour of a war, Blair and his stooges resorted to brazen lies and the falsification of official documents. They temporarily succeeded in this deception, but now the chickens are coming home to roost.

Revulsion

The clumsy attempts to silence the press and divert public attention away from the government's lies and falsifications involved strong-arm tactics against a troublesome BBC journalist and his alleged source inside the Ministry of Defence, a shy civil servant called Dr. David Kelly. Kelly was subjected to a vicious interrogation by a kangaroo court disguised as a government committee. The scenes of bullying and intimidation by Blair's stooges on the committee have shocked the nation. There can be no doubt that this led to the suicide of Dr. Kelly - an action that was not in the original script written by Alistair Campbell.

Prominent British civil



Nevertheless, we defend democracy because it gives the working class a more favourable context in which to develop the class struggle and build its organisations.

servants are not supposed to commit suicide, and least of all be driven to their death by government persecution. This has caused a wave of revulsion that now threatens the stability of the government. At the very least there will have to be resignations at the highest level of government. Almost certainly Campbell will go, and maybe Hoon also. But the finger of suspicion continues to point to the Prime Minister himself.

The immediate tactic adopted by Number Ten Downing Street is to refer everything to a committee of inquiry. The very fact that Blair has agreed to this shows just how desperate he has become, since up till now he has refused to call an inquiry over the scandal about weapons of mass destruction. Privately, Downing Street is hoping that Lord Hutton will extend his inquiry to look into whether the BBC, and the journalists who besieged Dr Kelly's Oxfordshire home, contributed to his state of mind.

Meanwhile, Mr Blair was hypocritically pleading for "restraint and respect" from British journalists. Having hounded Kelly to his death, these people are suddenly most concerned about the feelings of his family! This blatant hypocrisy has not prevented the "gentlemen of the press" from attacking the Prime Minister in unprecedented language. During his press conference with Junichiro Koizumi, the Japanese Prime Minister, at the spa resort of

Hakone a reporter shouted at him: "Have you got blood on your hands, Prime Minister? Are you going to resign?" A white-faced Mr. Blair was hastily bundled off the platform by his Japanese host.

The present crisis is important for what it tells us about the regime in Britain and other western "democracies". Marxists have no illusions about bourgeois legality and parliamentarianism. It is clear that in an age when a handful of super-rich bankers and monopolists dominate society and take all the important decisions, the powers of parliament are in the best case severely restricted. The Blair government is even more firmly in the pocket of big business than the previous Tory administrations.

Democracy

Nevertheless, we defend democracy because it gives the working class a more favourable context in which to develop the class struggle and build its organisations. In the epoch of imperialism the democratic rights that were conquered by the working class in the past are constantly under threat. The rule of the big banks and monopolies is really incompatible with democracy, and they try to limit and stifle it at every step. At the present time the rights of parliament - such as they are - are being systematically eroded, not just by the bankers and monopolists (who, in any case, hold the real power) but by the right

wing clique around Tony Blair who act as if they were above all laws and all democratic control and restraints. Power has passed from parliament to the Cabinet and from the Cabinet to a clique of functionaries like Alistair Campbell, who take all the important decisions together with the Prime Minister, although they are not elected and responsible to nobody.

This is no accident but flows from the very nature of the right wing Labour leaders. People like Tony Blair keenly sense their inferiority before the people who really rule Britain - that tiny handful of super-rich men and women who own and control the means of production. Blair and co. are always anxious to "prove" themselves to be "fit to rule". That is to say, they feel the need to prove themselves to Big Business. And in order to do this, they must show themselves to be "strong" when standing up to the working class and the trade unions, and to "special interest groups" - that is, single parents, the old, the sick and the unemployed.

This is even more the case in the arena of world politics. Just as Blair grovels before the bankers and the City of London at home, so he feels an irresistible compulsion to give uncritical support to the most powerful imperialist nation - the USA. Blair has even shown himself willing to risk his political career and the future of his government in his anxiety to please the man in the White House.

The truth is that Tony Blair has nothing whatever to do with the Labour movement, the working class or socialism. He only joined the Labour Party as an accident. Moreover, he is the first Labour leader in history that does not believe the Party should have been created! Therefore he is making it his business to destroy the Labour Party from within. This is a kind of bourgeois "entrism" that seeks to undermine Labour by depriving it of its socialist identity, split it away from the unions (an aim that is ironically shared by most of the ultra-left lunatics) and destroy its credibility with its working class supporters.

So far Mr. Blair has performed his tasks admirably. And as long as he is carrying out Tory policies under a false flag and keeping the Labour rank and file under control, he will continue to get the support of big business and the media. They do not need the Tories, whose basic problem is that Blair has stolen their clothes.

Splits at top

Those who argue that because of Blair the Labour Party has undergone a qualitative change and is now a "bourgeois Party" have understood nothing. Despite everything, the Labour Party remains the mass party of the British working class. It is still rooted in the unions who pay its bills and control half the votes at Party Conference. The unions in Britain are moving to the Left and have launched a campaign for the transformation of the Party. The mood in the ranks and even the Parliamentary Party is increasingly rebellious. Even before the present events Blair's control was beginning to weaken. The resignations of Cook and Clare Short



show the beginnings of splits at the top. The number of Labour MPs voting against the government is constantly increasing.

It is in this context that we must see the behaviour of the press in the present crisis. The ruling class is following events in the unions and Labour Party with growing concern. Despite the nonsense of the ultra-lefts, the attitude of big business to the Labour Party has not changed. Its policy towards the Labour Government is: "use and discredit". They will use Blair and the right wing to carry out policies that would have provoked a storm of protest under a Tory government, and when they have sufficiently discredited Labour, they will turn against the government, organising a campaign in the press to bring it down and prepare for an even more viciously reactionary Tory government. What we see now is the opening shots in such a campaign.

The Labour right wing is full of middle class careerists who have no principles and no interest in the Labour Party except as a vehicle for their personal advancement. A typical specimen of this breed is Alistair Campbell, the

Rasputin of the Downing Street clique. Campbell will probably lose his job in the fall-out from Dr Kelly's death. His loss will not be mourned in the Labour movement. But it will not, in itself, solve the central problem.

Despite all Blair's attempts to distance himself from the scandal, the issues raised will not go away. The well-known actress and Labour Left MP Glenda Jackson called for Blair's resignation. She publicly accused him of lying over the question of weapons of mass destruction and personal responsibility in the Kelly affair. There is no doubt that she was saying what many Labour Party members are now thinking.

Reclaim Labour

The support for Blair and his right wing faction inside the Labour Party and the unions has virtually collapsed. The road is therefore wide open for the Left to take back control of the Party. As always the key is the trade unions where left-leaning general secretaries have already-raised the demand for the unions to reclaim Labour. What is required is an energetic campaign at all levels to

kick out the right wing that has done colossal damage to the Labour Party. It is not only a question of foreign policy and the war, but the adoption of Tory policies in the health service, education and the public sector in general that has infuriated Labour's rank and file. This year's Labour Conference promises to be a hot one.

What is necessary is to carry the fight for socialist policies into every Labour and trade union branch, to pose the question of getting rid of the right wing and regaining control of the Party. This is the only serious way of fighting against Blair! In the coming period the fight inside the Labour Party will become intense. The branches and conferences will come alive again as people see that there is a real possibility for change. The Marxists will not stand aside from this struggle but will participate actively in it, push it forward and simultaneously fight for the adoption of genuine socialist policies.

The growing social crisis in Britain must be reflected in a growing right-left polarisation in the Labour Party. At a certain stage the right wing will be vomited out. They are really alien elements who have infiltrated the Labour Party for careerist purposes. But when they realise that the situation in the Party is no longer conducive to their careers, they will leave in droves.

The ruling class will not sit idly by while this process develops. They will support the right wing against the Left while simultaneously undermining the Labour Party. They would prefer a Tory administration, but at the moment this is not likely. Therefore, at a certain stage, they will try to split the Labour Party, using the Blairites for this purpose. The stage will be set for a repetition of the split of 1931. □

Tony Woodley's Victory: Time to Reclaim the Labour Party!

by Rachael Webb, branch secretary TGWU 1/888 Road Transport, personal capacity.

I think the results are a victory for ordinary lorry drivers against the sort of policies put forward by the "Chardonnay Islington" New Labour Project type of policies. Both Tony Woodley and Barry Camfield put forward leftwing pro-traditional trade union principled policies so we can combine their vote (95,304) as an indication of a changing mood amongst members.

Jack Dromey represented the Tony Blair/John Spellar type of New Labour "Project" trade unionism; he was the Government favourite and had the advantages of Alistair Campbell/Peter Mandelson media contacts and publicity. In this context the left vote was quite remarkable.

The four largest trade unions plus a number of smaller unions now have General Secretaries who are prepared to push policies which are in working members' interests. Experience in other unions with left leaders who are prepared to fight is that there is an increase in membership. This can now be expected in the T&G, provid-

ing branch members, such as us truck drivers and other road transport workers get involved in recruiting and building our union.

I am willing to bet that almost every branch member will oppose John Spellar's decision to rule out waiting time from a definition of work within the European Working Time Directive on a 48 hour working week (EWTD).

Just about every working lorry driver I have spoken to recognises the EWTD can mean either a shorter working week or a cut in pay. John Spellar's decision weakens our pay bargaining position with our employers and severely limits our chances of, at last, getting a shorter working week for a reasonable wage at the end of it. According to him, when you pull up in a RDC or a Groupage Warehouse, or when you are parked up and waiting for loading instructions but told "be back within half an hour" (little white lies), then you are not working! In my experience this is precisely what the bosses say to us when we ask to get paid for a

spread-over when we are at work and available for work. John Spellar seems to be on their side and it is time we told the likes of him that we want Labour Transport Ministers to be on our side.

The Labour Party was formed some 100 years ago from the early members of the T&G and other unions who perceived the need for a political voice. At the moment it seems to have been hijacked by middle class people whose only concern is with profits for private business, not with the pay and working conditions of trade union members such as ourselves.

My personal view is that with the election of Tony Woodley, now is the time for us to reclaim our Party.

Both the T&G rule book and the Labour Party rule book provides for numbers of delegates to the General Committee of each Constituency Labour Party to be nominated by T&G Branches, such as ours. This



means ordinary branch members of the T&G can have our say in the Labour Party. I advocate we do just this. I advocate our branch joins with other T&G branches in Sussex and sends delegates into each and every Labour Party to call the John Spellars of this world to account. T&G delegates could reclaim the Labour Party on our behalf. It will not happen without a struggle and it will not happen without debate amongst ourselves. □

British Bosses Fail to Invest and UK Manufacturing Remains in the Doldrums

Those UK captains of industry hoping that the expected cyclical upturn in the economy will save their bacon had better start looking more closely at the facts, despite all the promises from Gordon Brown. *The Guardian* during the summer, under the heading "Industry's Expansion Engines Remain Stalled" reported that 'output, according to the CBI, is still falling, and companies are cutting prices in order to stay in business. All that is happening is that the first stirrings of recovery in the global economy have resulted in order books declining less rapidly than in the previous month... export orders and output were still deteriorating in August. '

The paper then continues: 'Investment in manufacturing fell by 10% in the second quarter, exploding the idea that firms had merely been mothballing expansion plans during the build-up to war in the Gulf. That was always hope triumphing over experience...' But that's not all: 'Continued weakness in the manufacturing sector contributed to the CBI's decision to cut its economic forecasts for 2003 and 2004. The Treasury has pencilled in GDP growth of 2-2.5% for this year, but the CBI yesterday cut its projection to 1.8% from 2.1%.' What is their conclusion? '...if and when a strong global recovery does emerge, British industry will be ill-equipped to take advantage of it, and will face depressingly familiar problems of supply bottlenecks and capacity constraints'. And this is meant to be the good news! □

NUJ General Secretary and TUC General Council member *Jeremy Dear* spoke to *Socialist Appeal* in the run up to this year's TUC Congress.

What are the main issues facing congress?

Public services will be a key issue for the Congress with a strong statement needed supporting a national framework for pay, including national rates and national pay bargaining and reaffirming our movement's commitment to universal provision of education, healthcare, fire cover and so on based on need not profit. But it is important to do more than that. The TUC must be prepared to support and lead action by workers to oppose privatisation and protect jobs and conditions too.

Other key debates will focus around workers rights where the TUC has adopted a good policy supporting the repeal of the anti-trade union legislation but now we need to build the campaign in to a more active one. Us and the RMT are calling for a national demonstration in 2004 to back demands for rights at work. We also need to increase the pressure on the government to stop the activities of the union-busters and enhance collective bargaining rights.

Another key demand from the unions will be for the TUC to lead a campaign to tackle the BNP and other fascist and racist organisations. Asylum seekers live in a state of fear in many communities in the UK and the TUC needs to be waging an active fight to counter organised fascism and racism and to expose the poverty, unemployment, poor housing and social conditions which are the breeding ground for these filth.

Top-up fees in education may become one of the next big battlegrounds between the



trade unions and the government and the TUC is likely to strongly reassert its fundamental opposition to such fees which undermine equality of access.

The NUJ is one of those unions calling for a TUC commitment to campaign against any attempts to undermine public service broadcasting and force a greater commercial role on the BBC.

Talking of the BBC what do you think of events surrounding the Hutton enquiry?

In one sense the furore over the BBC report and the Hutton enquiry have achieved one of the government's aims - they have got people talking about who said what to whom and when and sight has been lost of the fact that we were taken to war based on a lie - that

daily, unemployment has soared, malnutrition is rising. Is this what 'victory' looks like?

Hutton provides a useful distraction from that grim reality.

How has the trade union movement changed in the last twelve months?

Last year's Congress was one of the most dynamic for years and this year's is likely to build on that. Since last year Derek Simpson has taken over at Amicus, Tony Woodley has been elected at the TGWU and Kevin Curran at the GMB. A new left Executive has been elected at the PCS and left trade union leaders like Paul Mackney at NATFHE and Judy McKnight at Napo have been re-elected. At the CWU the left candidate won the Deputy General Secretary post. With the exception of the surprise defeat of Mick Rix at Aslef there has been another steady move towards the left. And I think you can see that reflected in unions taking action over pensions, job losses, pay, working conditions and so on. There is a greater confidence and willingness among unions and their leaderships to fight on behalf of their members. That is then being reflected in many unions seeing significant increases in membership for the first time in many years.

That's what has brought unions in to conflict with New Labour. The government's relationship with big business is threatened because workers are no longer accepting that their wages must be held down or they must be more flexible simply to make ever

Iraq had weapons of mass destruction when none have been found; that it had chemical and biological weapons capable of being deployed in 45 minutes; and that it posed an imminent threat to the US and Western Europe. Despite the pages of information, the e-mails, the dossiers and the quizzing of intelligence chiefs, there is not a single shred of evidence for those assertions.

I always believed this war had little to do with the democratic rights of the Iraqi people and much more to do with US dominance of an oil-rich region.

And those who warned of the dire consequences of the war were sneered at when George Bush declared a quick 'victory'. Now new estimates say around 20,000 Iraqis may have died, there is still no electricity or water in some parts, killings happen virtually

The unions have begun to get organised to take the party back from those who hijacked it in the 1990s. The TUC Congress would be a good place to launch that campaign in the wider movement.

greater profits for shareholders. Is it any wonder there is an enormous anger when fat cat bosses reap the dividends whilst workers in Britain have the longest hours in Europe, with the shortest breaks, the fewest public holidays and the least rights at work.

Much has been made of the rift between the unions and the government. What do you make of it?

It is a very real rift. On the one hand you have a government committed to privatisation, in thrall to sections of the media, with a relationship with big business they value above all else and a commitment to the 'free market'. On the other hand you have a trade union movement founded on the principles of justice, equality and solidarity that sees that the 'free market', big business and privatisation cannot deliver those values. The market hasn't delivered better public services or better transport, it hasn't delivered better working conditions or decent housing for all.

Many people say the rift is about personalities or grudges but it is much more fundamental than that. It is about ideology. There was great optimism in 1997 that we would see the end of the Thatcherite pro-business policies being pursued by the Tories. But

too many of them have continued.

So what are the unions doing about it?

Well, on a personal level I welcomed Tony Woodley's call for a summit of unions to win the party back for our values. The unions have begun to get organised to take the party back from those who hijacked it in the 1990s. The TUC Congress would be a good place to launch that campaign in the wider movement. If unions do not act now many good trade unionists, disillusioned with the government's policies on pensions, rights at work, asylum seekers and so on will be lost to the party in the coming years. Labour's vote in many elections has fallen reflecting this disillusionment.

But where Labour candidates have stood, as in Wales, on a few Old-Labour style policies they have reaped the rewards.

The task facing affiliated unions is now to transform the call to reclaim the party in to action. As a first step they should make sure their representatives on Labour's NEC support union policy or are removed.

Socialist Appeal has put forward the idea of a '300 Club' aimed at signing up 300 trade unionists to each Constituency Labour

Party with unions using their resources to help members join.

Such a move would be a concrete way of unions using their resources better to have influence over the party and its selection of candidates. Many unions give tens of thousands of pounds to Labour only to see the services their members work in privatised or like the firefighters have to wage a bitter battle with the government for fair pay. It would be much better if they directed that money at securing candidates and CLPs who backed demands for better trade union rights, who supported working peoples' demands rather than those of big business.

It has been a good year for the NUJ. How do you intend to build on that?

It certainly has been a good year. We've seen another significant rise in union membership, have won some very important recognition campaigns, not least at the Daily and Sunday Telegraph where more than 90% of the 600-plus journalists voted in favour of NUJ recognition and we've begun to use our new found confidence to tackle low pay in the magazine and local newspaper industry achieving rises of over 20% in some areas. It is important we

now work to co-ordinate the various actions that are taking place throughout the industry. We are planning a major campaign against low pay in one particular newspaper group over the coming months as well as a campaign with other media and entertainment unions to defend public service broadcasting. □

Day of Action Called

This September marks the third anniversary of the death of Gyorgy Gongadze, editor of the internet newspaper *Ukrainska Pravda*.

He was kidnapped on 16 September 2000. Some days later his headless body was found in a ditch at Tarashcha outside Kyiv. Forensic investigations suggested he had most probably been killed a few hours after disappearing. The National Union of Journalists has been campaigning since then for an independent international enquiry into the events surrounding this murder.

A recent NUJ press release attacked the Council of Europe's report into the case as being 'painfully inadequate' and NUJ General Secretary Jeremy Dear had this to say: "The Gongadze case is a touchstone for press freedom in Europe. There is prima facie evidence that the head of state may have conspired to harm Gongadze shortly before his death. The general prosecutor's investigation has never dealt with this issue. Until it is dealt with, dictators and bullies everywhere will believe they have impunity to use violence to shut up journalists who write things they do not like."

"As an institution claiming to uphold human rights in Europe, the Council of Europe has a crucial responsibility to ensure that justice is done in this case. Mr Kruger has closed his eyes to the wealth of deficiencies in the general prosecutor's investigation. The danger is that the Council of Europe will effectively become a shield for serious breaches of human rights in Ukraine."

A day of action has been planned for September 16th and further information can be obtained from the NUJ or by visiting:

www.londonfreelance.org/gongadze/

Crucial Election Gears up in AMICUS!

By Kris Lawrie, AMICUS member, personal capacity

THIS IS an historic time for AMICUS members! The forthcoming elections in AMICUS to elect the 48 lay member executive for the newly formed union of 730,000 members will be the beginning of a new era for workers in a whole range of industries. For many on the left over the years, the prospect of electing a leftwing executive committee to the former AEEU could only be a wild dream from which they would have expected to wake up at any minute. Yet the prospect is now very real. The AMICUS Unity Gazette, comprising of rank and file members from the former AEEU and MSF, have selected a slate of candidates to contest the elections covering all industries and regions. Nominations for the new executive committee will start on 10th October, with voting starting on 17th November and finishing on 5th December. Newly elected members will then take up their positions on 1st January 2004.

It was not too long ago that the previous leaders of the AEU and EEPTU, forerunners of this present merger, were very much to the right and in direct collusion with the Tory government and bosses. They were at the forefront of arguing for 'New Realism' the beginning of 'Blairism', or put another way, they believed that unions should roll over and lie dead, do what the bosses

want, in the hope that management would be nice to workers and give us a few crumbs. As a result a series of sweetheart, 'no-strike deals' were signed. Sir Ken Jackson merely continued these policies under a new name of 'Partnership'. These deals did not improve British industry, workers wages or conditions. In fact they contributed to low investment in machinery and people, low wages with long hours.

Defeat of Jackson

The tremendous election victory of Derek Simpson over Ken Jackson was the accumulation of years of the left in the union fighting against the stream. The election victory was no accident but a reflection of deep seated struggles and a mood of dissatisfaction from top to bottom with the way the union had gone since the defeat of the left in the old AEU and the merger with the EEPTU to create the so-called super union of the right. It is no accident either that there has been a spate of left wingers elected to leading positions in other unions over the recent period. Up until the present, the policy of the rightwing was collusion with management. When that was not seen to work, everyone's hopes were placed on the newly elected Labour Government. But they have not fundamentally reversed the Tory years, or

even repealed the anti-union laws or greatly improved workers living standards. In general, any one offering an alternative to the present ideas and who talks a good fight is now getting elected.

The election of individual lefts in the unions is a step forward. However, the increasing confidence of the rank and file, which is certainly taking place in AMICUS, is even more important. Obviously, the executive committee elections are of key importance. The election of a rightwing executive will entrap Simpson. The election of a leftwing executive will empower and pressure Simpson to speak up for the movement in general, but more importantly it would be an important step to empowering the rank and file of the union. It is not just a case of left and right-wingers engaged in some abstract political game in smoked filled rooms. It is a case of whose side are they on? Are they going to succumb to management and the government, or are they going to stand by workers and fight tooth and nail for every job, every penny on our wages, and every improvement in our conditions. This is the crux of this election and the future employment, wages and conditions of our members revolve around electing a leadership that is prepared to fight for its members.

There are a number of issues facing our members

that have to be addressed now, not least the fact that the loss of 10,000 manufacturing jobs a month has to be halted. The lack of investment in new machinery over decades has been due to the bosses just taking their profits and playing the stock market for quick gains. Now that the stock market has fallen we are being made to pay with inferior pension schemes, even though they took contribution holidays in the 80s and 90s. Each industry we represent has its problems whether it be the health service and foundation hospitals, aerospace after 9/11, the constant threat of Corus to sack more workers, etc.. Each issue, no matter how small, is very important to each worker concerned.

Political impact

The political impact that a leftwing AMICUS executive committee could have within the Labour Party could be enormous. Together with other unions a campaign could be organised to take back the party, encouraging members to join and take an active part in the Labour Party at constituency level, arguing for political policies that will benefit workers not the bosses. The industrial and political struggles are all intimately linked together. In the end the only way to save jobs permanently, to cut working hours without loss of pay, to address all the problems facing

working class people is to make the capitalist system redundant.

The election of the Unity Gazette's candidates is not a foregone conclusion; a lot of hard discussions on how best to take the union forward are needed. The surprise defeat of Mick Rix in the recent Aslef election is a warning against complacency and the argument that no campaign is needed - the rightwing, aided by big business, will always be plotting to divert the class struggle. Every member at every level therefore has a role to play. What the Unity Gazette candidates are standing for represents a

union that not only will erase the bad old years but install a democratic organisation fighting for its members interests. We must sweep away 'sweet-heart deals' for collective bargaining.

Weakness invites aggression

We must ensure that members, buffeted by globalization and the international search for cheap profits, can defend themselves and their jobs. That means adopting a militant approach. Negotiate with management from a position of strength, backed up if necessary with the threat

of industrial action. The weakness of no strike deals only invites aggression. AMICUS must demand that the Labour government repeal the anti-trade union laws that shackle union power, while demanding the same legal protection on jobs as our European brothers and sisters, but understanding that only our united strength will gain any real advances on these issues. The demands for democracy within the union, like the reintroduction of election of officials, restoration of the district committees and freeing up branch funds are a must to involve all members in

the union.

The next few months will determine which way the union will go. Though whatever happens nothing will be the same again in the union. The rank and file is on the move and will reclaim their union. These elections are just the beginning. Let us secure an historic victory for our members. Help us elect a leadership that will fight for the interests of our members, Vote for the Unity Gazette candidates and remember - unity is strength!

***Socialist Appeal* is proud to give its energetic backing to the Unity Gazette slate in the national executive committee elections. There are supporters and readers of *Socialist Appeal* on the left slate. In this issue we are highlighting the statements of three of these comrades:**

Constituency: Construction & Contracting

Phil Willis

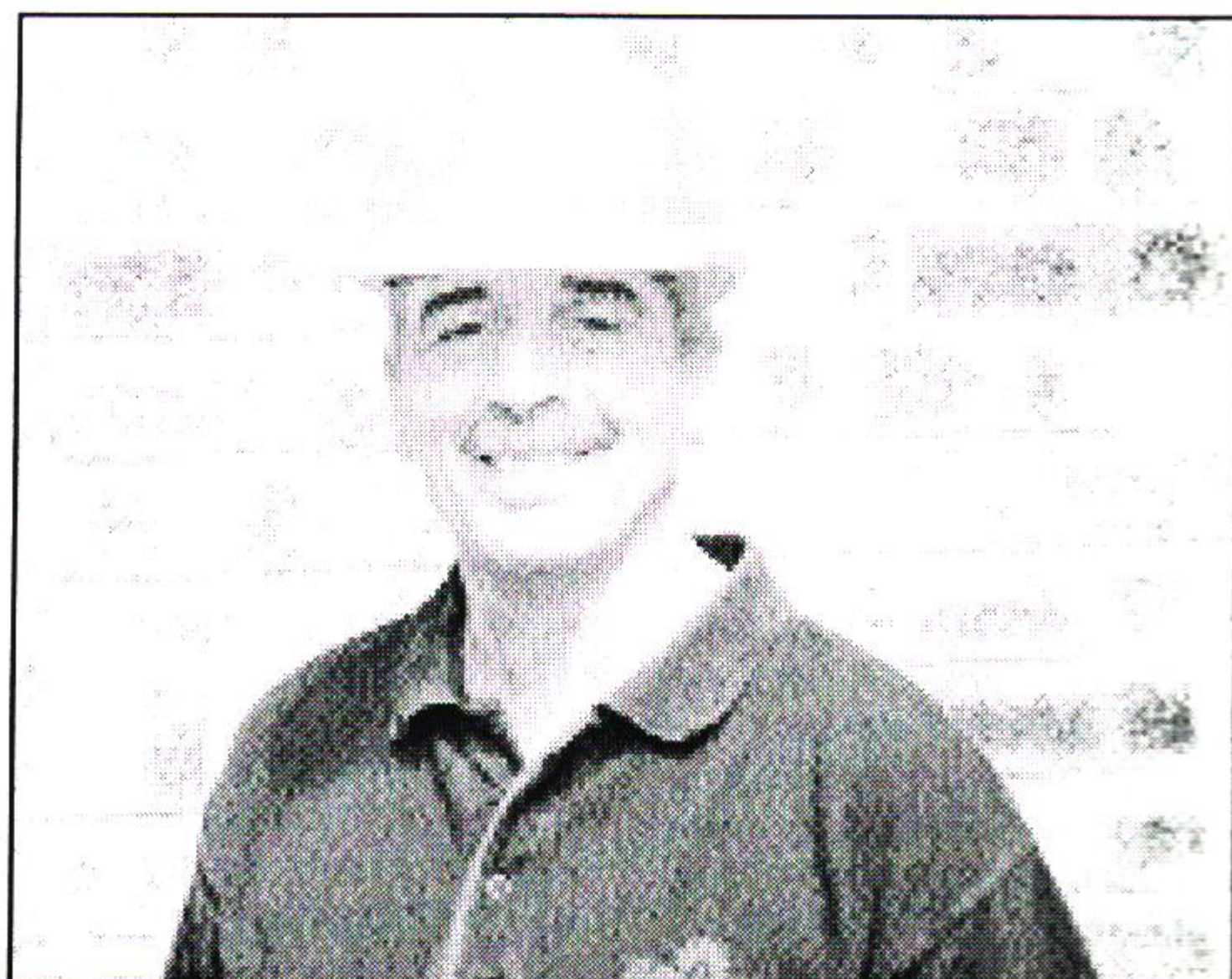
I believe that we work in a first rate industry, but on third rate terms, and it is time for a change. If elected here are a few of the campaigning issues I would want to raise on your behalf:

- Health & Safety - Some industry bosses place much more emphasis on profit than they do on the value of a workers life. It's time that the Corporate Manslaughter Bill was passed to protect construction workers lives.
- Sickness & Pension Schemes - We have no proper pension/sickness provision for engineering construction workers. We need a robust sickness/pension scheme specific to our industry.
- Bogus Self Employment - A

cancer in our industry. Many of our workers are forced into accepting terms less favourable than they should, simply because the employer offers a 'take it or leave it attitude' to wages and conditions.

- Proper Representation & Democracy - We need ELECTED full time Officials who are fully accountable to the members they represent. They should be born of our industry, who understand our industry and who are willing to fight for us. We need an HONEST & HARDWORKING, lay executive who are prepared to stand up for members rights. I am and always will be a socialist. I campaigned vigorously last year for Derek Simpson and am proud to stand now on a left wing ticket for a place on his lay execu-

tive. I ask for your nomination, in order that I may be given the chance to make a difference to the lives of working people. And with your support I pledge to do just that.



Constituency: Energy

Mike Gaskell

MEMBERS OF Amicus who work in the energy industry have had to endure years and years of job losses, attacks on terms and conditions, all kinds of schemes, gimmicks and fads designed to squeeze every last drop of productivity out of us, and the ever present threat to job security posed by the gathering pace of contractorisation / casualisation of the entire industry. The Tories privatisation of the energy industry, persevered with by Labour, has proven to be the disaster widely predicted by the unions at the time. We have witnessed massive sums of money siphoned off in the form of vast profits and fat cat pay and bonuses for the bosses on the one hand, and a less reliable electricity network on the other. Graphically illustrated recently with the power cuts experienced by large parts of the country when the wind blew last October and by the difficulties being experienced by the likes of British Energy coupled with the complete collapse of TXU Europe.

The response from our Union has been the concept of partnership. This is the idea that if we assist the company in achieving maximum profits then their gratitude will ensure that our members jobs are safe. The partnership argument was also used to lower expectations of what the election of a Labour Government could achieve. Better to use our influence with the Government and co-operate with, rather than, confront the employer ran the argument. This approach has failed miserably, since privatisation jobs have shrunk from 114,219 in 1990 to 71,000 in 2001. This reduction went largely unnoticed with no campaign of opposition organised by the union. In some instances the union supported schemes such as "conversion franchising" this is in effect a scheme that allows companies to make those workers redundant then use their redundancy money to buy their jobs back. The end product is the smashing of organised trade unionism with collective agreements terms and

conditions etc. and the creation of many small businesses all competing against each other for work. A Tory dream.

The partnership approach however has not prevented disputes and in the example of Scottish Power, power systems, led to strike action in 2001. In that dispute partnership proved to be a very poor defence against attacks on our terms and conditions. I am opposed to that approach and believe that we have the industrial strength and ability to stand up to the attacks on us from both the employer and the regulator.

It is now six long years since we elected a Labour government. The massive optimism and expectation that things could only get better have been betrayed. As a Socialist I believe that the union exists to represent the members, to defend our current terms and conditions and to improve them. The union should also have ambition on behalf of its membership and should argue and campaign for a better society. What is wrong with calling for full employment on decent wages. The right to a decent home. A health service free and readily accessi-

ble to everyone. The right for trade unions to take strike action free from the interference of the courts. For the ending of the free market anarchy currently ruining our industry. In my opinion the privatisation experiment has failed and should be ended. We need an energy plan that looks to the future needs of the country and not the short-term need for profit that cares nothing for the wider needs of society. I am a supporter of the calls to reclaim the Labour Party for the Labour movement. Criticism of the Government does not mean we want the Tories back. We should campaign as a union for

- An energy plan in order to end the free market anarchy that is ruining our industry.
- Common standards of pay, hours of work, pension provision, holidays. These should be not less than the best already achieved.
- A thirty five hour week.
- A massive influx of trainees (apprentices, trainee engineers, clerical and admin) to end the culture of casualisation.
- Retirement at fifty.
- Build the 'Save the manufacturing industry' lobby of Bournemouth Labour conference 29 September. □

Constituency: Foundry & Metals

Peter Currall

I HAVE been a member of the old AEU since 1966 and have worked in engineering all of my working life. I started as an apprentice fitter/turner and am currently employed at Corus Tubes as a multi-skilled craftsman.

The decline of British manufacturing continues; we face record plant closures and a haemorrhage of jobs, and the Labour government has done nothing to help the situation. The union must step up the pressure on the government to take action otherwise in the

long run there will be no manufacturing left at all.

There have been over 6,000 job losses in Corus alone during the past 2.5 years; steel making is a vital sector of industry that has been dying a slow death. The private sector has proven completely unable to run the industry, the Labour government should intervene and re-nationalise steel production.

With the election of a new General Secretary things have begun to change within the

union, but we need a strong leftwing executive with the power to make changes and bring about more democratic control. I stand on this platform ordinary members should have more say on how their union is managed!

If elected I will campaign on the following issues,

- Return the union to the members! District committee/shop stewards quarterly meetings must be

restored to encourage greater organisation, discussion, and control at local and regional levels.

- Democratic elections at all levels of the union, including fulltime officers.
- Open accountable structures.
- Financial openness.
- For a fighting, campaigning, union that will represent the interests of the members - not the bosses! □

FOUNDATION HOSPITALS - THE ROAD TO PRIVATISATION?

If at first you don't succeed - scam, scam and scam again. For a once great National Health Service this has been a sorry story indeed. First we had the Tories and the 'internal market' linked to a policy of cuts, closures and

outsourcing. Then we had the privateers dream of the Private Finance Initiative promising nice profits for a few and rising costs for the rest.

by Steve Jones

THE LATEST scam to be presented to us is that of Foundation hospitals. Under this proposal, select 'top performing' hospitals will be able to apply for foundation status which will magically enable them to help provide better health care for all - so we are told. 25 trusts are waiting to become foundation hospitals towards the end of next year with a further 38 to potentially follow. But strip away all the New Labour-speak gibberish about 'reform' and 'devolution' and so on and a more unpleasant reality lies hiding.

Ask yourself this - how can gaining foundation trust status, becoming semi-independent from the NHS in effect, actually improve health care in real terms? Health care is provided by doctors, nurses and specialist support staff using hospitals, machinery and medicines. Those who are supposed to benefit are called patients. Yet the government talks of customers and service providers - the language of commerce not of healing the sick. The only thing foundation status actually changes is to separate the hospital from the rest of the NHS and place it under what the government would have us believe is some sort of wonderful all-new local democracy.

The reality is this. Foundation hospitals will be run by a board of governors and a management board serving an agreed set of 'members' rather than the

community at large. In effect governance by a board of directors just like any corporation or firm. Any surplus or profit they generate from services or assets sold can be kept by the trust rather than being divided up by the NHS as a whole. They will have extra freedom to borrow although as usual it will be the public purse which would have to pay out should anything go wrong. They will be able to pay staff extra thereby enabling them to pick and choose the best staff available irrespective of needs elsewhere.

The result? A two tier health service with the foundation trusts - selected from the most profitable hospitals around - serving a select market, deciding their own priorities, sucking up resources from the rest of the NHS and gearing up for the next step. And what could that be? The conclusion is unavoidable. This road can only lead one way and that is the creation of a ready prepared and packaged layer of health care ready for full privatisation and open only to those 'members/customers' who can afford it. And what of the rest? Just as we have sink schools at present so we will have sink hospitals where the poor and the unprofitable will be sent - no one will be interested in giving these hospitals foundation status or any status for that matter.

The underlying principle of foundation trusts is the same

as that underpinning PFI, privatisation and all the rest of the scams which have been inflicted on the public sector over the last few decades. Namely the belief that private ownership is more 'efficient' than public. The truth is somewhat different. The private sector is very capable of generating profits for its shareholders but as for the rest - the only way it has ever achieved 'efficiency' is through cutting costs, staff numbers and wages and to hell with the service actually provided. All the evidence is already there that these trusts will show how effective they are through the manipulation of target results on paper rather than where it actually counts - in the wards and waiting rooms.

"Pound signs"

Many in the health sector have naively urged caution saying that we should wait to see how foundation status works in practice before committing ourselves wholesale to the project. But those in the NHS who will be running these trusts are not interested in any delay. They already know how things will end up and see the pound signs flashing in front of them. The protection for the NHS as a whole will be weak. Foundation hospitals will only have to provide a 'reasonable' degree of accessibility to all, beyond which they can - and will - pick and choose. The public's interest will be, we are

told, protected by the grand sounding Independent Regulator for Foundation Trusts. Given the record of all the other regulators we have seen over the last few years we can safely assume that our interests will be the last to be protected.

Foundation hospitals strikes a blow at the very heart of the principles of free health care, freely available for all at the point of demand, which won Labour its election victory in 1997 and 2001. Principles which lie at the very core of our movement going back to the days of Nye Bevan and the establishment of the NHS by the post war Labour government. Then we were told that there would be no return to the bad old days of health care for the rich and health maintenance at a cost for the rest.. The nightmare, familiar to many in the big cities, of scraping money together to cover the essential treatments needed or relying instead on charity would be consigned to the history books. Now the nightmare may be returning unless we fight back now. In Wales, Labour has promised no foundation hospitals and won an election victory on the back of it. The mood is there for a campaign of the Labour and trade union movement against the establishment of foundation hospitals in England. It is a campaign which must be organised and cannot be lost. □

Tony Blair's Weapons of Mass Deception

By Mick Brooks

For years, the Blair government had been waging a propaganda offensive to soften us up for a war against Iraq headed by the Bush clique. Paddy Ashdown reports in his diaries on his conversations with the saucer-eyed Blair. Tony had seen "the intelligence about Saddam and what has happened to these weapons. I can tell you it's so scary I can't believe it." Got it in one, Tony - neither can we.

After the panic attack following 9/11, the obvious button to press in making the case for overthrow was Saddam Hussein's possible links with al-Qaeda. It would all be part of the 'war on terrorism'. The trouble was, there was no link. Saddam was a secular despot, not an Islamic loony. The best the coalition could come up with was that someone we'd never heard of (but who had links with Osama bin Laden) had an operation in Baghdad. Well, that was simply not scary enough.

So the whole 'war on terrorism' line was dropped, but the intention to invade Iraq remained. How to win over the doubters? The new justification was invented - Saddam Hussein's regime was part of an 'axis of evil' along with North Korea and Iran. None of these governments had anything in common except that George Bush didn't like them.

Saddam was said to be harbouring weapons of mass destruction. They were pointing straight at us and "could be activated within 45 minutes". 'Blimey', thought a lot of people, 'we'd better do something

about him.'

There are countries that harbour weapons of mass destruction. Britain is one. But the biggest rogue state is the USA. The US has the biggest nuclear arsenal in the world. America won't sign the international conventions on chemical and biological warfare. Bush won't let in inspectors.

Across the pond, similar noises were being made about WMDs. As part of the drive to war, Condoleezza Rice wrote an article 'Why we know Iraq is lying'. Later she had to issue a retraction. "He's trying to acquire nuclear weapons. Nobody ever said that it was going to be next year". But this was the only reason given for the invasion. The article should be retitled, 'Why we know Condoleezza Rice is lying.'

Supine UN

The United Nations will support a war in two situations. The first is if war is approved by the Security Council. The second is the case of a country defending itself. In effect the Bush administration has stretched the notion of self-defence to breaking point with the concept of 'pre-emption'. This can be summarised as 'I thought he was going to hit me round the mouth so I laid him out first'. A common enough defence of aggression by thugs and American Presidents. The warmongers were unable to get the support even of a bribed and supine United Nations in the form of a second resolution for the policy of inva-

sion. So they went ahead anyway

The Blair government backed up the case for war by publishing two dossiers, one in September 2002 and the second in February this year. In it they alleged that Saddam was a threat to world peace by developing chemical, biological and nuclear weapons. The February dossier soon became the object of derision. Much of it had been nicked from a twelve year old PhD dissertation found on the internet. It is known universally as the dodgy dossier, but the September document is also a farrago of porkies. For instance it named a whole number of sites where chemical and biological weapons were allegedly being manufactured or stored. But these sites were visited by Hans Blix and the UNMOVIC team and pronounced 'clean'.

Why not give the weapons inspectors a chance? The aggressors had to declare war when they did so as to get hostilities over before the Iraqi summer, when the temperature gets up to 50 degrees celsius.

Where does this misinformation come from? Much of it comes from defectors. Defectors notoriously tell their new host government what they want to hear. Many of these defectors were pointed towards American 'intelligence' by Ahmed Chalabi, a man with a burning ambition to be the Vidkun Quisling of Iraq. Chalabi is a man of strong convictions. For one thing he has been convicted of

fraud in Jordan, where he is due to serve twenty five years.

Most of the 'evidence' was accumulated by the CIA. But, as *Newsweek* pointed out, the problem was that "the agency was unable to tell the Bush administration what it wanted to hear." So Donald Rumsfeld, Bush's consigliere, set up a separate bunch of spies to come up with the goods - the Office of Special Plans.

Marxists don't have to defend the spooks - a sinister, undemocratic and counter-revolutionary bunch - but their evidence has been traduced by politicians eager for any excuse for a war. Blair was banging away last September that Saddam "has existing and active military for the use of chemical and biological weapons which could be activated within 45 minutes." Meanwhile Jonathan Powell, his chief of staff was warning him behind the scenes that "we will need to make it clear in launching the (dossier) that we do not claim that we have evidence that he is an imminent threat."

Even the Bush regime has fallen out with Blair on the allegation that Saddam approached Niger for uranium for nuclear weapons. The 'evidence' is a known forgery.

Anyway, they got what they wanted. Iraq was invaded. Iraq Body Count reckons between 7,000 and 8,600 Iraqi civilians died, more than twice the number of victims of 9/11. But for some, it was a dream come true. Kenneth Derr, boss of

Chevron oil, admitted, "Iraq possesses huge reserves of oil and gas - reserves I'd love Chevron to have access to." Now he has.

So why didn't Saddam use weapons of mass destruction to defend his regime? The obvious answer is because he didn't have any.

Blair's position was different. Saddam was so cunning that we'd have to invade first. That would be the only way to get the evidence. "On weapons of mass destruction, we know that the regime has them, and we know that, as the regime collapses, we will be led to them." (Tony Blair, 8th April 2003)

Now Iraq is prostrate, an ideal time to make that search and justify the invasion. But suddenly it's not so important. "We have only just begun the process of investigating all the various sites...it is not the most urgent priority now for us since Saddam has gone" (Tony Blair, 30th May 2003). A few half hearted attempts have been made to convince us that the government was serious. Remember that picture of a 'thing' the government said stored chemical weapons. For most of us it might as well have been a hot dog stall. But Dr. Kelly identified it as a harmless bit of kit.

Contempt

Such is the contempt Cabinet ministers hold the electorate in that they lie unnecessarily about things they're bound to be caught out at. Jack Straw opined, on the search for WMDs, that it would be a long slog "because Iraq is a country twice the size of France". Anyone with an atlas can establish that Iraq is smaller than France. And isn't it amazing that they managed to find a bit of paper (in Arabic) 'incriminating' George Galloway within twenty four hours of arriving - but they can't find WMDs?

This war was not a part of the war on terrorism. It was not to destroy WMDs. The war actually started in summer 2002, according to Lieutenant



General Michael Moseley of the invading armies. Using the pretext of defending the 'no-fly zones', Britain and America were taking out strategic targets. Before even approaching the United Nations and before detailing the alleged crimes of Saddam Hussein in the dossiers, these powers knew that they were going to invade Iraq - whatever the excuse.

Saddam Hussein was a nasty piece of work. His prescribed method of execution for Marxists was to throw them into an acid bath. But (as Eisenhower said of the dictator Somoza in Nicaragua) to the capitalist class he was a sonofabitch, but he was their sonofabitch. Even after he was convicted in the eyes of the world with gassing thousands of Kurds indiscriminately, Britain found it profitable to continue arms deals with Saddam. Between 1980 and 1990 we advanced Iraq £3 ½ billion in trade credits to buy our weaponry. (When the first Gulf War broke out Saddam reneged on his debts and the British taxpayer took the hit.) As the Scott Inquiry revealed, arms dealers were making money out of the vile regime well into the 1990s.

In 1983 Donald Rumsfeld, now Secretary for 'Defense' in the Bush government, and fellow Republican millionaire Schulz went to Baghdad to

negotiate the Aqaba pipeline. Photos show the monsters smiling and laughing together.

Contracts

To the victors belong the spoils. The US Department of Commerce states, "Business opportunities in Iraq are presently limited to US government reconstruction contracts outlined in this guide, issued mainly by USAID and the Dept of Defense". This is a diplomatic way of saying that Iraq has been stitched up like a kipper and all the reconstruction contracts have been scooped by a coterie of firms stuffed with Republican bigwigs who just happen to be friends of George W. Bush. The biggest winner (\$680 million contract), Bechtel, has Schulz (former cabinet minister with George Bush senior) on board. Halliburton's subsidiary Kellogg, Brown and Root are also in the lolly. They still pay vice-President Cheney a bung of \$180,000 a year. Money well spent! The American invaders may argue they can't understand Arabic, but they certainly seem to know the concept of baksheesh! The big four - Bechtel, Fluor, Parsons and Halliburton - made political contributions of \$2.64 million between 1999 and 2002. What a coincidence!

The infrastructure in Iraq is

knackered. No water, no electricity - all in temperatures of 50 degrees. So you'd think the occupiers would welcome the initiative of a firm re-opening the mobile phone network. You'd be wrong. The firm was Lebanese. The occupying authority decided this gave it an unfair advantage over the competition, who just happened to be American. So all the phones went silent again.

How is reconstruction to be paid for? Oil revenues are not going to recover to pre-1991 levels any time soon. They'll lag behind the estimated \$13 billion a year needed to get Iraq back on its feet. So the occupiers are suggesting 'securitisation' of future oil receipts. In plain English this means putting Iraq's oil wealth in hock for ever to the invaders, who have left the country in ruins

Some of the US administration are cynical enough to come clean. Wolfowitz says they had to allege the existence of WMDs "for bureaucratic reasons." In other words they were going to invade anyway. Any excuse would do. Wolfowitz, by the way, is one of the many 'chickenhawks' in the US government. That means he dodged the draft, but delights in sending others to their deaths far from home.

But this won't do for Tony Blair. Tony is 'sincere'. Actually Blair is to sincerity what Meg Ryan is to the female orgasm.

So the whole Campbell-BBC ruck is a massive smoke-screen. Blair lied to get us into an illegal imperialist war. The government published dossiers on weapons of mass destruction when there were no weapons of mass destruction. Who cares whether Campbell or some other Blairite crawler put this muck together? The point is to get rid of Blair and the other pro-capitalist, pro-imperialist liars who are leading us up the garden path. □

Sunny summer optimism

As I write, the world's stock markets are hitting their highs for the year. Optimism rules in this sunniest and hottest of summers. The bulls (investors who reckon stock prices are going to rise) are in the ascendency and the bears (those who forecast falling share prices) are in their caves.

by Michael Roberts

THE WORLD'S stock markets peaked back in March 2000 at the height of the euphoria over the hi-tech revolution and the dot.com mania. The stock markets then fell dramatically, nearly matching the fall in 1929-32 and mirroring the collapse of the Japanese stock market after 1989.

Their value plummeted over 60% in the next three years and for three years in a row share prices were lower at the end of the year than they started - 2000, 2001 and 2002. They have not fallen four years in a row since 1929-32 and no economist or Wall Street soothsayer was prepared to predict such a calamity for 2003.

The optimists were shaking in their boots when Bush launched his attack on Iraq. The stock market reached new lows. However, after 'victory' was declared, investors were hugely relieved and went on a buying spree. Market prices jumped 25% and in Germany they leaped an astronomical 60%.

Investors were encouraged to buy by the actions of the two great financial players in the economy: the central bank of the US - the Federal Reserve Bank - and the US government. The septuagenarian guru of finance capital, Mr Greenspan, Chairman of the Fed, announced a series of interest rate cuts and pumped billions of dollars into the banking system.

The Bank of Japan followed suit and even the conservative European Central Bank came in with rate cuts. Businesses and homeowners were told: buy, buy, buy because you can borrow all you want and at historic

low rates of interest. Indeed, the big three auto manufacturers in the US announced unbelievable discounts on their cars, along with no deposit and no need to pay for three years and then at low interest rates. In effect, they were giving the vehicles away!

At the same time, that Texas ranger Bush announced tax cuts that would be paid out immediately in cheques to every household and massive increases in arms spending and 'homeland security' to boost the production and profits of the arms manufacturers, security companies and anybody who could get a government contract.

Justified optimism

No wonder the optimists bought the stock market. The stock market was predicting that, thanks to Messrs Greenspan and Bush, the US economy was set to boom. And virtually every economist in the US is predicting at least 3-4% economic growth in the second half of this year compared to the weak rise of 1.5-2.0% in the first half. Is this optimism justified? Are the US and the world set to turn the corner? The global economy will boom, Iraq will be pacified, the Middle East will follow the road map to peace and, above all, corporations will make big profits and stock market investors will make a killing. That's the theory.

But hold on a minute. Are things so rosy? Take the US economy. In the second quarter of this year, it grew at a rate of just 2.4%. That was faster than the 1.2% in the first quarter, so the optimists were happy.

But when you look at the figures, the reason for the faster growth becomes clear: 'defence' spending by the government. That was up 44% over the previous quarter. If you take out Bush's spending on arms and the war in Iraq from the equation, the economy grew no faster than in the first quarter.

It's the same with profits. This is the Achilles heel of capitalism.

Without profit, capitalists won't invest in replacing equipment and they won't employ people. At the height of the tech boom in the late 1990s, the margin of profit made on each unit sold by US companies was, on average, 13.5%. By the time of the depth of the recession and 9/11, that margin had fallen to an historic low of 7.5%.

Corporations could not sell their goods or services and they could not raise their prices either. They were desperate and they saw only one way out: cut costs.

From the moment Bush gained the presidency (through his electoral 'coup') at the beginning of 2001 to this summer of 2003, US companies have sacked over 3m Americans. They also stopped investing. The result was that they got costs down sharply and the profit margin rose - from 7.5% to 8.5%. That's all.

It's not enough. Why did so many have to pay the price of their job for so little profit gain? The answer is that US, European and Japanese corporations have still not been able to raise production much and have been totally unable to raise prices. Indeed, in business circles, prices are falling, not rising. Deflation is already there. In Japan,

overall prices have been falling for years. In the US and Europe, prices of goods sold in the shops have also been static or falling. Only prices of services like healthcare, insurance, banking etc have been rising.

The manufacturing sector of the advanced capitalist world remains decimated. It cannot raise prices in the shops because consumers expect bargains and consumers expect bargains because out in Asia there is a huge manufacturing colossus that is destroying the markets of the old capitalists in the West in sector after sector. China is swamping the world with textiles, toys and now electrical goods and increasingly even computers and hi-tech products. As a result, China is forcing down prices across the globe.

It shows up in the profit results of US corporations. The stock market optimists have been ecstatic over the recent profit results of the second quarter. On average, the top 500 companies boosted profits by nearly 10% compared with last year. But the average hides a nasty reality.

Virtually all that profit was made by just two sectors: banks and oil companies.

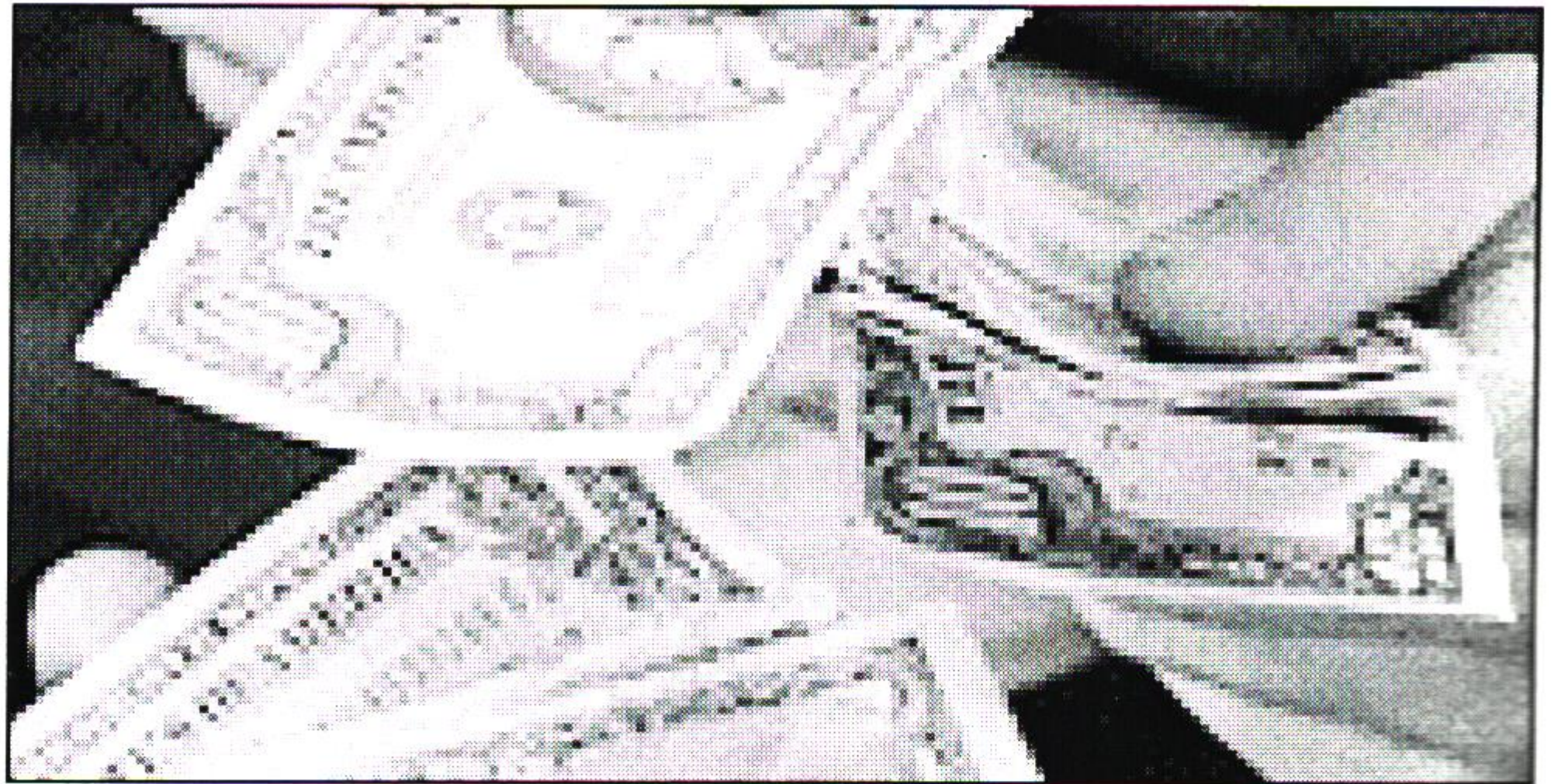
Despite all promises, oil prices have stayed high after the Iraq war as Iraq has failed to come back on stream into global production. So oil companies have continued to reap in windfall profits. But it is in the finance sector that the real killing has been made.

Low interest rates made it possible for banks to lend huge amounts to Americans who in turn borrowed to buy houses or remortgage the cost of their existing house. It has been massive business. Everybody wants to lend money and everybody wants to borrow money.

A vicious circle

Well, that's not entirely true. Sure, the US government wanted to borrow money to pay for its wars and homeowners borrowed on their houses.

But big business did not borrow to invest or employ people because vast



swathes of industry and services were making no profit at all. It's a vicious circle. Profits are made by the money lenders but the productive sectors make none.

It's a shocking thing to know that General Motors, employing over 180,000 Americans, made little or no profit on selling its cars but it made millions on lending car buyers the money to buy its cars. In the second quarter it made \$901m in total profit, but its finance division made \$834m of that! Even more shocking is that General Motors makes more profit from its own mortgage business than from selling cars. That's the ultimate in the unproductive nature of finance capital.

What profits that were made in industry were achieved not by increased sales but by cutting back the workforce and stopping investing.

American manufacturers on average have made idle one in every four of their machines and laid off the workers who used that machine.

But don't worry, says Mr Greenspan. It is a matter of debate whether manufacturing is important to an economy like the US where over 60% of jobs and output comes from what are called services. Mr Greenspan told the US Congress recently that what matters is that "economies create value". So it doesn't matter where the profit comes from as long as you make it. If General Motors makes more from lending money than making cars, so be it. Thus spake the guru of finance capital.

But this economic theory is one of bankruptcy. Without the productive sectors of an economy that makes things, services will not survive.

Insurance depends on manufacturers, car owners, and transport companies.

Private healthcare depends on companies like GM shelling out on benefits for its employees. Wars by government depend on manufacturers making

weapons. Services depend on industry.

It's no good saying, well we'll leave the making of things to countries like China who make them cheaper (because they pay their workers a pittance) while we 'design' things and just lend money. That only works in a truly global world under socialist planning. In a capitalist world, there are national and private interests that must be satisfied above global co-operation. Does the US government want its weapons made by Chinese companies? Of course not. Does Mr Greenspan really want China to make all the cars and let General Motors shrink and shrivel and with it hundreds of other companies that depend on it? No.

Blowing in the wind

That is why optimists: the stock market, Mr Greenspan and Mr Bush are blowing in the wind. Look at industry across the advanced capitalist world. It is in deep trouble. Germany and France have just announced a second quarter in a row of falling national output, mainly because of weak industry. UK manufacturing has been on its knees for several quarters. Japanese industry after over a decade of slump is still showing limp signs of life.

If Greenspan and Bush were so confident about US economic recovery, why are they desperate for the Chinese to revalue their currency? They've been bleating on about this for months. China cleverly ties its currency to the US dollar. So if the dollar weakens, so does the Chinese renminbi. The result is that China's exports stay cheaply priced in the US, unlike those of Europe in the last year when the Euro jumped in value by over 20% against the dollar. The US wants China to end this practice of pegging its currency to the dollar so they can sell more goods in China and, most important, US manufacturers can start to

compete on price against Chinese imports in the US. Fat chance! The Chinese have ignored the Americans. They have no intention of losing their grip on world manufacturing.

And yet the US must have economic growth. It is make or break for Bush, Greenspan and for swathes of US industry. Bush and the Republicans have launched an imperialist adventure across the world. Just as the US struggles economically, the political strategists of American imperialism have gone for broke. They are trying not just to police the world but to rebuild it in the American image of the free market. The running sore of the Middle East is to be solved by imposing a peace on the Palestinians. The petty irritations of tin pot dictators like Saddam who do not toe the American line are to be crushed. If Kim in North Korea or the mullahs in Iran carry on the way they are, they will receive the same treatment. Thus we have a new Roman Empire.

But, as the Roman emperors found, ruling the world with a fist of steel and moulding it into thousands of Roman cities is very expensive. It needs permanent armies and permanent constructions (Hadrian's Wall etc).

So the Republicans have now embarked on an arms spending spree unprecedented in America, even more than in the days of Vietnam. They are not just equipping armies; they plan to spend billions (\$600bn is the low estimate) on rebuilding Iraq. There will be more to find if they have to reunite the two Koreas.



As a result, the US government is set to spend about \$500bn more than it raises in taxes each year for the rest of this decade. That compares to a surplus of \$150bn it was running just two years ago. How will it find this money? Well, there is an easy way. It borrows it by issuing bonds that the banks and big business buy. They do so because they are secure in the knowledge that the American government will never refuse to pay its debts. Even so, the more the government borrows, the more interest it will have to pay.

Mortgage rates rise

And here's the rub. The interest demanded by lenders to the government is rising fast. It has jumped a full 1% from 3.5% to 4.5% in just one month. That means the government must find more money each year to pay its interest bills, either by raising taxes or by borrowing more. Even more serious, rising interest rates on government bonds drives

up mortgage rates. That's because the mortgage agencies who have big holdings of government bonds will want more from homeowners as the value of the bonds falls. And indeed, mortgage rates are rising sharply in the US.

That spells disaster. What growth the US economy has had in the last two years has come from spending by Americans on cheap goods in the shops. And Americans have been ready to spend because the value of their houses has been rocketing. House prices are up about 6-8% a year (much less than the 25% in the UK, but high by US standards). Americans have been cashing in. They've been remortgaging their properties at ever lower interest rates and then spending the extra money from cheaper mortgage payments. But if mortgage rates start rising, then the spending money is going to disappear, along with the jobs that have already gone.

If Americans stop investing in houses, the housing boom could soon turn into a bust.

Americans have never been so much in debt. Household debt is now 125% of annual income on average. If the cost of financing that debt starts rising, then the shopping spree will be over and defaults will

mount. That spells disaster for all those banks, government agencies (and even General Motors) that have lent the money. Only this week, a small mortgage lender in California closed its doors - the first leaf falls before a cold winter.

And while over the summer Bush has sent cheques in the post to Americans (using borrowed money), the 50 state governments are getting ready to raise taxes across the board. That's because most US states are getting deeper into deficit like the Federal government. Asked to finance medical care schemes, education schemes and now energy construction schemes (after the blackout across the north-east), they have also been asked to keep taxes down. The result is growing deficits.

The worst hit is the state that hosted the hi-tech, dot.com revolution in the 1990s. Then it was spend, spend for programmes and cut, cut for taxes. Now California has a deficit of \$38bn, or one-third of its tax revenues.

The state is still resisting the inevitable - raising, not cutting taxes. Instead it is hoping that the Terminator (another poor film actor like Reagan in the 1960s) will save the day. But other states are already hiking charges. So the irony is that St Peter Bush's tax checks are being taken away by St Paul's increased council taxes. And Mr Greenspan's interest rate cuts at the Fed are being reversed by President Bush's empire-building free spending at the White House.

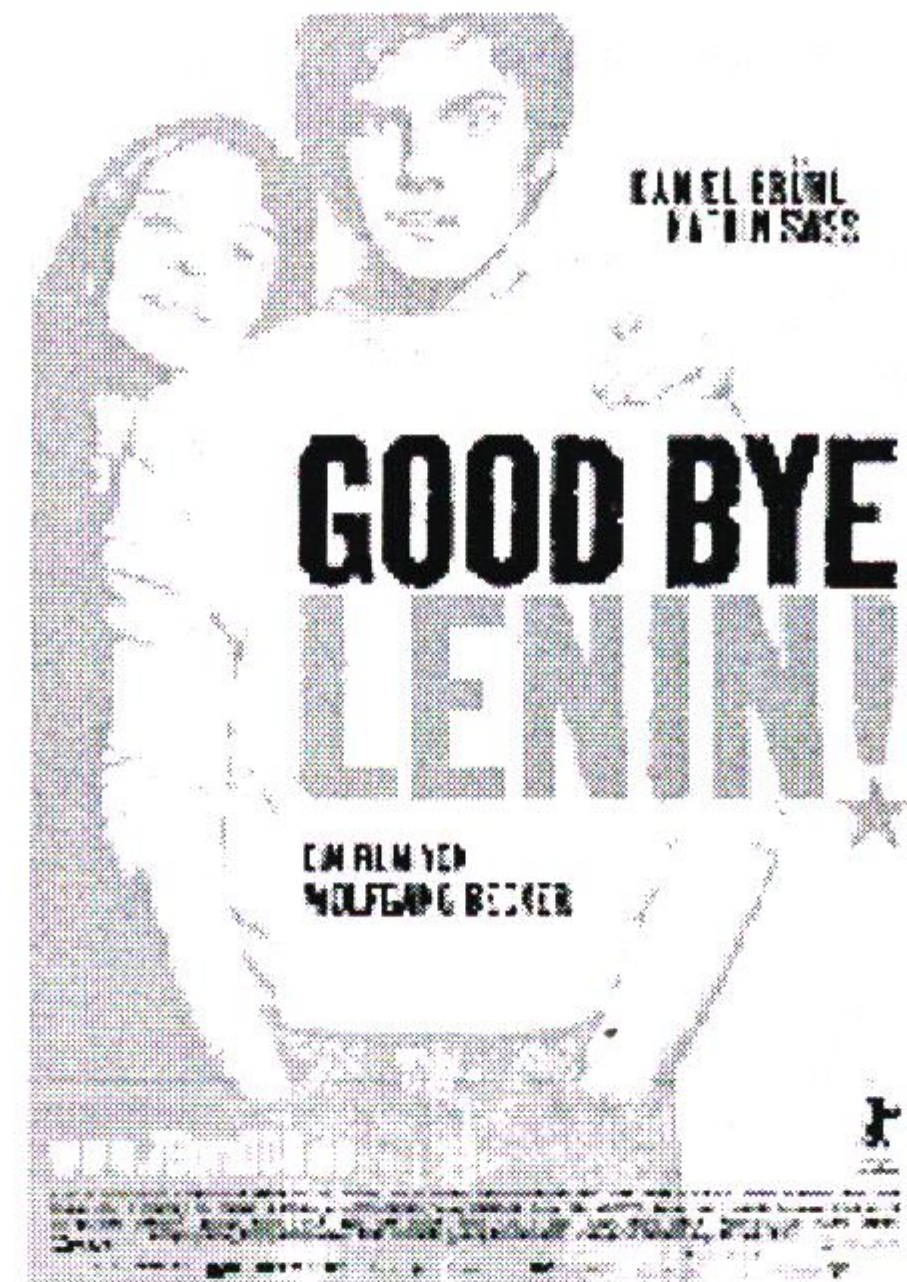
The result will eventually be low growth, higher interest rates, more job losses and the continued spectre of deflation, driven by Chinese imports and weak consumer spending at home. The current super-sunny summer optimism will give way to dark, cold winter misery. □



Americans have never been so much in debt. Household debt is now 125% of annual income on average. If the cost of financing that debt starts rising, then the shopping spree will be over and defaults will mount.

Goodbye Lenin!

Reviewed by Heiko Khoo



FOR ONCE a film that accurately portrays the moods and attitudes of the East Berlin population during the year 1989-1990. This period saw a total upheaval in life, from the first demonstrations repressed by the East German state on October 7, 1989 till German unification a year later, all the main events are interspersed with the way these events impacted life. The presentation of a montage of images of the chaotic transformation is brilliant.

The fall of the Berlin wall brings with it the first trip to a sex shop; the change in currency brings everything western in while everything in the east is thrown out, with no regard for either quality or utility. The older generation - represented by believers and party members, (there were 2.2 million party members in 1989 out of a total population of 17 million) - feel powerless, and respond by retreating or by repeating "we worked 40 years.. for this!" a phrase I well remember hearing everywhere, on the lips of the older generation.

Impotence in the face of the processes overwhelming their "little heimat" (homeland) was very much an all pervasive feeling by the end of 1989. The energy and enthusiasm of the revolutionary phase (October- November 1989) had been thrown into disarray and confusion, but the opening of the wall made a chasm out of the breach between those who believed

in Socialism with democracy, and those who simply wanted to "Test the West". This layer, was represented by one placard reading "If the Deutsche Mark does not come to us, then we will go to the Deutsche Mark" carried on a demonstration in November shortly after the wall was opened.

Yes the wall was "opened", it was not torn down by either the revolutionary or reactionary masses. I'd stake money that it was opened by a secret agreement between the West German leaders and the East German leaders. In any case prior to the opening of the wall, no-one (well very, very, few people) in the east called for the wall to be opened, precisely the opposite. Just before the wall was opened the Government organised mass meetings in the main buildings and squares of Berlin, I recall one person said "we must remove the wall" only a handful clapped and many heckled him, he immediately changed his tune saying, "we can put a fence up instead". It was perfectly obvious to people that this would mean the destruction of the East German economy, East Germans wanted to sort out their own problems themselves.

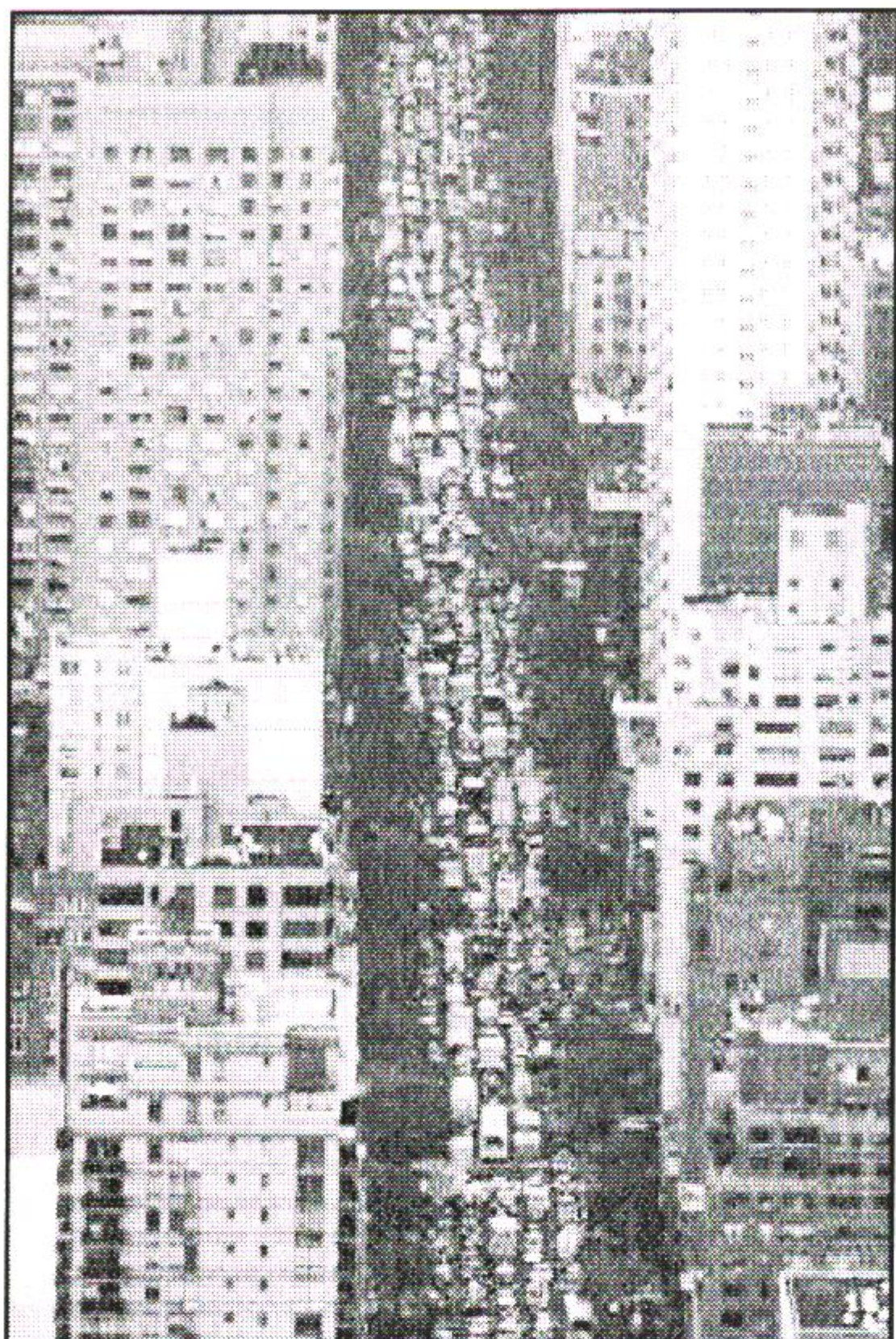
All the political parties and organisations which mushroomed at the time stated that they supported maintaining two German States and were opposed to reunification.

Whilst this policy was wrong, the Marxists idea of revolutionary reunification seemed to be utopian, because the crisis appeared as an Eastern crisis. The natural direction of revolutionary solidarity was to the East (but Berlin made the natural focus to the West). On November 13th on the first Monday demonstration in Leipzig after the wall was opened I clearly remember the marchers (we are talking about a quarter of a million people) singing the Internationale, followed by mass chants of "Germany one Fatherland" and "Fight yourself Free Czechoslovakia" (it works as a chant in German). Revolution merged with counter-revolution in one breath, from hundreds of thousands of people.

In Goodbye Lenin, the revolution is only presented at the start of the film, everything else flowed from that, changes that transformed everyone's lives, and now have come to symbolise the end of 'communism'. Goodbye Lenin is rich in visual representation and humour, and will provide the viewer with an accurate historical impression of how the East German people responded in contradictory ways to the changes engulfing their lives. □



The energy and enthusiasm of the revolutionary phase (October-November 1989) had been thrown into disarray and confusion, but the opening of the wall made a chasm out of the breach between those who believed in Socialism with democracy, and those who simply wanted to "Test the West".



Power to the People!

By Kurt Penca, *Socialist Appeal*, USA

THE ENDLESS series of wars, economic breakdown on a global scale, reactionary violence, and numerous daily crimes against humanity and the environment are all characteristic of the rampant, chaotic instability caused by capitalism in our day.

But now even providing a basic cornerstone of modern life, long taken for-granted by the workers in the world's sole superpower, has proved to be too much for the senile, degenerate bourgeois order.

The latest crisis of capitalism's failure to supply the life-blood of modern society - electricity - to 50 million people in the most industrious and populous regions of both the United States and Canada, serves as a verdict of condemnation not only on the deregulation of the energy industry but also on both the bourgeois parties which support and advance this agenda to plunder the state of billions in tax-payers' dollars.

The ability of capitalism to keep even something as important as its global headquarters, New York, firmly in the 21st (or even 20th!) century has been undermined by the blind mechanics of the profit-drive, the central component of capitalism itself.

Blackout

On August 14th, at around 4 PM EDT, power outages rippled through the Midwest and NorthEast of the United States, and into Canada, cutting power

to some of the biggest cities on the continent.

In the hours and days which followed, the calm, level-headed, helpful and neighborly attitudes and initiatives of the common working-class masses of the blacked-out cities stand in stark contrast and total moral superiority to the rabid scramble which all the mayors, governors, and energy executives found themselves in as they rushed to shift the blame to anyone and anything besides themselves, at one point going so far as to blame the entire incident on a lightning-bolt striking a station at Niagara Falls - which, as it turns out, never happened.

Whatever technical issue may eventually be officially pronounced as the "cause" of the outages (and it's most likely to have been a combination of multiple causes and effects), this will only answer the question of HOW this happened.

It does nothing to answer the question which the real solution to these blackouts depends upon - WHY this happened.

Any shorted circuits, or burnt wires, or downed lines, or even "demand spikes" would only be catalysts.

Any of these accidents would only be capable of causing a debacle of this magnitude if the entire system in which they operated was already totally inadequate for supporting the regular needs it is tasked to fulfill and totally unprepared for failures and stresses by lack of redundancy and monitoring measures.

But this is in America, the financial hub and economic motor-force of the world. How could a country possessing superior technology and the greatest amassment of resources let such an essential system, of international importance, become antiquated and insufficient, to such severe consequences?

Though a "review" has been promised, you'll never get a straight story or an honest report on why the system is in such a sorry state from the Bush administration or either bourgeois party - they're the ones responsible.

The barefaced demagoguery from Bush, delivered from various conferences and fund-raisers in California (2,000 miles from the affected areas), pledges to "modernize" the "antiquated system" after this "wake-up call".

Posturing as the "Washington outsider" stepping into the midst of an emergency to set things right, he slyly alleges:

"We'll have time to look at it and determine whether or not our grid needs to be modernized. I happen to think it does, and have said so all along."

And yet it's a matter of public record that, for the past few years, wave after wave of experts, engineers, scientists, government panels and energy insiders presented time and time again to both parties, to state governments, and to the federal government the fact that power failures were looming in the near future and the only way to avert them would be to "modernize the grids". Despite these warnings, the Republicans, with Bush and his cabinet at the helm, voted down on three separate occasions legislation which would have provided \$350 million to enact such improvements.

We are spending more than \$56 billion on so-called "Homeland Security" in 2003 alone, not counting the costs of the "war on terror" and the wars in Afghanistan and Iraq, and yet we still hear from the president's press-conferences and the nightly news that "another September 11th is as likely as ever".

In the first few hours, the news stations were wild with speculation that the blackouts were the result of a ter-

rorist attack - and that, even if a terrorist attack hadn't happened, such a crisis would be one which terrorists would benefit from and strive to bring about again in the future.

If the consequences of maintaining a system of under-maintained grids are so costly and disruptive, resulting in a situation comparable to the effects of terrorist sabotage, why isn't a mere fraction of the funds spent on Homeland Security used to prevent all of this?

Deregulation

The answer lies in the nature of energy deregulation: the sordid, wasteful, gluttonous political corruption reaping the benefits of it; the anarchic economic mechanics governing it; and the legacy of scandals, failures, and intimidation it has left in its trail.

The present administration, which received its biggest share of "political contributions" from energy giant Enron, has close ties to all of these things.

It's fitting that the black-outs, expected for years by insiders but arriving like a bolt from a clear sky to the unsuspecting people most distressed by them, are the results of a rotten situation brought-about by the likes of Ken Lay and Enron, aided at every turn by their "executives" in the US government.

The government hasn't simply been "bought out" by the big corporations and shadowy trusts - the individuals holding all the reigns of power ARE THEMSELVES the biggest players in the largest energy, gas, oil and construction multinationals.

From the late 1980's onwards, Enron - a company which never produced anything itself and innovated only in the field of finding creative new ways to rob from various states and give to itself - forged partnerships with the biggest names in the power, oil, and gas industries, which just happen to have also been the biggest names in the presidential cabinets of the last four administrations and oth-



The inability of the capitalists to provide cheap, efficient, power is a clear indicator that along with stretches of rusty old towers carrying strings of neglected power lines, capitalist property relations are also "antiquated".

ers before them.

Enron's predatory and extortionist tactics spread the company's holdings (and its failures) across the globe.

In Kuwait, India, Britain, Latin America and Eastern Europe, Enron left a legacy of billions of dollars being wasted or embezzled, chronic outages spanning entire regions, thousands of laid off energy workers, exponential increases in rates for residential customers, and even human rights abuses.

Even today, after the fall of Enron and continued disasters and outrages over the deregulation scams, the US government and the IMF are working to force more privatisations in Mexico, Iraq, and many other ex-colonial countries, with the obvious perspective of turning whole nations into assets to be bought, sold, traded and raided on the world-market.

Last year in Peru, anti-privatisation demonstrations were prompted by the impending sale of the state-owned Egasa and Egesur generators to a Belgian firm.

Despite attacks from police, the calling of a state of emergency and the death of one young activist struck by a teargas-canister, the protests reached such an intensity that President Toledo of Peru was forced to call-off the sale of the two generators in dispute as well as sack several top pro-privatisation ministers.

But Ken Lay finally succeeded in bringing Enron-style "competition" into the energy industry in America.

The immediate result of this in California was a nearly 400 percent rate increase and a series of "blackout-blackmail" incidents where supply of electricity was intentionally cut to artificially raise prices even higher and gouge hundreds of millions in bailouts

from the government.

With the success of any capitalist venture resting upon its revenue, how could any deregulated power company act differently?

The Only Solution: Nationalisation

For the capitalists, to deny one's own company any available advantage is to hand it to the competitor, which of course would then outpace and overtake the less ambitious firm.

It's the kill-or-be-killed-law of the jungle - the moral system of the capitalists.

The stated goal of the deregulators is to bring about "greater efficiency".

Everyone knows that the capitalists' sole means of gauging efficiency is by their returns, their profits.

Therefore cutting corners on equipment quality and technology, monopolisation, layoffs in the same spirit as those responsible for the loss of millions of jobs over the course of Bush's term, creating artificial shortages and outages, speculative expenditures, inflating rates, and all manners of technical shortcuts are more "efficient" than investing in greater transmission capacity, which would actually serve to lower rates - something counter-productive from a business standpoint.

All the while, every fiasco, every swindle, is rewarded with billions in "stimulus" sums, Bush apparently being anxious to put to use the most intellectual term he's familiar with.

If these private companies can't function without leeching obscene amounts of money from the state's funds, from our tax dollars, then what claim do they have to any progressive or innovative func-

tion?

The centralised production of energy and the conscious planning of its distribution are absolute necessities, dictated by the demands of large populations and modern technology.

The inability of the capitalists to provide cheap, efficient power is a clear indicator that along with stretches of rusty old towers carrying strings of neglected power lines, capitalist property relations are also "antiquated".

But privatisation isn't nearly as old as the grids we're depending upon. A statewide public power authority is only the first step. The heads of the energy firms along with the bosses' parties that won't commit funds to need instead of war have demonstrated that, under any circumstances, they're totally inept at planning the construction of a system adequate for today's needs. The energy workers, engineers, and panels of scientists tracking all aspects of usage and transmission efficiency are the only people who know what this country needs and how to get it done. They have to be the ones making the decisions and formulating nationwide plans if we're ever going to have a dynamic grid we can depend upon. □

□ No to deregulation and privatisations, which are just covers for the looting of the public's property!

□ Power to the people - electrical and otherwise!

□ For a mass party of labor based on the unions and armed with a socialist program to fight for these aims!

www.socialistappeal.org

War in Iraq is far from over

by Phil Mitchinson

APPARENTLY AS one enters Baghdad from the west there is graffiti on the walls that says "Welcome to the Republic of Darkness and Unemployment". The devastation of Iraq's economy and infrastructure makes that statement literally true.

The war in Iraq solved nothing from the standpoint of US imperialism, instead it has ushered in a period of even greater instability throughout the Middle East and on a world scale. For the Iraqi masses the war has been a disaster.

Bush, Blair and co. promised to deliver freedom and democracy to the people of Iraq. Their real interests however, were somewhat less altruistic.

Nevertheless, they believed their troops would be welcomed as liberators once Saddam Hussein was removed. The real situation has turned out to be far more difficult than they had imagined.

From the beginning the policy of US imperialism was concerned with Iraq's oil, with US strategic interests in the Middle East, and with stamping the authority of US imperialism on the world. These are the real concerns of imperialism, barely hidden behind the facade of 'democracy' and 'freedom'. The conduct of the US imperialists in Iraq is clearly not that of liberators but of an army of occupation and a colonial power.

However, even securing control of Iraq's oil production has proven more difficult than they imagined. US army engineers are daily struggling against the attacks of saboteurs determined to prevent the

Americans looting Iraq's oil.

Their problems with the oilfields though, are minuscule compared to the problem they face in the shape of the resistance of the Iraqi people. What was meant to be a repetition of the Normandy landings of 1944 is instead starting to resemble the quagmire created after the Gulf of Tonkin incident in Vietnam in 1964. The population of Iraq may well be pleased to see the back of Saddam, but they have not been duped into seeing their invaders as liberators bringing them the wonders of western civilisation. As the French revolutionary Robespierre once explained, people do not like missionaries with bayonets.

Three months after the fall of Saddam the people of Iraq are in a worse position than before - with water and power shortages, occupied by foreign armies which insult them and kill innocent civilians. They are left with little alternative but to fight with whatever means they can find. American and British troops live in constant dread of snipers and suicide bombers and are inclined to shoot first and ask questions afterwards. This is a finished recipe for massacres and atrocities. At the same time it is a recipe for a guerrilla struggle on the part of the Iraqi people against their invaders, a struggle which looks set to drag on for years.

The imperialists promised democracy and freedom. Instead they have delivered an American Viceroy.

They promised "oil to the Iraqi people". Instead they are planning to privatise the

country's oil.

They promised a "better condition of life". In most towns and villages Iraqis have no water or electricity.

All their promises have proved to be empty. The aggressive policy of the US and British forces is provoking more and more anger and resentment amongst the entire population. These are the real reasons behind the guerrilla struggle against foreign occupation now developing in Iraq.

The US governor of Iraq, Bremer, describes those fighting back as "Baathist bitter-enders", but Saddam loyalists are only the first of three groups fighting against American occupation.

The second consists of several different fundamentalist organisations from neighbouring countries. These include the Armed Vanguard of the Second Mohammed Army who claim responsibility for the UN bombing. The press is as ever prattling on hypocritically that the UN is only in Iraq 'to help the people, to deliver aid' and so on.

UN Exposed

The real role of the UN was already exposed by its inability to prevent the US/British invasion of Iraq. It has been exposed still further by the passing of Resolution 1483, by which the UN has declared the occupation of Iraq by US and British troops to be perfectly legal. Crucially, the resolution handed over legal control of Iraq's oil reserves from the UN to the US and Britain.

Of course, Bush sees al-Qaeda everywhere he looks. No doubt some of the groups now inside Iraq have links with them. For al-

Qaeda, the US occupation of Iraq presents a growth opportunity they otherwise would never have gained. U.S. forces have found evidence that a number of Islamic fundamentalists from all over the Arab world have entered Iraq. Some fighters captured by US forces in Iraq have carried foreign passports, and a substantial number of volunteer fighters had crossed into Iraq from Jordan and Syria before the war.

The third group are the ordinary Iraqis, opposed to the foreign armies of occupation, opposed to the killing of innocent civilians, and forced into a desperate position by the lack of water and electricity. *Time* magazine describes the conditions fuelling the struggle of ordinary Iraqis against the US occupation of their country:

"Mohammad Imad Khazalalrubai does not appear in any deck of cards or on any list of Iraq's most wanted. Until last week the 16 year old was an ordinary student in an affluent suburb of Baghdad. But it took only minutes to transform him from a bystander to American rule in Iraq to a willing recruit to the resistance movement, vowing to kill US soldiers. As he and his brother Zaid drove home after collecting their family's monthly rations of flour, rice and cooking oil, they came upon a hastily established American checkpoint... suddenly according to witnesses, soldiers in a humvee 150 yards away opened up, firing high velocity rounds through the windshield of the boys' car. When the firing stopped, Zaid, 13, opened a door and stuck his head out to shake off the shattered glass. At that point, Mohammad says, a single American bullet killed

him. 'My brother's blood will not go for nothing,' Mohammad screamed in anguish two days later, his wounds from the shooting still swathed in bandages. 'I'll take revenge on those American sons of b___.' (*Time*, 18/08/03)

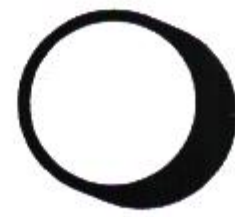
Abu Bilal al Falujah told *Time*: "We have no relation whatever with the old regime. Most of us were imprisoned and humiliated in Saddam's time... The problems started with the way the Americans ignored our ideas and customs. They humiliated us; they occupied our mosque. Of course, I will seek revenge if I am insulted." (*Time*, 18/08/03)

US commanders have demonstrated a complete lack of sensitivity towards the people whose country they have invaded. They behave in the most arrogant manner. For example, the US crew of a Black Hawk helicopter removed an Islamic banner from the top of a telecommunications tower. Thousands gathered below the tower to protest, and US troops opened fire indiscriminately.

The US military keeps no tally of Iraqi civilian casualties, but according to iraqbody-count.org, a watchdog group that compiles figures from press reports, the civilian toll in Iraq is 6,000 to 7,000. There were many thousands more military casualties, but exact figures are difficult to come by. "During the war the American soldiers told my volunteers not to go near the bodies in burnt-out tanks, because they would almost certainly have been attacked with depleted uranium," according to a Red Crescent official.

The death toll among US troops in Iraq stands at 258, 170 of them in combat. The remaining 88 deaths have been due to accidents, suicides and illness.

Many press reports blame the heavy handed and arrogant approach of the American military authorities for stoking up a violent response. Indeed their insensitivity is breathtaking. Take their latest scheme to catch Saddam supporters.



The US imperialists have become overconfident. Their military might is unquestionable, however, as Leon Trotsky explained before the second world war, they may have achieved international dominance, but they have built dynamite into their own foundations.

Troops from the 4th infantry have been given the task of flyposting dodgy posters featuring the bodies of Veronica Lake and Zsa Zsa Gabor with Saddam's head superimposed on top, around the walls of Tikrit.

The aim, apparently, is to so enrage Saddam's followers that they will give themselves away.

"Most of the locals will love 'em and they'll be laughing. But the bad guys are going to be upset, which will just make it easier for us to know who they are." Lieutenant-Colonel Steve Russell told Reuters.

No doubt such tactics play an important part in fuelling the resentment of the Iraqi people. But the attempt to claim that the British authorities were handling the situation better has been exposed above all in Basra.

Basra

Two thousand people took to the streets of Basra in August to protest against the occupation of their country and against power cuts and water shortages.

Sabri Zugheyer, 45, a restaurant owner, who needed fuel for his generator, said: "The British promised to make everything better, but now it's worse. Even in the old days it was never as bad as this. Their promises are worth nothing."

Kadhem Sagbhan, 29, a labourer, said he had thrown stones during the riots, but next time there was trouble he would throw hand grenades at the coalition forces. "They promised us there would be petrol today, but there is nothing. The British, they are selling it to the Kuwaitis and taking \$75 (£50) as their cut," he claimed.

Even one of the British sol-

diers on guard at the petrol station said he understood why the people were so angry. "In this heat?" he said pointing at the sky, "you can hardly blame them."

"The British and Americans come here and promise us everything, but things are worse now than under Saddam," said Adnan Abud, 45, a taxi driver who had been queuing for fuel for more than six hours.

"You cannot know what it is like to live in this heat with no power and no fuel. It is intolerable."

Iraq may be a country floating on oil, yet they are now reduced to importing essential refined oil products, including petrol, diesel and cooking gas. There are continual power cuts. With August temperatures soaring above 50C (122F), no electricity means no fans and no air conditioning.

Of the \$680m (£425m) the Coalition Provisional Authority (CPA) has allocated for construction, \$229m will be used for electricity. But according to the authorities, Iraq will need to build another five power stations to meet the peak summer demand of 7,000MW and keep the power on 24 hours a day. That could cost \$10bn and take as long as three years.

Despite much of the country being desert, the one thing there should be no shortage of in Iraq is water. Two great rivers, the Tigris and the Euphrates, flow almost the length of the country. But the water supply relies on electricity, so when there is no electricity there is no water.

The CPA claims it will have the water system fully operational by the beginning of Ramadan in October, but the sewage system is a different matter: the main sewage treatment plants were stripped bare

in the post-war looting.

At the moment most of the sewage is flowing back into the rivers in an almost raw state, and officials estimate that it will take up to a year to rectify the situation.

National Liberation

US imperialism has no intention of solving the problems facing the Iraqi masses. That was never their goal. The imperialists naked aggression against the people of Iraq, their plundering and looting, and the devastation caused to the economy and infrastructure of the country is intolerable. Naturally we must support the right to self defence of the Iraqi people against these invaders. There is a struggle of national liberation against an occupying imperialist power. The longer that struggle continues the stronger will grow the voices of opposition inside the US and Britain. A guerrilla struggle alone however will not be able to defeat the military might of US imperialism. As an auxiliary to a mighty mass movement of the workers, students, urban and rural poor to take charge of their country and their lives it would electrify the whole region.

The US imperialists have become overconfident. Their military might is unquestionable, however, as Leon Trotsky explained before the second world war, they may have achieved international dominance, but they have built dynamite into their own foundations. Each new imperialist aggression prepares struggles across the globe, and not least inside the United States itself. Today the Iraqi masses are paying a heavy price for the adventures of imperialism. Tomorrow Bush and Blair will pay for their actions too. □

Venezuela: The revolution at the crossroads

by Pablo Sanchez

IN RECENT weeks Venezuela has finally been featured in the pages of the so-called serious British press. This is largely as a result of the effects of the right wing Venezuelan opposition campaign to try and organize a recall referendum.

The social situation in Venezuela, eight months after the defeat of the pro-coup lockout in December-January, continues to be characterised by a balance of forces favourable to the revolutionary struggle, which, despite all the difficulties and tricks conjured up by the forces of reaction, continues to enjoy massive support among the workers and poor masses. On the other hand, the counterrevolutionary opposition is still alive and kicking; directed and funded by U.S. imperialism; trying to use all possible methods with the sole aim of destabilising and sabotaging the government of Hugo Chavez and thus undermining the social base of the revolution.

Counterrevolutionary Provocations

On June 13, the right-wing party COPEI organised an anti-Chavez demonstration in Petare, one of the neighbourhoods of Caracas where support for the revolutionary process is strongest. The aim of this provocation was to create a tense situation (with casualties, if possible) to then be used nationally and internationally against Chavez.

The local police, on the orders of mayor Alfredo Peña, one of the opposition leaders, brutally attacked thousands of Petare residents, who had spontaneously mobilised against the counterrevolution-

ary provocation. Peña's cops broke the safety cordon established by the National Guard and the municipal police of Sucre (the municipality of which Petare is a part and which has a pro-Chavez mayor). Peña's cops fired on the residents and attacked the hospital with tear-gas bombs. There were a number of wounded, and some people could easily have died, as had happened some weeks previously in Catia, when a supporter of the pro-Chavez party MVR was killed.

This is just one of many examples which define the current situation in Venezuela. There is a campaign both in Venezuela and internationally to attack the Chavez Government. As *The Guardian* stated on Saturday August 16: "Venezuela is sharply polarised. Middle-class voters say they feel cheated: they voted for a politician who promised to end corruption and rejuvenate Venezuela, they say, but he has veered towards communism". Of

course, Chavez is no communist. Only through the eyes of the American imperialists and those defending their interests could he be considered a communist. The media internationally is trying to portray Chavez as a mindless dictator in order to justify future attacks against the revolution.

The most intelligent sections of the opposition are aware that after the victory of the workers and popular masses in December, when they defeated the pro-coup lockout organized by the capitalists and supported by the corrupt union bureaucracy of the CTV, a large part of their (anti-Chavez) social base was discouraged and demoralised. In Petare they barely mobilised 2,000 to 3,000 people, many fewer than the massive improvised demonstration, called in response, by supporters of the revolution.

At the same time that the opposition has been organising this campaign, it has reached an agreement with the government on the mecha-

nisms for holding a recall referendum. The aim of this is to gain time and to use this act to confuse international public opinion and to continue fooling its own social base. The agreement only confirms what has already been granted in the Bolivarian Constitution: that a recall referendum can be held against any elected official - whether it be President Chavez or any member of parliament, governor, mayor, or councilman - once he finishes half his term, by presenting a set number of signatures (they need about 20% of the electorate to be able to use the recall option). Once those signatures have been verified by the National Electoral Commission, then the referenda will be called in the order in which they have been requested.

The opposition has presented the agreement as if it signified the actual calling of the referendum before a single one of the necessary steps for beginning the process has been completed. This is because, among other things, the polls already indicate a defeat for it. There are doubts that they will achieve legally the minimum 20% support needed. Its aim is to accuse the government of preventing the referendum from being held and violating the Constitution, in order to see if it can manage to re-incite its social base and be able to return to the offensive. For this, it is counting on the support of U.S. imperialism and of all the big private disinformation media. In Britain we might see an increase in the space that the "independent" and "respected" papers allocate to criticise the current Venezuelan government. The

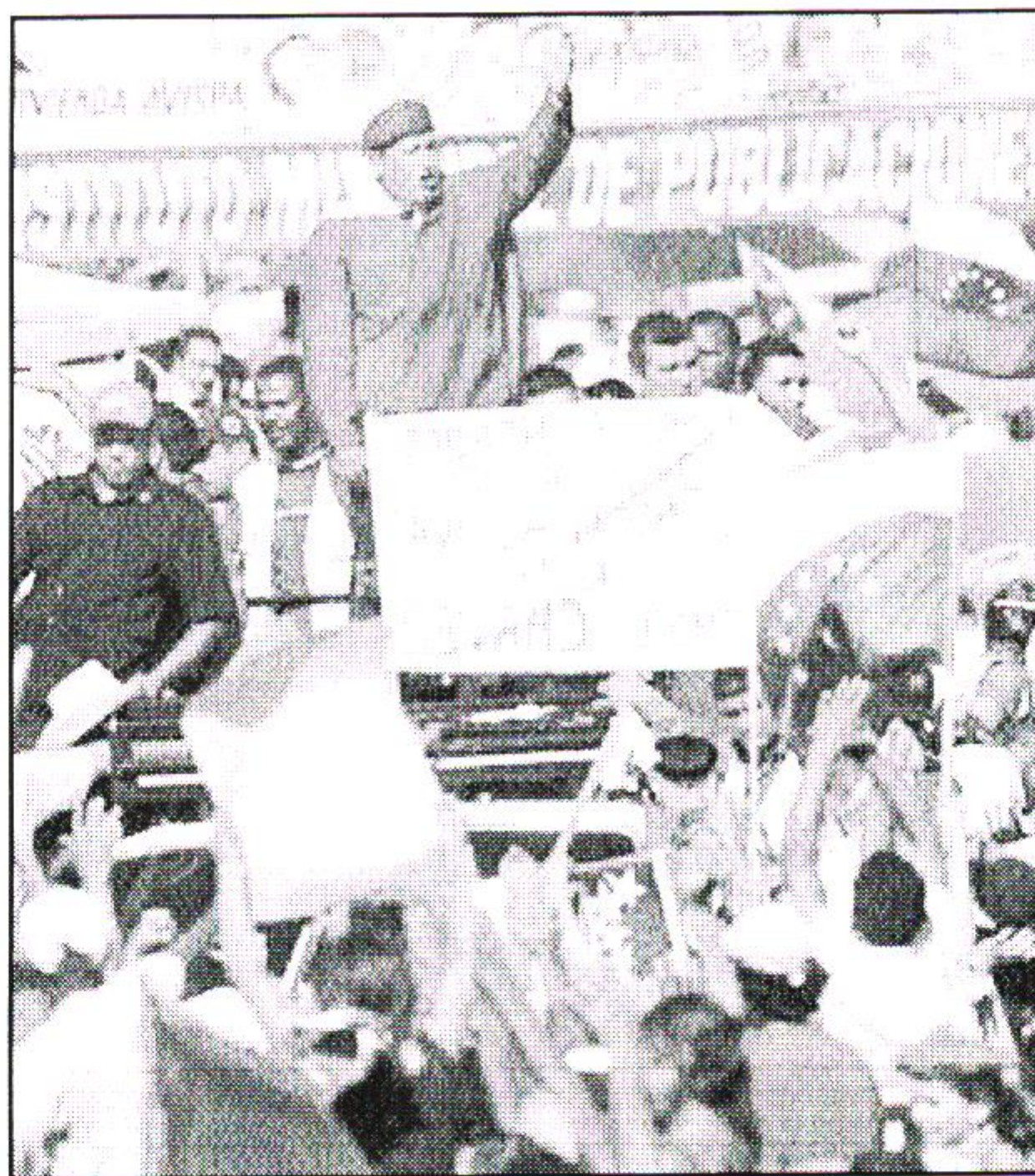


campaign has started, on August 21 *The Evening Standard* had a piece about the recall referendum, of course they did not mention the huge demos to celebrate the third year of the Bolivarian government. Also when the workers defeated the coup, this was not considered newsworthy enough for these people.

The opposition also controls the Supreme Court of Justice and uses it to obstruct action by the government; the latest example being the verdict which nullifies the firing of participants in the bosses' lockout of the state petroleum company PDVSA. The government has replied that supporters of the coup will not be rehired. One of the opposition's tactics is to block the legislative power, the National Assembly (where Chavez' supporters have control by a narrow margin). At the same time it is exerting pressure on, and trying to buy off, deputies to obtain a majority in the National Assembly.

Economic Sabotage and the Workers' Response

But the main threat to the revolution is undoubtedly the economic sabotage, which the bourgeoisie and imperialist powers are subjecting the Venezuelan economy at this moment in time, thus aggravating the effects of the international crisis of capitalism and the wounds inflicted by the pro-coup lockout, from which the economy has not completely recovered. The number of factory closures, cuts in production, unpaid salaries and firings are reaching record levels. The economy has contracted by 29% in the first quarter of this year alone (*The Guardian*, 16 August 2003). There are problems in the distribution of medicines and of some basic products, the prices of which are rising while instances of hoarding and



speculation are daily being discovered.

As in Chile and Nicaragua, in the past, the intention of U.S. imperialism and the oligarchies is that the economic difficulties should demoralise those workers and poor who support the revolution and decisively push the middle classes towards the right. What has prevented these schemes time and again has been the powerful class instinct, and the firm belief in the need for revolutionary change, which the workers and people of Venezuela possess. The most impressive thing about the Venezuelan revolution is the profound conviction displayed by the most humble (who are precisely those who are suffering the most in this situation) of the need for revolutionary change in the country.

The only way of preventing the success of the counterrevolutionary plots of the capitalists in the near future is precisely to complete the revolutionary process and to define, as soon as possible, how to solve the grave economic problems of the masses, and to accomplish the economic transformation of the country by advancing towards socialism.

Workers in a number of various enterprises (e.g. Fenix, CNV and others) continue to occupy their firms after they have been closed down or the boss has threatened to fire them, and these workers are asking for financial support and raw materials from the government. On August 17 the workers of Venepal (a paper company with millions of dollars of debt) decided to take control and carry on with production. The workers of CNV were present and supportive. This is another step in the rise of the organised working class as a revolutionary entity. We ask all our readers to support the struggle of the Venezuelan workers by sending solidarity messages to break the trap that the imperialists are building for the Venezuelan working class

Workers at other enterprises like Covencaucho, Sonorodve'n, etc., are involved in bitter struggles. Among the workers of PDVSA and in general inside the popular movement, the

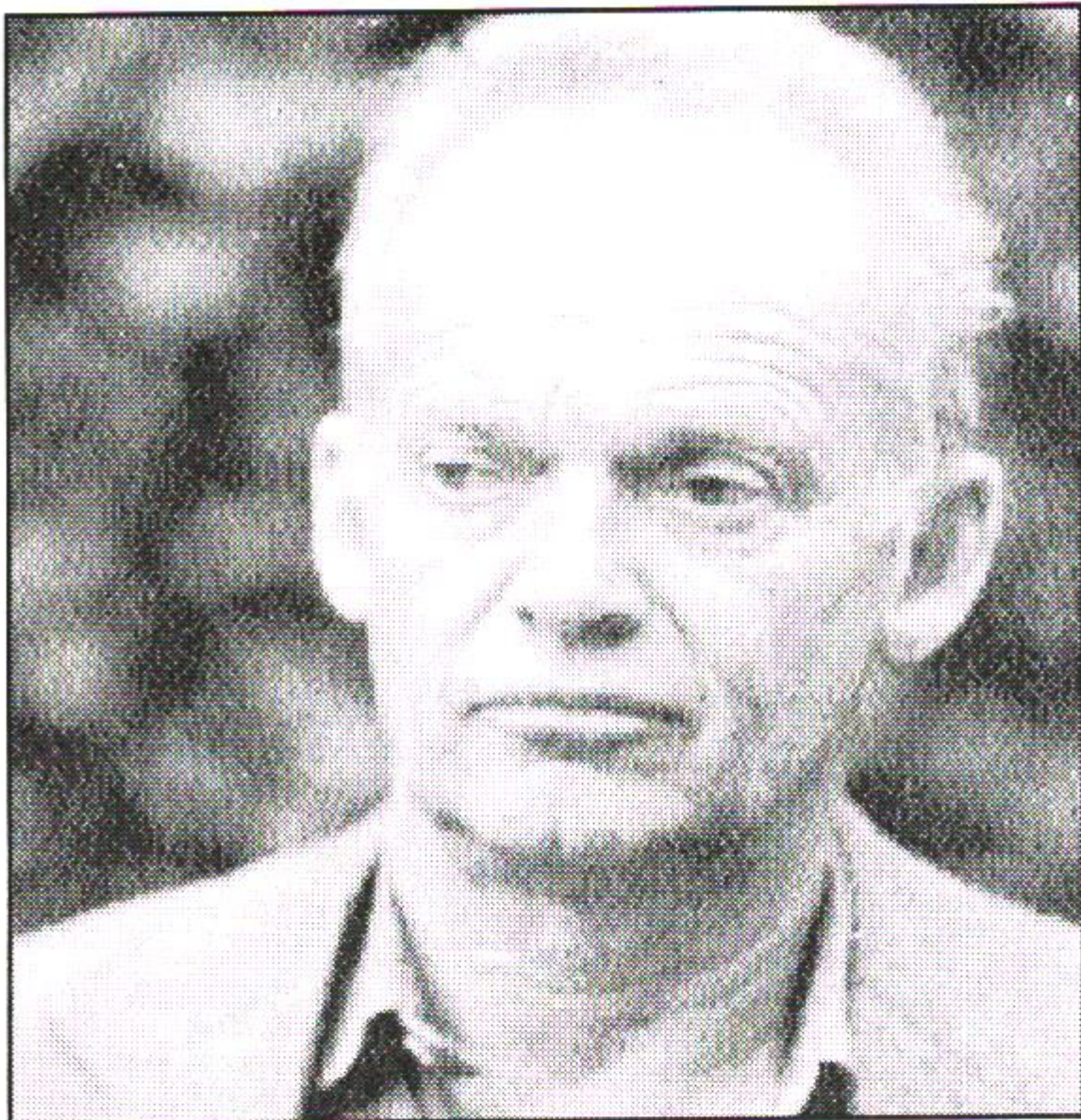
debate is growing over how to maintain real control by the workers and the people over these enterprises, which generates nearly 80% of the wealth of the country, and how to make sure that the slogan with which the petroleum company lockout was defeated, "PDVSA belongs to the people," becomes a reality. What is lacking is a revolutionary organisation capable of generalising and extending these experiences and giving them a socialist content.

Workers' and popular control

Participation and organisation from below, on the part of the masses, aimed at making workers' and popular control a reality, does exist. Since April 2002 - when the right wing coup was defeated - hundreds of organisations have sprung up in the neighbourhoods (Bolivarian circles, city land committees, popular movements, democratic, working-class unions, etc.), which together now organise more than a million people. One of the principal tasks for revolutionaries is to defend the coordination and unification of all these popular organisations at local, regional and national levels through elected delegates, subject to recall, in such a way that there will be a national leadership which can guarantee democratic control over the process and bring together the different struggles in a unified way and allow the political tasks of the movement to be advanced. The other principal question is to fight for that leadership to be equipped with a socialist programme and aims. □



It is this new, fresh generation that is now spearheading the protest movement. The numbers are so high that the regime simply cannot hold back the inevitable for much longer.



Esteban Volkov speaks

Esteban Volkov speaks in Barcelona

AT THE end of July, 2003, Esteban Volkov addressed a school organised in Barcelona. On the occasion of the anniversary of the brutal murder of his grandfather, the great revolutionary fighter, theoretician, and martyr, Leon Trotsky, we are publishing a transcript of Volkov's speech.

Stalin and the dictatorship maintaining itself in power over the dead bodies of the leaders of the Russian Revolution of 1917 strained all their abilities and their somewhat greater resources to the task of annihilating Bolshevism, Trotsky's supporters and family, and ultimately Trotsky himself. Stalin and his cronies have long since gone. Their ideas which condemned one great revolutionary movement after another to defeat are now being dumped in the refuse bin of history. The ideas of Trotsky and of genuine Bolshevism however live on. The monstrous attempt of the Stalinists to extinguish the flame of world revolution, by assassinating its greatest defender failed. Here Esteban

Volkov reties the knot of history with a new generation discovering the revolutionary ideas of Trotsky, the vital tools for making a new world.

To begin with I would like to express my thanks to all the comrades and to the Fundación Federico Engels.

It is very important to re-establish the historical truth in the sea of confusion, falsifications and alterations, within the framework of class struggle, carried out by the oppressors and exploiters of the world in an attempt to maintain the status quo.

I am not an expert in religion, but I think they contain a great truth. The existence of hell. The only little mistake is about its location. It is not underground but here on the surface, under the domination of the empire of private production and capital. In this hell lives three-quarters of humanity or maybe more. All the technological & scientific advances made are used to exploit the workers and the natural resources more efficiently.

The big choice is

between death by hunger, or death by smart bombs.

One big question comes to our mind.

Was it worth carrying out the great revolution of October 1917? Which ended up destroyed by Stalinism which in turn saw the death of tens of millions, as well as the annihilation of the great majority of revolutionary movements, helping the survival of capitalism in its most destructive and parasitical phase.

Hell of Capitalism

The answer is clear, there is no doubt about it. In order to take humanity out of the hell of capitalism and bureaucratic totalitarianism. In order to arrive at a new civilization, where mankind will no longer be used as value and occupy its rightful place. To achieve this no sacrifice will be too high or wasted.

Some sentences that Trotsky made to the American comrades on the occasion of the foundation of the 4th-International come to mind:

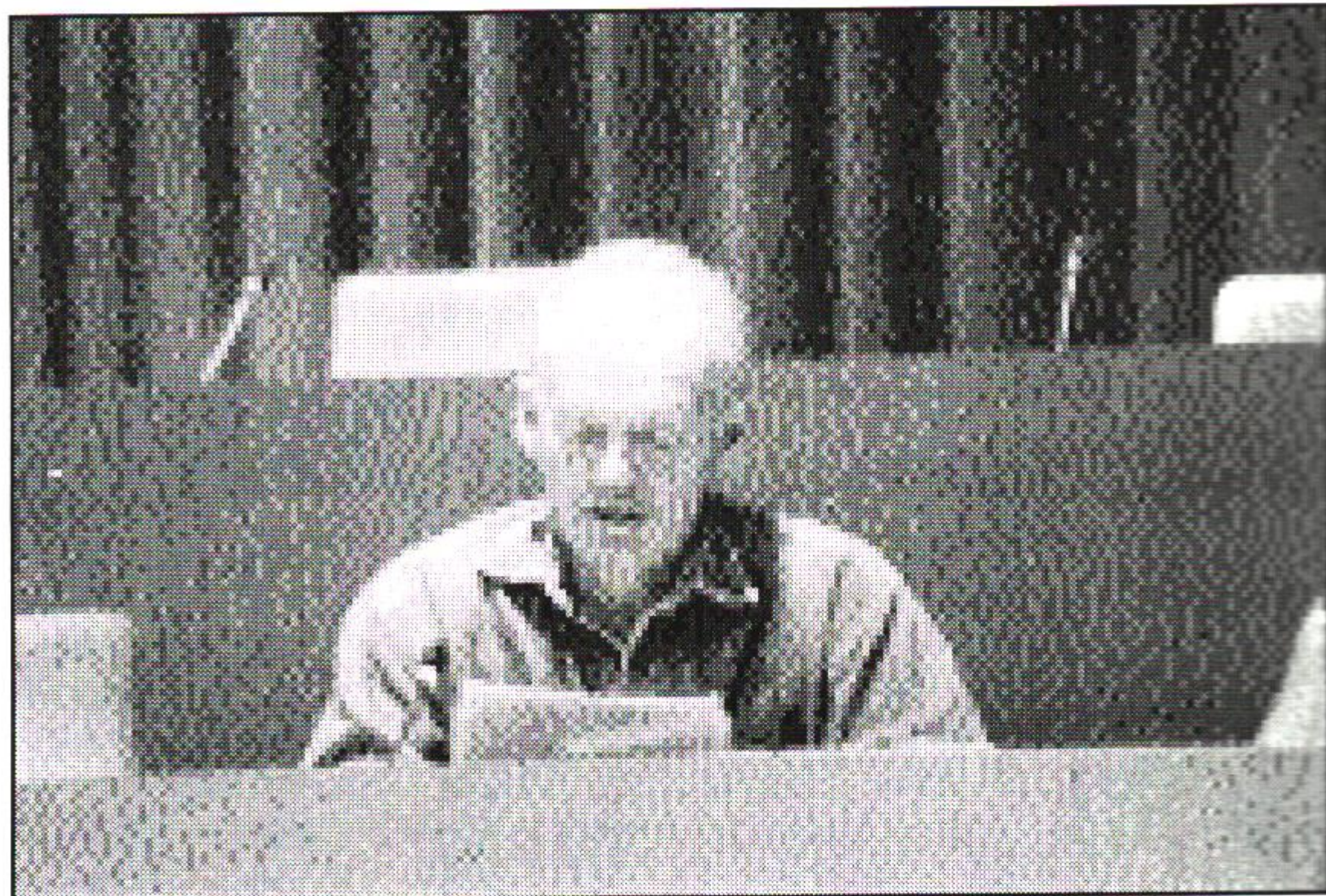
"There was never a greater task on earth, our party requires from us that

we give ourselves fully and as a whole. But in exchange it gives us the highest fulfilment. The conciseness that one participates in the building of a better future. And carries on one's shoulders a particle of the hopes of humankind. And that our life will not have been lived in vain".

The life of the revolutionist Leon Trotsky confirms these words. A life dedicated fully to revolution, and which finally fell in the cause of the revolution.

Trotsky more than anyone else understood the role and of bureaucracy as a brake on the revolution. In the last part of his life, which he considered the most important, he set about the task of building a new revolutionary vanguard, as well as continuing the fight against and to unmask the bureaucratic regime of Stalin. His struggle made the tyrant in the Kremlin tremble because of his courage. This made the assassination of LD (Trotsky) the main task of Stalin.

Stalin devoted unlimited economic and human resources to kill Trotsky,



finally achieving his aim on August 20th 1940.

A Gallery of Horrors

Stalin and his executors are more and more occupying the place in history to which they belong, the dustbin of history, the galleries of horrors of the Neros and Caligulas.

The one speaking here, Sieba Volkov is the last remained survivor, the last remaining witness of the last chapter of Leon Trotsky's life in Mexico.

I arrived in Mexico in August 1939 with the Rosmers who were close to Trotsky and Natalia, coming from Paris, where I had lived with Leon Sedov's widow. It was a big change.

Life in Paris with Jean was quite hard because of the pain of the loss of her companion Leon Sedov. When I was 13, I arrived at the house - Vienna 19 - in Coyoacan, Mexico. I remember it as a small community, a big family. A small vanguard of Socialism, where there was an atmosphere of work, solidarity, human worth.... Now I can see that they were the barracks of the political struggle. Natalia and Leon Trotsky were surrounded a group of young comrades from different nations but mainly from the US, they were volunteers. And they participated in the house activities: guards, secretaries...

In the house there was always a lot of activity. Trotsky was very active and lively. He knew very well that his days were numbered, and he wanted to carry out as much work as possible in the little time left. He never forgot the political education of the comrades. And frequently there were meetings in the afternoon or evening in his office, where there were polemics, etc.

One of the outstanding features of LD (Trotsky) is his marvellous sense of humour, the interest he took in comrades, his human warmth but at the same he was also very strict with norms and order. On one occasion a young guard, Sheldon Hart, left the

leges or distinctions. I remember a problem that happened in the house once with a septic well, Trotsky himself took up a pick and started the work of cleaning the sewage.

I remember a comment he made to André Malraux when he asked him his feelings about death - to upset him. Trotsky, in a calm fashion, said that death is not a problem at all when a man has fulfilled his target in life.

Trotsky's House

The house had a very lively activity. They had not long moved from Frida's house. The house was half ruined. And there was a lot of refurbishment needed. A Mexican

Buckman who died recently.

In the descriptions of the house that have been made elsewhere there have been many mistakes and falsifications. Initially the house was not a fortress at all. We only had walls of a certain height and on the inside some wires were installed, which, if they were broken set the alarm off, but because of the pigeons we had a lot of headaches.

The Stalinist press in Mexico always attacked and slandered Trotsky. Thousands of rubles were brought from Moscow and were distributed in a generous fashion to corrupt journalists.

At the beginning of 1940 we saw an increase in the number of the slanders and

The life of the revolutionist Leon Trotsky confirms these words. A life dedicated fully to revolution, and which finally fell in the cause of the revolution.

door open, Trotsky with a premonitory sense said that this mistake cannot be forgiven and that he might be the first victim.

Another feature that must be brought out about LD, was his great admiration for human labour. He did not admit privi-

comrade, Mequiades, built the chicken cages and the rabbit hutches. Also Alex Buckman, who was a professional photographer and an expert in electricity, installed the security system. The best photographic archive, and the last ones were taken by Alex

attacks. Trotsky's comment was: "seems that these journalists are about to exchange their pens for the machine gun". On May 24th a gang of terrorists headed by the painter Alvaro Siqueiros entered the house. They took control of the house. One

Trotsky

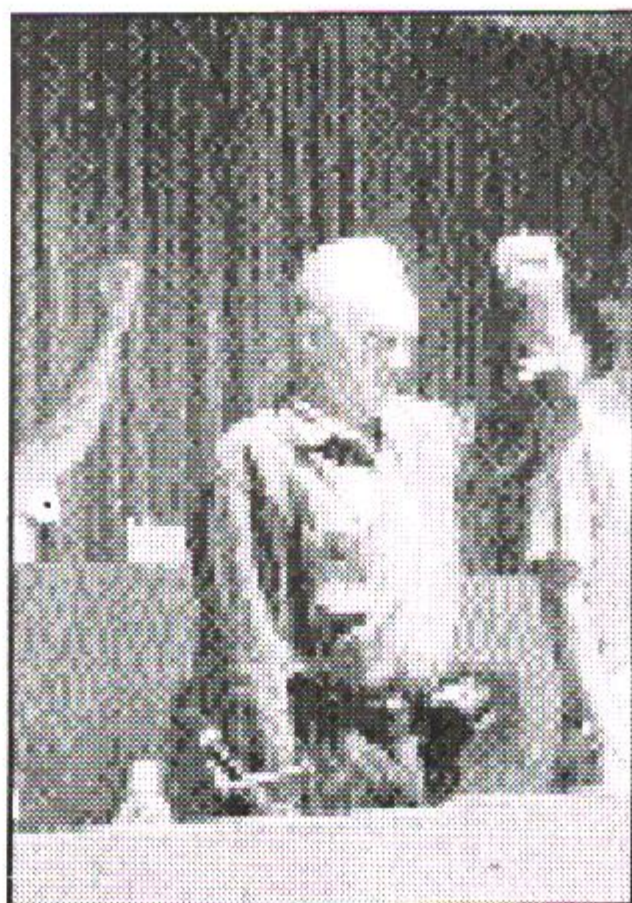
"Life is beautiful. Let the future generations cleanse it of all evil, oppression, and violence and enjoy it to the full."

group took up a position behind a tree in front of the guard houses. They established such a level of fire that the guards were unable to move.

Trotsky Survives

Another group went after LD and Natalia and they fired from three different angles with a Thompson into the darkness. One of the terrorists entered the room where I was sleeping and also fired. It was a real miracle that Trotsky survived. It was partly because of the rapid reaction of Natalia who pushed him under a table and protected him with her own body. Trotsky was sleepy as a result of the sleeping pills he had taken. His first impression was that this was some Mexican religious celebration with fireworks. But the smell of gunpowder and the closeness of the attack convinced him otherwise.

I remember when the attackers left we immediately heard Trotsky's voice, and he managed to fire with the gun against the shadow moving through the canal near the house. Shortly afterwards all the members of the family, all the people in the house met. Trotsky really was euphoric at having escaped this assault with his life. I also remember that shortly afterwards the telephone rang and Trotsky picked it up and started to swear. He obviously thought that these were his attackers trying to get some information. But there was a detail which made the mood more sober and that was the fact that Sheldon had been kidnapped by the



attackers.

After the attack modifications were made to the house thanks to the help of the American Trotskyist party: iron doors, new windows, towers for the guards were installed... Trotsky was a little bit sceptical about the usefulness of all this work. He was convinced that the next attack would not be of the same kind. And he was right. No one could have imagined that Jackson, who was the partner of Sylvia Ageloff, without any political interests - a generous businessman, friendly to the guards, etc - that he was a GPU agent. Finally he managed to carry out the wishes of Stalin.

Stalin the murderer

On the 20th of August I was coming back from school, coming through Vienna St. which is a long walk. And when I was 3 blocks away from the house I noticed that something was happening. I rushed and I was anxious. There were several police officers by the door, which was open. There was a car wrongly parked. I entered and I saw Harold Robbins, one of the guards, who was carrying a gun and very agitated. I asked him: "What's happening?" And he replied: "Jackson, Jackson...." First I did not understand and I continued walking. I saw a man with 2 police officers with blood on his face. He was in a very bad state shouting, screaming...

It always reminds me of the behaviour of the great Stalinist 'heroes' compared with how the Trotskyists have fought and died under the bullets of the GPU shouting 'Long Live Lenin and Trotsky' and singing the Internationale.

When I entered the house I realised what had really happened. Natalia and the guards were there. And a detail I remember is that Trotsky, even in those moments, did not want his grandson to have to see what had happened, that shows the humanity of the man.

He still had the presence to indicate that Jackson should not be killed. He was more useful alive. The

guards did beat Jackson. And Hansen actually broke his hand beating him up, this man was accused by Healy of being an agent.

I want to finish with the last sentences of Trotsky's testament.

"Life is beautiful. Let the future generations cleanse it of all evil, oppression, and violence and enjoy it to the full."

One sentence I missed that I think is very relevant. In our party many new comrades will join without the necessary political education and it is the task of the comrades with more experience to train them and educate them. And this is precisely the aim of this school organised here. □

History of British Trotskyism

By Ted Grant



order your copy now!

**303 pages
Illustrated
Wellred Publications**

price £9.99

(Please add £2 for postage and packaging)

**Order from
Wellred,
PO Box 2626,
London N1 7SQ**

**or online at
www.wellred.marxist.com**

IN THE CAUSE OF LABOUR A HISTORY OF THE BRITISH TRADE UNIONS

By Rob Sewell

There are many narrative histories of the struggles of British workers. However Rob Sewell's book is different. The purpose of this history of British trade unionism is not only to recite the wrongs inflicted on working people, or simply to describe their heroic struggles. It is an attempt to draw out the lessons of the events that helped shape the Labour movement, and made it what it is. This is a book that sets out from the proposition that the interests between capital and labour are incompatible and takes sides in the war between the classes.

This book is aimed especially at class-conscious workers who are seeking to escape from the ills of the capitalist system, which has embroiled the world in a quagmire of wars, poverty and suffering. This history of trade unions is particularly relevant at the present time. After a long period of stagnation, the fresh winds of the class struggle are beginning to blow. We see growing industrial militancy in many countries, heralding a fundamental change in the situation. In Britain there is ferment in the trade unions, characterised by a sharp turn to the left in one union after another. New forces are emerging in the trade union and Labour movement, and are beginning to challenge the dead hand of the old leadership.

Rob Sewell's book was written precisely with these new forces in mind. We hope it will serve to provide the new generation with a firm grasp of our real history - a history that was for so long buried beneath a mountain of lies and deceit. It is essential that we study our past, to prepare for the future. Serious battles lie ahead. In the class struggle, as in war, tactics and strategy are necessary. In order to work out the most likely march of events and

prepare for the future battles, we must take the trouble to study the past.

The British labour movement is the oldest in the world. More than two hundred years ago, the pioneers of the movement created illegal revolutionary trade unions in the face of the most terrible violence and repression. A little later they established the first workers' party in history, the Chartist Association. Later they participated in the founding of the First International, in which Karl Marx played a leading role.

In the course of the nineteenth century they built trade unions of the downtrodden unskilled workers - those with "blistered hands and the unshorn chins," as Feargus O'Connor called them. Finally, they established a mass party of Labour based on the trade unions, breaking the monopoly of the Tories and Liberals. In the stormy years following the Russian Revolution they engaged in ferocious class battles, culminating in the General Strike of 1926.

Nor did the achievements of the British trade union movement cease with the Depression and the Second World War. The post-war upswing served to strengthen the working class and heal the scars of the inter-war period. By the time of the industrial tidal wave of the early 1970s, they drove a Tory government from power, after turning Edward Heath's anti-trade union laws into a dead letter. Those years saw the demonstrations against the Industrial Relations Act - the biggest workers' protests since the days of the Chartists. Later, the miners, the traditional vanguard of the British working class, waged an epic year-long struggle in 1984-85 against the juggernaut of Thatcherism. They could have succeeded, had the rightwing



Labour and trade union leaders not abandoned them and left them isolated. But though it was defeated the miners' strike, which at times had the hallmarks of a semi-insurrection, showed the world the colossal potential that exists in the British working class. It would require a book to deal with the lessons of this strike alone.

The book contains vital material and is essential reading for today's worker militants.

The foreword is written by Jeremy Dear, general secretary of the National Union of Journalists and member of the General Council of the TUC. □

Publication date: end October 2003

Price: £9.99

ISBN: 1 9000 07 14 2

SPECIAL PRE-PUBLICATION OFFER!

Order your book now and get it despatched free of charge. Send a cheque for £9.99 to Wellred Books, PO Box 2626, London N1 7SQ and get the book as soon as it arrives from the printers.

The Heat Is On!

DURING AUGUST we hit a new record for temperatures in the UK - it certainly was hot! Indeed at times it seemed like parts of England had been secretly shifted into the Mediterranean such was the heat, both day and night. Looks like global warming is here to stay. The class struggle will also be heating up again as workers move into conflict over wages and conditions. Even during the summer months things were not quiet as the Heathrow workers showed when they said 'enough is enough' over the proposed electronic monitoring scam, designed to facilitate 'flexible' practices which would benefit the bosses only. These attempts to force workers into working more inconvenient and broken up hours has been one of the traits we have seen developing over the last few years. It increases the workload on workers without increasing the wages or overtime bill and recalls the worst practices of the Victorian era before unions acted to outlaw these abuses.

To the bosses workers are just a commodity to be bought and used, like machines off the shelf. The only defence workers have against these 'reforms' is the trade union movement. So workers need strong unions to protect their interests and to be strong unions need to be armed with a fighting programme and leadership. Workers need to know not only that they are being exploited but also why and what can be done about it. That is the task of Marxism,

the task of Socialist Appeal. But to do our job we need the resources to present our case. The only way we can do this is by relying on the support of our readers and sellers - and that means financial support. There is an immediate target before us. Let's see if we can raise £1000 during this month of September. With the TUC conference and the anti-war demo in London this should be possible. But don't leave it to someone else to act, Send a donation in yourself. It all counts and can be sent to us at PO Box 2626, London, N1 7SQ.

In passing a special thanks must go to all those readers and sellers who have contributed to the annual international appeal organised by the In Defence of Marxism website. Final figures are still being calculated but I understand that nearly £3000 was received in donations and pledges from UK comrades alone - well done!

Donations to our fighting fund received over the summer months include £100 (Miles), £50 (Coventry reader), £50 (Lyn and Bob Faulkes), £20 (Mark Townsend), £50 (Gilmore Brown), £5 (Sarah Warden), £18 (Doros and Athena) and a number of other amounts both large and small including some outstanding donations from the union conferences. We thank you all - let's keep it up! ☐

by Steve Jones

Subscribe to Socialist Appeal



I want to subscribe to Socialist Appeal starting with issue number..... (Britain £15/Europe £18/ Rest of the World £20)

I want more information about Socialist Appeal's activities

I enclose a donation of £..... to Socialist Appeal Press Fund

Total enclosed: £..... (cheques/ PO to Socialist Appeal)

Name.....

Address.....

Tel.....

E-mail.....

Return to: Socialist Appeal, PO Box 2626, London N1 7SQ

END THE OCCUPATION OF IRAQ NO MORE WAR LIES

TUC CONFERENCE Stop the War Coalition Meeting

6.00 pm, 8th September, 2003,
QUALITY HOTEL, West St,
Brighton
Speakers Incl: Tony Woodley
(T&G), Jeremy Dear (NUJ)

NATIONAL DEMONSTRATION

27th September, 2003
London
Assemble 12.00 Noon

Celebrate the Burston School Strike

Every year activists and trade unionists gather in the small Norfolk village of Burston to mark the historic Burston School Strike. An attempt by local bosses to undermine the growing strength of

the trade unions in the area by trying to sack two teachers who supported the workers rebounded on them as teachers and pupils went on strike in 1914. They stayed out for three years until a new school was opened, organised and paid for by the Labour movement. A small fight in a remote part of rural England became a national focus of struggle with support being mobilised from all over the country. For many it became a symbol of a wider conflict against the old order - and still is!

Come along to the annual commemoration at Burston (near Diss in Norfolk) on September 7th from Noon onwards. There will be a march followed by a rally with stalls and events - make a day of it!

noticeboard

September 2003

Advance Notice:

New book from **Wellred!**
In the Cause of Labour
A History of the British Trade Unions
By Rob Sewell

Approx 250 pages
Price: £9.99
Publication: October 2003

Orders to **Socialist Appeal**,
PO Box 2626,
London N1 7SQ

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.** £8.00 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.



Socialist Appeal

Marxist voice of the labour movement

Postal Workers Demand Fair Pay

Postal workers now seem certain to be balloted for national strike action following the collapse of talks over pay. The best the bosses have been able to come up with is a measly offer of around 4.5% over 18 months. This is being linked up in negotiations with so-called strings. That is to say, if you want more then you will have to pay for it with longer hours and additional job cuts.

Postal workers are amongst the worst paid public employees in the country. This is doubly so in London where a separate ballot is to take place over London weighting. The management bleat on about how they cannot afford to pay workers a decent wage and complain that the post service is losing £750,000 a day. How did this happen? Not so long ago the Post Office was operating at a sizeable profit. But management have messed things up bigtime. Adopting a short term approach on everything, throwing money away on one fiasco after another including very expensive failed foreign purchases and non-operating projects (including the useless Project Horizon), spending huge sums on their own salaries and bonuses and above imagining that if they just take on the union then things will suddenly improve.

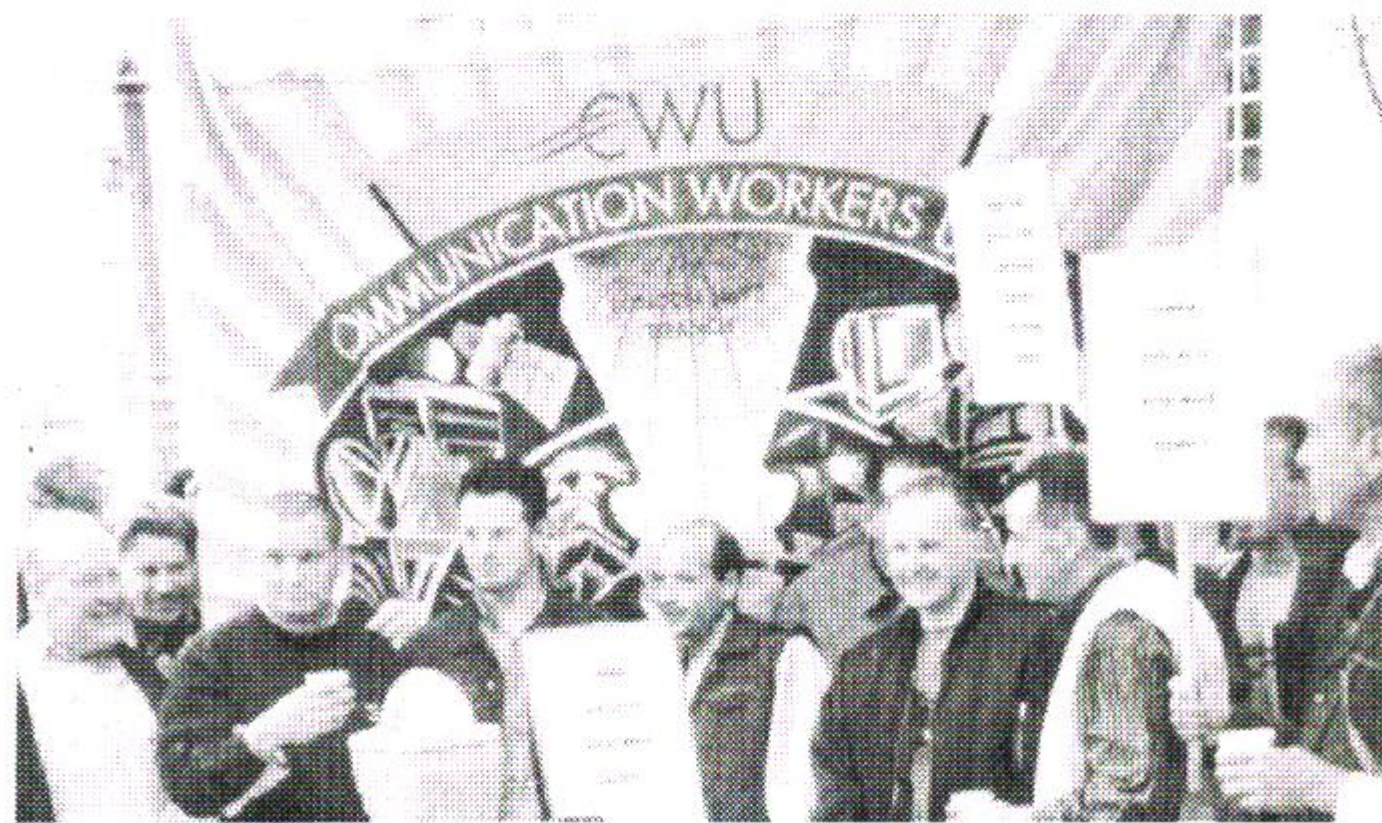
They seem quite happy to bring in Adam Crozier, fresh from helping the Football Association to fall into a permanent state of crisis, on a salary of £500,000 plus the same again as an initial bonus with a possible further million to follow, as the new chief executive yet think it OK to have workers earning, under their offer, only £272pw. They could have a massive £26 more but 30,000 jobs will have to go to 'pay' for it. In passing this once again reveals the all-new rubbish service the bosses are projecting for a once great mail service.

The bosses have pretended that they are interested in negotiations yet at the scheduled Acas meeting of August

26th, which the CWU did not go to because it clashed with another meeting and in any case they were not originally due to attend until the next day, only half an hour was set aside for these 'in-depth' discussions.

The Labour government must not be allowed to let the post service be destroyed by a management desperate to get on the privatisation gravy train of low wages for workers, poor services for customers and huge payouts for those at the top. The CWU must use its power in the Labour Party to fight for a properly funded, publicly accountable post service properly run under workers control and management, designed for the benefit of all not the bloodsuckers of the City of London. Hand in hand with that fight must go the struggle to defend jobs and for a living wage for postal workers. Militant action is the only language the bosses will listen to - that means a massive vote for strike action in the forthcoming ballot.

Frustration has built up over many years and the mood is there to give the management a taste of what workers power really means.



**For £300 per week with no strings
and no job losses!**

www.marxist.com