

The Marxist voice of the labour movement

# Socialist Appeal

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**NHS, Hutton inquiry, Brent East...**

# Blairism on the rocks



## AMICUS

### Vital elections for union



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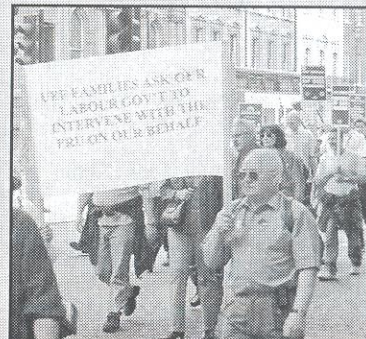
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# Replace Blairism with Socialist Policies!

THE BLAIR government is facing its deepest crisis yet. Profoundly shaken by the fallout over the Iraq war, where the highest levels of government have been caught red handed lying to justify its collusion with George W. Bush, the stench of scandal hangs over the Blair clique.

Nobody believes the "New" Labour government anymore, whether it is about weapons of mass destruction, "dodgy" dossiers, foundation hospitals or top-up fees. The Blairites are increasingly regarded as Tories, who have been hell bent on carrying on from where Thatcher left off.

Their failure directly led to the by-election debacle in Brent East, a solid Labour seat with a 13,000 majority, overturned by the Liberal Democrats. It was Labour's first by-election defeat in 15 years. Once again, the turnout was very low, around 36 per cent, a fall of 13 per cent since the general election (which, in turn, was down on 1997). This showed the disillusionment of traditional Labour supporters with the pro-capitalist policies of Blair.

Blunkett stated that the government had been given a "bloody nose", but drew no conclusions. The government brushed the defeat under the carpet, saying it was simply a "mid-term" problem. No doubt, they see it as a problem of "contentment", which was the last excuse given for previous electoral setbacks.

There are none so blind as those who refuse to see! The discontent sweeping the country, especially in the working class areas, is a product of Blair's Tory policies. All the fine promises of six years ago have turned to dust. Despite Blair's promises of education being a priority, two recent studies have highlighted the government's fail-

ure. A report from the Organisation for Economic Co-operation and Development reveals that Britain's education standards have lagged woefully behind its international competitors. Comparing the achievements of school leavers, in just over a generation Britain has fallen from 12th to nearly bottom compared to 30 others, including Slovakia and Greece.

## Pouring money

In terms of the Health Service, conditions are also deteriorating. The money poured into the NHS has gone largely to cover debts and the financing of PFI hospitals. In Scotland alone, PFI trust hospitals are facing a £31 million financial crisis over the next six months. Managers have been asked to find savings, which will include freezing vacancies, abandonment of life-giving treatments and cutting vital services.

"The problem is that in an underfunded system the shareholders of the PFI companies make competing claims on scarce resources and these claims come at the expense of patient care," said Professor Allyson Pollock of University College London.

"The health board has already reduced all acute inpatient beds across Lothian by around 24 per cent and planned reductions in staff of 25 per cent in the new hospital to try to make it affordable. However, it appears that further cuts are now required." (Sunday Herald, 14 September)

John Reid, the health secretary, has added petrol to the fire by encouraging big business to take over health care. Last month, he gave seven private healthcare corporations a £2bn foothold in

the "market" for treating NHS patients. The following private companies will share out the spoils: Netcare UK, a South African business, Care UK Afrox, again a South African-led consortium, Anglo Canadian Clinics, a Canadian firm, Nations Healthcare, a US-led consortium, New York Presbyterian, a US group, Mercury Health Ltd, a UK-led consortium, and Birkdale Clinic, a UK group. Clearly, this is the first step to turn the NHS from a provider of services to a purchaser from firms profiting out of healthcare.

The private sector will get all the straightforward operations, while the NHS will be lumbered with the (more expensive) complicated ones. "The more routine hips, knees and cataract operations often subsidise the complicated procedures that require more long-stay care in the NHS. Without these operations we may be in the shameful position of seeing NHS wards close", stated Karen Jennings of Unison.

"It is a disgrace that NHS nurses may be made redundant and NHS wards close because the government have handed over these lucrative new contracts to global interests."

Scandalously, something like 70 per cent of NHS staff could be seconded to help conduct the transferred operations.

## Pro-big business

These pro-big business policies have caused widespread resentment in the working class. This, in turn, has resulted in a shift to the left in the trade unions. Clearly, this year's Labour Party conference will be the most acrimonious for years as the trade unions set to give the Blairites a "bloody nose" over founda-

tion hospitals, pensions, trade union rights, and possibly top-up fees and Iraq.

It is time this opposition to Blairism was given a concrete expression. The trade unions are the key to the Labour Party. They created and financed it. They sustained it in difficult times. Now it is time they organised seriously to reclaim the Labour Party from the Blairites. As a step towards this, we welcome the initiative of Tony Woodley, the general secretary of the TGWU, to call a summit of left union leaders. Their aim should recruit and send their members into the party to win it back for the working class.

This struggle must go hand-in-hand with the fight for real socialist policies. The Blairites have been the avid defenders of their beloved "market economy", i.e. capitalism, which has had devastating consequences. We must put forward a clear alternative. Only a bold socialist programme, based upon the public ownership of the "commanding heights" of the economy, can we own, plan and generate the necessary resources needed to tackle the problems of working people. This is not the old-style nationalisation of the past, consisting of bankrupt industries under bureaucratic management boards, but nationalisation under democratic workers' control and management, and compensation paid on the basis of need only.

Only with such a programme can the profit system be eradicated, and the resources of society be rationally planned for the benefit of all, and not the interests of billionaire tycoons. That was the dream of the pioneers of the Labour movement. It is time they were fulfilled. □



# International Transport Federation Day of Action

## "Fatigue Kills"

by Rachael Webb, Branch Secretary,  
 TGWU 1/888 Branch and working truck driver

ON MONDAY 13th October over a quarter of a million transport workers in 66 countries all over the world will be organising for a shorter working day. The ITF is a sort of worldwide TUC of national Transport Unions; the T&G in the UK and Ireland is one of the affiliated unions. See:

[www.itf.org.uk/media/releases/050903.html](http://www.itf.org.uk/media/releases/050903.html)

As a working truck driver and Branch Secretary of 1/888 (See our Branch website: [www.one888truck-drivers.org.uk](http://www.one888truck-drivers.org.uk))

I know from my own daily working life over 10 years in international and UK haulage that excessive hours are a daily reality of life to lorry drivers.

For example one firm I recently worked for, a large Dutch multinational: on my first day another driver told me he had been working and driving continu-

ously for 3 days. This is nothing unusual. Although the vast majority of truck drivers are responsible workers who obey the law we are under pressure from the bosses to get the load delivered regardless of health and safety.

Take for instance a driver doing UK haulage whose boss wants five loads a week in order to get a capital return on a truck unit and semi-trailer which costs over £100,000 new. If the driver is late on one day at the start of the week then the boss only gets paid for 4 loads instead of 5. Say £400 a day x 4 = £1,600, maybe a working loss, as opposed to £400 x 5 = £2,000 which is probably just a profit.

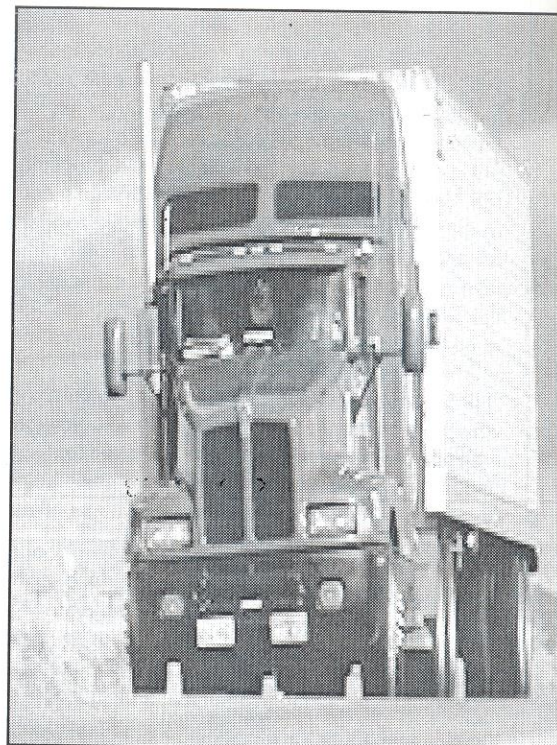
Answer: keep ringing the driver on his/her cab-phone and keep on about "that load must be at .... by ....!"

Our interests are not

the same as the bosses, as workers we have to fight for basic rights over Health and Safety. Within the T&G and other unions, this is our responsibility. The bosses and owners will not do it for us because it is in their interests to make a profit and they don't earn money whilst we are getting a night's sleep.

We have to organise and we are doing just that. We can, for instance, use the European Working Time Directive for a 48 hour working week to our advantage or the bosses are going to use it in order to avoid paying us for more than 48 hours work.

(Implementation has been delayed for lorry drivers and Junior Hospital Doctors for several years, that's capitalist logic!) Just remember this if the truck in front of you on the motorway swerves from side to side with



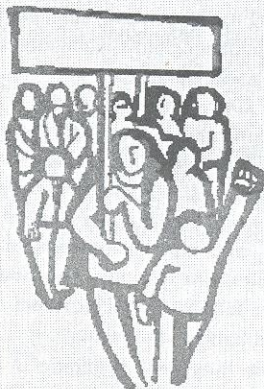
the driver nodding off to sleep, just hope that if you are injured in an accident the Doctor at Causality isn't falling asleep as well!

Transport Workers in Sussex and the South Coast are organising a recruiting drive centred around Portslade and Shoreham as our bit in "Fatigue Kills". We will be handing out T&G leaflets to port workers, office staff, lorry drivers and office staff in that and surrounding areas.

One of the firms we

will demonstrate at is Euromin, where a few years back, a young "Work Experience" Job Centre placement, Simon Jones, was tragically killed whilst on his first day, with no Health and Safety Training. He was working in the hold of a ship and his head was crushed by a crane operated from outside. We will remember him.

Our slogan will be "A Unionised Workplace is a safe workplace, remember Simon Jones, join the T&G". □



### They don't call it "The Struggle" for nothing!

SOME LEADERS and activists of the Fire Brigades Union and the Rail, Maritime and Transport unions have been very vocal in attacking the Labour Party leadership, with complete justification. They are not happy with the policies of New Labour, and that is understandable. This discontent must be organised effectively.

There is a rumour that Environment Minister Alun Michael, a key Blairite, has unfortunately narrowly

avoided a full reselection process by a majority of only one Party unit. There were at least 3 affiliates who did not send in their votes. You guessed it - the local FBU and the two affiliated RMT branches. For the price of a stamp...

Nevertheless this example demonstrates the vital role that each RMT or FBU branch has to play in reclaiming Labour. Any attempt at disaffiliation only weakens the struggle against Blairism.



# Heathrow Express strike

by Steve Jones

HEATHROW EXPRESS is set to be hit by a series of one-day strikes in October over a dispute on union recognition. Members of the rail union Aslef have voted to go out on October 3rd, 10th and 24th to gain full recognition. At present the company are only offering so-called joint recognition alongside the company funded staff association - an organisation whose independence is, at the very least, somewhat questionable.

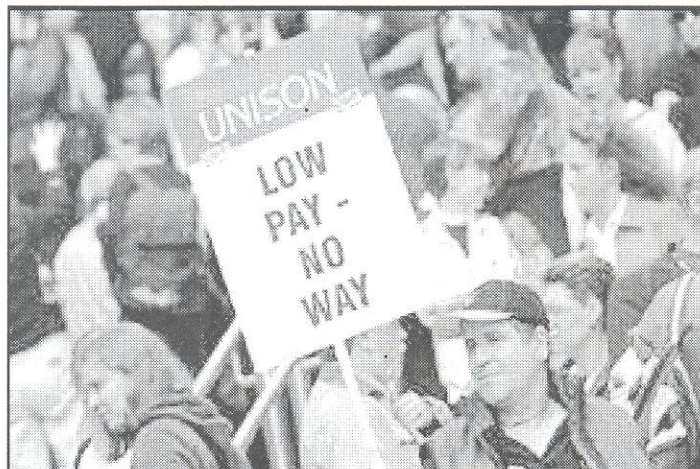
The Heathrow Express, operated by BAA rather than one of the other rail companies, was set up five years ago to run fast trains from Paddington Station to the airport, promising a journey time of just 15 minutes. This is considerably faster than the alternative options of bus or underground. It is also considerably more expensive with ticket prices way above anything charged elsewhere, anywhere on the UK rail network.

However with large numbers of visitors flying in and out of one of the worlds busiest airports there has existed a large market who either don't know they are being ripped off or simply don't care and are happy to pay through the nose to do the journey quickly. Hence

they have been able to count on 14,000 travellers using the service each day.

With the union also calling on an overtime ban, the Heathrow Express will be subject to disruption even on non-strike days. However the management are desperate to keep the service operating as a haven of non-unionism in an industry where organised workers have increasingly been flexing their muscles. A victory for Aslef will hit hard those who are hanging on to the idea that the Heathrow Express could be the model for a future of the industry in which the unions have no part. That was the plan behind establishing the fast train service independently of the existing rail structures born out of the privatisation of the railways.

A determined fight by the workers on the railways have stopped that idea from taking root but the managements of the various rail companies would dearly love to replicate the set up of the Heathrow Express on their own lines - if they could get away with it. So a success for the union in this dispute will have a positive spin-off for all rail workers and should therefore be fully supported. □



## UNISON: London Weighting Battle Continues

by Pam Woods, Islington UNISON

LOCAL GOVERNMENT Unison members in London have voted overwhelmingly - 80.7% to 19.3% - to continue strike action in support of their claim for an increase in London Weighting allowance. The result is all the more surprising given that there was little or no campaign for a 'yes' vote. Many activists were unaware that the ballot had even been called, and publicity reached shop stewards days after the ballot papers had been dispatched. Moreover, the action to date has been seen by many members as ineffective and fragmented. In addition, the GMB and TGWU announced some weeks ago they were pulling out of any future action. The result therefore indicates a militant and determined mood among local government workers. Strike action should now be co-ordinated with UNISON members in the hospitals and universities, who have also been engaged in strike action over London Weighting, to achieve maximum impact. □

## Blair's popularity takes a nosedive

TONY BLAIR'S political standing has been seriously. In the wake of the Hutton inquiry, his ratings slumping over the summer from - 17 points in July to - 29 points now.

The results of a Guardian/ICM poll shows that Blair is now widely regarded by the electorate as an out of touch and untrustworthy.

The ICM survey shows 61 per cent of voters are now unhappy with the job he is doing as prime minister and only 32 per cent are satisfied, giving him a net personal rating of -29 points.

A damaging 70 per cent, including 58 per cent of Labour voters, say there is too much concern with public relations and spin.

After a brief period of popularity in the immediate aftermath of the Iraq war, his popularity has dived. In May his net rating fell to -8, in June it hit -13, in July -17 and, then to -29 points dropped this month.

The poll's results confirm the seismic loss of trust in Blair. His rating for "trustworthiness" has fallen by 9 points since July to only 30 per cent now. But it also shows that he is widely seen as out of touch with ordinary people, down three points since July to 31 per cent. □



# Vital elections for union

by Kris Lawrie, Amicus member

OVER THE next two months critical elections for the Executive Committee of Amicus, the new union created from the merger of AEEU and MSF will be taking place. The EC elections are an important opportunity to decisively defeat the remnants of the old rightwing. The build-up to the elections is now well underway. The nomination of candidates has been taking place for the last month and this will continue until October 13th. The ballot papers will go out on November 17th, and the results will be known on December 5th. The broad left organisation, Amicus Unity Gazette, has put up candidates in all sectors to contest the elections.

Last year the General Secretary election campaign returned Derek Simpson, the Gazette candidate, who waged a campaign to return the union to the democratic control of the members, and return it to its traditions as a fighting organisation for the members interests.

The defeat of Sir Ken Jackson in the Amicus-AEEU election by the Gazette candidate Derek Simpson was a victory for Amicus members and a victory for the whole labour movement. The membership rejected the discredited

ideas of social partnership that has dominated the tops of the unions and the Labour Party for the past two decades.

Over the years the union has stood back and watched while workers have taken a hammering.

## Insult upon injury

British workers have had insult heaped upon injury over the last period. We have been squeezed on all fronts while real wages have fallen. There is constant pressure to produce more and more using outdated tools. We now work the longest working hours, and are among the lowest paid in Western Europe. At the same time the anti-union laws prevent our members from taking action to defend and improve their rights. The Labour government has done nothing to repeal the Tory anti-union laws. In fact during the firefighters dispute they took full advantage of them, they even threatened to go further in outlawing strike action by the firefighters altogether.

Britain's industry is losing 12,000 manufacturing jobs every month. The response of the rightwing is to chant the slogan 'Defend Manufacturing' - what they really mean is 'Defend

Profits'. On this basis they argued for wage restraint, and led the way in lobbying the Labour government to give subsidies to industry, in effect subsidising profits. But this has not prevented the decline of industry in Britain. British industry is not competitive because the bosses are not investing as much as their main 'foreign' competitors. Rather than argue for continuing to subsidise the profits of loss making companies, they should be nationalised and run democratically by the workforce.

The attacks that we have been subjected to; the speedups, the wage restraint; the closures; all took place without as much as a peep of protest from the rightwing in our union let alone industrial action or a campaign to protect jobs.

## General processes

Jackson was defeated in the leadership election in spite of the fact that he had the full resources of the union behind him; the mood of a decisive section of the members had turned against him. This is in line with the general processes taking place across society where workers are becoming more and more frustrated by the situation they find themselves in and are beginning to look for new solutions to their problems.

The members voted for Simpson because he promised to make changes to the union internally and in our relations with the bosses. He promised to return the union to the members, by reintroducing the election of fulltime officials, and putting the branch struc-


tures and finances back into the member's hands. On the industrial front he promised the end to the sham partnerships with the bosses, an end to 'sweet-heart' deals, that is single union deals with no strike clauses, and a return to representing the members interests in negotiations. Since the election Derek has begun to deliver on these promises. The election of a left EC will help firm up that process.

Jackson has gone and his machine has been dealt a blow, but he has left behind him a huge union apparatus in his own image, and a rightwing dominated EC that has not been elected for over 5 years. The rightwing bureaucrats in the union are totally opposed to the way that things are going under Simpson's leadership, and are trying to pull the union back to the right - back into the past.

It is essential that we have a left EC to continue the work of reclaiming and transforming the union into a fighting organisation that will represent the workers interests. Only in this way can the policies of the Gazette be fully carried through.

The elections are a chance to boot out the rightwing and purge their ideas from our union. In their place we must have a fighting union that can deliver for the members.

It is essential that we also take this struggle into the Labour Party; we must kick out Blair and his clique and fight for a Labour government with socialist policies. □



**British workers have had insult heaped upon injury over the last period. We have been squeezed on all fronts while real wages have fallen. There is constant pressure to produce more and more using outdated tools.**



# Bosses create pensions crisis

by Peter Currall, Unity Gazette candidate

THE ISSUE of pensions has exploded back onto the headlines in the last few years. As the stock markets have declined the values of many pension funds has plummeted.

During the boom periods of the 1980s and 90s, company pension funds built up huge surpluses, on the basis of the high value of shares.

Some of the biggest, most well known companies, like Rolls Royce, and BAE Systems, took holidays in their contributions, some even dipped their hands into the surpluses to fund redundancies - Over £19Bn was stolen in these ways. A large number of these firms now have pension fund deficits; in many cases companies have deficits greater than the market capitalization of the company. This means that they are technically insolvent; they do not have the cash to cover their liabilities.

In July 2002 steel firm ASW (Associated Steel and Wire), which employed 800 people, went bankrupt taking 90% of the workers pensions with them. There is no protection for these workers, after decades of paying into the fund the workers were left with virtually nothing.

In the face of pension fund deficits many firms have had to increase members contributions. The trend now is for companies to close their final salary pension schemes, in which your pension is linked to the salary you earn in the year prior to retirement, and replace them with a money purchase schemes in which the final payout is set in advance. The shift from a final salary scheme to a money purchase scheme costs the workforce a lot of money in the long run because defined contribution schemes do not keep pace with your earnings.

With money purchase schemes the money is paid out



on retirement and used to buy an annuity that pays out a fixed sum every month for the rest of your life. Because of the nature of this type of fund you cannot know in advance exactly what kind of payout you will get.

In Corus there is still a final salary scheme, the scheme is called the British Steel Pension Scheme - it is worth an enormous £7.2Bn, and has a £300 million surplus. Members of the scheme pay 5% of their salary in contributions, and the company up till four years ago matched this, then they reduced their contributions to 2% for three years - for this year they reduced their contribution to zero.

The actuary has said that the current surplus in the scheme should fund it till the next assessment, which will take place in two years time - on this basis the company are having a 3-year holiday, while the members of the scheme have to keep on paying. So the holiday is set to continue for two years, the real push will come in about 18 months time in the run-up to the next assessment.

Sooner or later the company will have to begin contribut-

ing to the scheme again, and the danger is that when they do they will want to move us onto a money purchase scheme that would save them money.

At the moment our pension scheme is one of the most successful in the country, it is worth over £7.2Bn. That is at least 7 times the size of the company, which is now worth less than £1Bn in real terms.

Corus is carrying through a cost cutting drive across its business, and the cuts in the pension fund form part of this. The fund is paying out to 125,000 people and there are only 24,000 paying in. In the past the company had to pay in 5% of the salary of each member, just imagine the savings that the contributions holiday has brought them - it is the equivalent of a 5% cut in the wage bill from the company's point of view.

This month the company is due to announce either a breakeven or deficit again. There is little sign of a profit in the near future. They might see the pension fund as an area where easy savings can be made, and the danger is that once they have stopped paying

contributions it will be a job to get them started making contributions again.

If the company threatened to make these changes to the scheme we would have to consider taking industrial action to protect our pensions.

These days whenever you pick up the paper you hear about major companies in trouble with their pensions. Workers who have spent their whole working lives contributing can suddenly find themselves facing an uncertain future in retirement - some have lost a large chunk of their pension, other have lost almost the whole lot.

The unions must campaign and take action where necessary to safeguard pensions. Workers have the right to a living income in their retirement, it is disgraceful that these companies who have been profiteering by taking pension holidays, and in some cases raiding the funds, should now plead poverty when it comes to pensions.

They are putting their profit ahead of our well-being. The Labour government should take immediate action to compel these bandits to maintain final salary schemes. Any company threatening to cut pensions, wages or conditions should be nationalised under the control of the workforce.

## The Labour Government should:

- Compel companies to maintain final salary pension schemes.
- Guarantee and increase state pensions to provide comfortable retirement for all, and alleviate the need for private pensions.
- Scrap plans to increase the retirement age, and immediately lower the retirement age to 55. □





# Unions get "awkward" with Blair

by Kris Lawrie

OVER THE last ten years the TUC had virtually fallen from the national spotlight. In the 70s the TUC conference was eagerly dissected, analysed and reported in the news by industrial correspondents. But under the steady hand of John Monks and his predecessors it has gradually fallen out of the headlines.

Year after year we turned on the late-night TV news only to be confronted by rightwing trade union leaders peddling the usual line of 'dialogue and partnership with the bosses' and 'wait for a Labour government and all the problems will be solved'.

During this time it was easy for the capitalist press to say that the unions have had their day, and write them off as finished. In reality the workers had their heads down. A number of factors made many turn away from organised union activity and try to find individual solutions to their problems.

## New Realism

In the 1980s leaders like Eric Hammond of the EETPU, and Bill Jordan of the AEU seized on the defeats of the movement,

especially that of the miners, to argue for a new approach. 'New Realism' so-called, brought in an era of 'partnership' with the bosses.

These leaders provided the base for the clique of young ambitious 'realists' who were quietly making their way up through the structures of the Labour Party. Blair and his clique and were able to hijack the Labour Party with their 'realist' (read: right-wing) agenda in the same way as had been done in the unions.

## The Awkward Squad

Last year the TUC conference was given a powerful shot of adrenaline, for the first time in years there was fierce debate on the conference floor. A new group of leftwing union leaders, the so-called 'awkward squad' put forward motions that were more in line with the views and aspirations of ordinary workers.

The election of these left-wing leaders is a symptom of the profound change in the outlook of the ordinary members. A section of the working class have begun to lift their heads and look around for

alternatives. This process has begun with changes of representatives on the shop floor and is now beginning to reach to the heights of the movement.

At last year's conference the rightwing was fighting a rearguard action against the 'Awkward Squad'. The showdown that was taking place could be clearly seen in the fiery debates that took place around a number of questions. The events at this year's conference were a continuation of last years.

## Foundation Hospitals

Speaking on a motion against Foundation hospitals, Dave Prentis, UNISON General Secretary, condemned government plans as a "dagger in the heart of the NHS" - "call them what they are - private hospitals!". Foundation Hospitals are the government's flagship NHS reform. They want to give total freedom to the management; this includes finances, the right to borrow money, and to negotiate workers pay and conditions on a local level.

Foundation Hospitals will create a two-tier service and threaten an end to national pay bargaining,

that would inevitably lead to a decline and disparities in wages and conditions. The motion was carried unanimously.

Another hot topic was the issue of pensions; something that has hardly been out of the news in the last year. A motion calling on the TUC to organise a national demonstration on the issue of pensions was unanimously passed.

Tony Woodley, the new T&G General Secretary, condemned the bosses for stealing £19 billion through pension contribution holidays when the stock market was booming, but now the workers expect to pick up the tab.

Mark Serwotka, PCS General Secretary, promised to take action to protect civil service pensions. He pointed to the demonstrations that have taken place across Europe to protect pensions: "If French, German and Austrian workers can do it, so can we."

## The Anti Union Laws

A motion for the repeal of the anti union laws was also supported unanimously by conference. The motion specifically high-



lighted the right to take secondary action, and the right of unions to exclude fascists.

Bob Crow, leader of the RMT attacked the government for failing to repeal the anti union laws: "eight miserable acts of anti-union legislation were passed by the Tories in those dark miserable days. If it is good enough for Labour to demand repeal when in opposition, - it is good enough with a 160 majority."

### The War in Iraq

One of the biggest issues of the conference was the war in Iraq. A motion was put forward by the T&G condemning the invasion of Iraq. It also expressed opposition to plans to invade any other countries in the 'axis of evil'. The motion called for the coalition troops to be withdrawn and replaced with UN troops.

The wording of the motion was obviously very woolly because an army of occupation is an army of occupation; if they wear slightly different uniforms, and some of them speak French and German as well as English what difference will that make for the Iraqi people?

However the fact that there were no speakers against, and the motion was passed unanimously, shows the change in the mood and the balance of forces from last year when it was one of the stormiest debates of conference.

This year the debate was an opportunity for delegates to pillory Blair and the Labour government over the invasion, and the ongoing occupation. Bob Crow made a blistering

attack on Blair that encapsulated the mood of the debate: "over-egged, sexed-up, or exaggerated - whatever words you use. It is quite straightforward: Blair took us to war for oil and lied about the weapons of mass destruction."

At a fringe meeting of the Stop the War Coalition Tony Woodley accused Blair of lying over the weapons of mass destruction and said that he should apologise and resign.

Criticism was also directed at the rightwing leaders who last year refused to condemn the plans to invade Iraq, but urged Bush and Blair to go through the UN. But they remained silent on the question.

### The Right in Retreat

The rightwing was clearly in retreat at this years conference, they have been cast into the shadows in the last few years. The majority of union leaders and delegations are now to the left of centre, and this has put them in a weak position. The right has been disoriented by the high profile routs of their supporters in unions like PCS and Amicus. Most of the left motions went completely unopposed, and many like those on foundation hospitals, the war, the anti union laws and pensions were supported unanimously.

### Unions and Labour

The sense of betrayal at Labour's performance in office was alluded to all through the conference. Relations between the unions and Labour have

sunk to a new low.

So eager is Blair to please his masters in business, while keeping a lid on the unions that at a dinner with the TUC General Council, he gave a conciliatory after-dinner speech; while at the same time giving the press a transcript of a completely different speech. In the version he gave to the press he attacked the left for their "abiding delusion of 100 years" that we could have an extreme left Labour Party and not a progressive and moderate one.

Blair's speech scam caused a storm at the end of a day when Gordon Brown had already angered delegates in his speech to conference. Brown emphasised the achievements of the Labour government - the minimum wage, full employment, and economic stability - but promised to carry on with the same policies: "I tell you honestly there can be no return to inflationary pay rises, no return to loss-making subsidies that prevent the best long term decisions for Britain, no resort to legislation from Europe or elsewhere which would risk jobs, no retreat from a pro-enterprise, pro-industry agenda and no retreat from demanding efficiency and value for money as well as equity as we renew and reform each of our public services."

In other words he thanked the unions for their funding and in the same breath promised to carry on with the attacks. No wonder he got nothing more than 15 seconds of applause. It is a disgrace that the leader of our party has the audacity to come to the TUC and promise to keep cashing our cheques while continuing to attack us.

### Reclaim Labour

At a Labour Socialist Campaign Group fringe meeting Mick Rix, ASLEF General Secretary, promised to play a leading role in organising a meeting before the end of the year for all trade unionists and Labour members to discuss

taking back the party, he said:

"You can't change the constitution, you can't enact policies unless at the end of the day you control the party ... this tight little grouping has hijacked our party, yet it is more fragile today than it has ever been.... They are there for the taking! The constituencies are unorganised, there is nobody on the ground, there is no party machine at this level, because that has all gone. And so we should be encouraging trade unionists to... affiliate to the CLPs, and take those organisations over."

Labour was formed, and elected by the working class to represent the working class. It is not the task of Labour politicians to balance between the interests of the classes, still less to attack us on behalf of the capitalists.

### The shift to the left

The shift to the left in the labour movement has not been initiated by a group of 'awkward' individuals that have clawed their way to the top - it is the product of the discontent and anger among the working class that has led to a reaction against what capitalism has to offer the workers.

Over the coming period we will see a continuation of this process as the movement cuts out the dead wood and prepares for the struggles ahead. The trade union movement will take on a new significance and purpose for millions of workers - they will become living organisations.

This process will inevitably be taken into the Labour Party at a certain stage. The workers will not desert the mass organisations that have been built with their own sweat and blood, but rather they will move to reclaim them as fighting organisations.

These must put forward the interest of the workers consistently. Only a Labour government armed with a socialist programme, and the support of the unions can solve the problems that workers face in all walks of their daily lives. □

**However the fact that there were no speakers against, and the motion was passed unanimously, shows the change in the mood and the balance of forces from last year when it was one of the stormiest debates of conference.**





# Labour Party Conference



THE 2003 Labour Party Conference meets at a critical moment. After six years of Labour government nothing has been solved for the majority of working people who look to Labour to tackle the problems they face.

The result of the 2001 general election, which on the surface looked like a comfortable victory for Blair, was in fact a warning, as we explained at the time. The historically low turnout was not a sign of voter contentment as the spinners claimed, but an expression of the disillusionment of millions.

Events since - the mounting mood of militancy in the workplaces and the shift to the left in a whole series of unions; the magnificent anti-war demo of two million people; the furor surrounding the death of Dr. Kelly, and the Hutton inquiry - have confirmed this.

The patience of the working class may resemble that of Job, but it does not last forever. Industrially and politically ordinary working people are now demonstrating that they can take no more.

Even and despite the decay afflicting the Tory Party, if the Blair government remains on its present path, electoral turnouts will fall still further, and Labour could lose enough seats for the Tories to creep back in at the next general election. Of course, for the careerist carpetbaggers who populate the ranks of Blairism this would make little real difference. They will simply move on to company directorships or Lordships. Blair himself has bemoaned the creation of the

Labour Party. The achievements of Labour governments in the last sixty years mean nothing to them. They mean a great deal to us. However temporary they may have proved - like all reforms within the capitalist system, whatever the bosses are forced to give with their left hand they snatch back at the earliest opportunity with the right - they nonetheless had a major impact on the lives of millions. The abandonment of those reforms is likewise having an impact on the lives of ordinary working class families, as free education and health-care has been destroyed first by Tory governments and then shamefully by Blair and co.

## A Third Term?

Until recently any suggestion that Labour could lose an election was met with derision. Now the possibility is taken seriously. As long as Labour governments act in the interests of the banks and big business the working class will not blindly turn out to vote for them over and over again.

Whilst a Labour victory, albeit with a much reduced majority, is currently the most likely outcome of the next election even that is far from guaranteed. Many workers would understandably ask what would be the point of electing Blair and co for another term to carry on privatising and attacking workers, which would only be a precursor for a Labour defeat next time around and the dreaded return of the Tories.

In this context, the Brent

# Brent East and Blair: A Warning to Labour

by Phil Mitchinson

East by-election is a loud warning to the labour movement, no matter what 'analysis' the failed masters of spin cook up. Their lame excuses were entirely predictable. 'Mid-term blues' has always been the lowest excuse of the careerist who sees politics as a game. 'Oh, this always happens in the middle of a parliament' they chortle. Well, it would not happen if there was full employment, falling health service waiting lists, free lifelong education. It would not happen if a Labour government in power was acting in the interests of the overwhelming majority of society. Despite this 'mid-term effect' Labour was able to gain a majority in the Welsh Assembly elections earlier in the year simply by advocating a few minor reforms, most notably the abolition of prescription charges. Repeated across the country even this moderate step would have an enormous impact. Such a move to the left is the only way to guarantee keeping the Tories out at the next election.

In the past we have repeatedly heard the argument that 'rocking the boat' would endanger the election. 'We mustn't let the Tories back in' is an all too familiar refrain from those who try to silence the critics of Labour governments from within. Well, none of us want the Tories back. Given the crisis gripping the Conservatives such a prospect might seem hard to believe. However, Blair, and his pro-capitalist policies, mean that such a defeat is now possible.. Let us be clear, it was never

because of Blair that Labour won. Before 1997 Labour were more than 30 points ahead in every poll. This illustrated the desperation of millions of workers not only to get rid of the Tories, but to get a Labour government that would solve their problems. From the moment Blair became party leader until the 1997 election that lead constantly fell. Labour won an historic victory in 1997 regardless of Blair not because of him. They won in 2001 in spite of him. They could lose in 2005 because of Blair and his capitalist policies.

The question then is how can the Tories be kept out, and not just for the sake of it, how too can we improve our lives. The Liberals are only Tories in orange-dyed sheep's clothes. In reality, they differ only superficially. They are both capitalist parties. They may dream that their Brent East victory promises a big swing from both Labour and the Tories at the next general election. They will now be reviving their hopes of overtaking the Tories and becoming the main bosses' party. Even leaving aside the fact that people protest in by-elections, the facts of the Brent East poll tell us something different. Voting figures like any statistic are only of any use if they are seen in the context of all the other events taking place in society. The fact is that there was not really the 29% swing from Labour, and 15% from the Tories, to the Liberals, that the press are trumpeting. Had one third of Labour's voters last time around voted Liberal now, but



# Labour Party Conference

the remainder of Labour's voters turned up and voted Labour, then the Liberals would not have won. Assuming that broadly speaking the 36% of the electorate in Brent who voted in this election were part of the 49% who voted in the general election, then nearly 3000 people who voted Labour in 2001 voted for the Lib Dems, while almost 2000 former Tory voters switched to the Liberals. Decisively, just over 10,000 former Labour voters stayed at home, either not inspired to vote, or inspired not to vote.

Voting for fringe groups is understandable as a protest, but obviously can achieve less than nothing. Their candidates in Brent got a sprinkling of votes between them. Far more Labour voters protested by not voting - more than half of those who had voted Labour in 2001 did not vote at all - and the same will be the case in the next general election. The result would be Labour losing seats to both the Tories and the Liberals without either of them garnering a great deal of new support themselves.

## Reclaim Labour

So what should we do? Just support Blair? Just vote Labour in order to keep the dreaded Tories out? Clearly this is not good enough. Keeping the Tories out is not a matter of personalities. It is their policies and the consequences of those policies which would spell misery for millions. It is not enough to keep the Tory Party out - we must keep their policies out too. The only alternative, the only practical policy is to fight, and to change the Labour Party.

Blair, meanwhile, like Thatcher before him, is not for turning. Indeed he is clearly intent on pursuing his disastrous policy of privatising public services. This makes a confrontation between the government and the unions inevitable. UNISON's motion against foundation hospitals at the party conference will no doubt defeat the platform, confirming once more just how isolated



## Labour won an historic victory in 1997 regardless of Blair not because of him. They won in 2001 in spite of him. They could lose in 2005 because of Blair and his capitalist policies.

Blair really is inside the party. Defeat at the hands of the unions at conference will be the latest in a series of bloody noses for Blair. Sooner or later he is finished.

As a new general election draws near a challenge to Blair's leadership may appear to diminish, but in the end that line 'we must keep the Tories out' will finish him. Either because the Tories win in which case he will quickly be removed, or because Labour win with a much reduced majority and it quickly becomes clear that Blair is a liability, who must be removed to 'keep the Tories out.' Whichever side the electoral coin lands, which is impossible to predict with accuracy at this stage, Blair loses eventually.

Simply replacing Blair with another leader who pursued the same pro-big business agenda however, would solve nothing.

The left emerging in the trade unions as a result of growing militancy, has begun to co-ordinate its actions inside the Labour Party, at least at National level to ensure debate of their key motions at the National Conference. This is a step forward even if the resolutions concerned do not go far enough.

However, unless more than half the CLP delegates back calls to debate the war in Iraq, we would have the absurd scene of a Labour conference following the biggest demo in British history and the resignation of two cabinet ministers over Britain's part in the imperialist adventure in the gulf without a word being raised from the floor.

There is much talk now of the left union leaders co-ordinating a campaign to reclaim Labour from the Blairites. We would back such a campaign to the hilt. At the same time it is our duty to honestly criticise the weakness of the policies being proposed as an alternative. Essentially their solution to all problems is to raise taxes. One can assume that they mean taxes on the rich, not on all of us. Who could object to reclaiming this wealth to spend on health and education? True, but it is not a solution. It is at best a sticking plaster, but it comes with side effects, as long as we continue to operate within the capitalist system. The rich always find loopholes and exemptions to avoid paying taxes. The likely effect of higher taxes in general will be less investment and less spending. The bosses would not be willing to pay for reforms in our interest for long. One way or another, the cost would be passed on to us. In the end under this system the working class always has to pay.

Surely as a bare minimum we have to demand an end to all new privatisation and part-privatisation schemes. The restoration of free health care and education. The immediate renationalisation of the railways - without compensating the fat controllers - and the rest of the privatised utilities. Britain's oil and gas supplies are running out and the coal industry has been demolished. The consequence will be more power cuts like the one that crippled London just a few weeks ago.

Obviously we are not

against taking money from the rich to pay for public services. But to even begin to solve the daily problems encountered by millions of ordinary working people will require far more than that. That will require planning and resources. Decision making must be taken out of the hands of the rich minority and into the hands of the majority of society. The resources exist to do much better than reduce child poverty by half in 50 years as Brown has pledged. In reality, this is a feeble ambition. Britain is a rich country. Or more accurately it is a country in the hands of a rich few. Those resources, devoted to the needs of society instead of the profits of the few, could transform the face of society and all our lives. Such a transformation cannot be achieved gradually, with the consent of the bosses, over a century or more. That is one of the central lessons the labour movement must draw from the last century of struggle.

## For Socialism

Many trade unionists and Labour Party members are now searching for policies to deal with each problem facing society, a realistic and practical way to deal with each problem separately. Yet all our problems are interlinked. None can be permanently solved while the others remain - and all trace their roots back to the capitalist system.

Socialists must fight to defend and to gain every reform in the interests of working people that we can. We will fight alongside those on the left who are advocating progressive reforms and more democracy inside the party. For us however this is the beginning of the matter not the end. If you want to go further and fight for genuine socialist policies, not only to reclaim Labour from the Blairites but to regain the entire labour movement for its original aims, the abolition of the profit system and the socialist transformation of society then join with us. □



out soon!

# 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, that 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, which heralds 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 conference 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 down-trodden 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 lessons 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:

Beginning November 2003

### Price: £14.99

Approx. 400 pages

ISBN: 1 9000 07 14 2

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## Appeal for New Trotsky Project!

*In Defence of Marxism* and *Wellred Publications* are launching an historic project to republish some of the key writings of Leon Trotsky, many of which have been out of print for some time. The project has the backing of Esteban Volkov (Seva), Leon Trotsky's grandson, and will be carried out with his close collaboration.

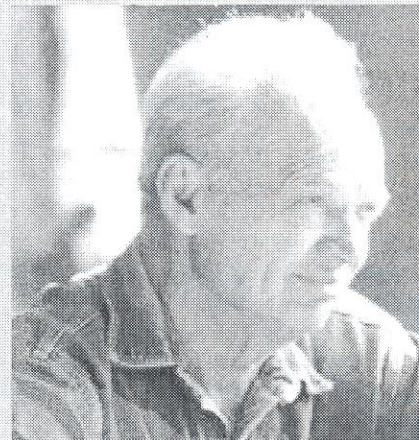
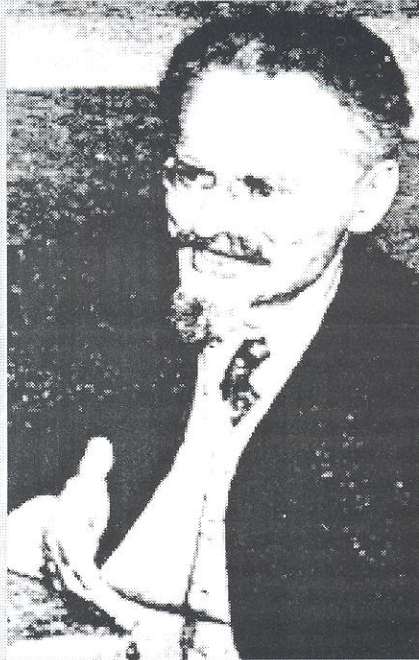
We believe that the task of making the writings of Leon Trotsky available to today's youth and labour movement activists is becoming increasingly urgent given the disintegration of Stalinism which has led to a growing interest in Trotskyism.

The project will be launched in the spring of 2004 with the publication of Leon Trotsky's *My Life*, with a new introduction, and a foreword by Esteban Volkov. We also hope to include a preface by Pierre Broué, the celebrated French Trotskyist historian, who has also expressed a keen interest in the project.

Other titles agreed so far for publication in English include *1905*, *Permanent Revolution*, *The History of the Russian Revolution* (in three volumes), *The Revolution Betrayed*, *The Case of Leon Trotsky* (in two volumes), and other key works.

A major task we have set ourselves is the publication, for the first time, of Trotsky's last book *Stalin* in a complete and unabridged form. This important work was left unfinished when Trotsky was assassinated. The translator Charles Malamuth issued a version that was heavily edited and included his own comments that did not reflect Trotsky's own opinions. We have obtained new material that was omitted from the book and the new edition will be thoroughly re-edited and will contain this material never previously published.

Other titles will be included as the project develops. However, the success of the project depends upon finance. The frequency of publication will depend on the finances generated from sales. The project will be non-profit making. Its sole objective is to ensure the maximum distribution of the writings of Leon Trotsky to workers and youth. All monies from sales will be used to print new titles. But in order to commence publication we



urgently need donations from supporters and well-wishers.

We estimate that each title will cost between £5,000 and £10,000. As we have no wealthy backers, the only way of raising funds for the printing of these important works is by appealing to our comrades, readers and friends for help.

We appeal to all well-wishers who want to see this project succeed, to help us raise the necessary funds. For those who have the means, we would urge you to consider sponsoring the publication of a title. All other donations - big and small - will be welcome, and all will be duly acknowledged.

Contributions can be made on-line at [marxist.com](http://marxist.com) by using the "donate" option, or sent to Wellred Publications, PO Box 2626, London N1 7SQ (cheques payable to Wellred). If you have any queries, please do not hesitate to email us at

[socappeal@easynet.co.uk](mailto:socappeal@easynet.co.uk)

We look forward to your help in this historic project!

Alan Woods,

on behalf of *In Defence of Marxism* and the Trotsky publication project

**"I am very enthusiastic about this project. It could not have come at a more appropriate time. Many of these books of Leon Trotsky have not been available for years. And it is to the new generation that we look to carry through the liberation of mankind. They must be made aware of Trotsky's writings, which will open up an enormous vista of Marxist ideas for them, and arm them for the tasks that lie ahead."**

**Esteban Volkov**



## Directory Enquiries - spoilt for choice

Unless you've been on holiday to Mars for the past few months, you can't have helped noticing that everyone's trying to sell us their 'new, improved' Directory Enquiry (DQ) services. What's going on?

by Mick Brooks

At the end of August the old 192 number we all remember was retired.

Gone was the old, boring public utility approach. Welcome to the thrusting world of competition!

Oftel the regulatory body appointed by the government, declares, "Opening up the market to competing service providers will provide greater choice and a wider range of services for customers." In particular we were promised lower prices and 'innovation'.

Let's take a closer look at how this came to pass. Oftel took it upon themselves to look at how Directory Enquiries could be 'improved'. Evidently they were unaware of the old adage, 'if it ain't broke, don't fix it.' Nobody had complained about the old service - except for saying it was too expensive. ("Only 25% of customers regarded the existing service as providing good value for money." Oftel survey) And Oftel's does not plan to control prices. No, they just knew from the first principles of economics that 'competition is good for the customer'. So they introduced competition.

First they threw a large wad of our money at a bunch of consultants called Ovum to perform a cost benefit analysis of the DQ service. Ovum was told the status quo was not an option. It was ruled out

from the start. Oftel was then presented with a choice between three different schemes for 'improvement'.

So it put these ideas out for 'consultation'. This sounds very democratic. Except that Josephine and Joe public were not told that they were being consulted. So they didn't reply. If we had known what was going on we'd have written in, 'Just leave it alone, but renationalise BT so we can share the profits.' We didn't choose choice!

### Benefits

Others were more on the ball. Companies that stood to gain from liberalisation paid people a great deal of money to keep their eyes on Oftel announcements and reply on their behalf. Overwhelmingly the submissions were from corporations who might make money out of the system. Apparently cost benefit analysis means it costs us and they benefit!

Finally they did a survey. They asked customers (sorry, 'consumers') whether they wanted change. "59% said they would prefer to keep 192." (Oftel discussion document 2001) We chose no choice. So they went ahead anyway. Welcome to capitalist democracy!

The consumer groups who had got their act together to reply knew that "any withdrawal of 192...would be likely to



confuse consumers without providing benefits" (Oftel document). They were right. We now have about 60 hopeful companies offering Directory Enquiry services - all with numbers starting with 118. As BT comments, "No one knows which firm they are using or why."

All the papers have run articles with little boxes trying to compare the different charges. This is nigh impossible since the whole structure of charges, not just the amount, varies from firm to firm. Some charge per call, others by the minute, while others make a higher charge for the first minute. Some will only do one search, others two, three or an unlimited number per call. They all have a connection charge for putting you through. Though they're all different (natch), they all have one thing in common. They're all a rip-off. How innovative!

So none of the papers have been able to answer the simple question - which outfit is the cheapest? The

structure of charges is a deliberate smokescreen designed to make informed choice impossible. Is 'ennie, meenie' choice?

And it's ten times worse for mobiles. They can literally get away with charging up to ten times as much for the same enquiry from a mobile, depending on the company. The Directory Enquiry firms blame the mobiles. The mobile phone companies blame the DQs. We blame capitalism.

The service is a shambles. The *Daily Telegraph* commented, "inept operators, dud information and hidden charges...the parallel can be drawn with rail privatisation." They're right. But the *Telegraph's* message is 'give it more time.' The rest of us know better. The service is a shambles because these are companies thrown together for the Directory Enquiries klondyke. They've just set up a call centre in the middle of nowhere where they can get away with paying rubbish wages to



untrained, unmotivated staff. And they know most of them will be out of business any time soon. Telecom insiders reckon there is only room for about three operators in the business in two years time when it all settles down. Hence the scramble for recognition now.

It is an obvious fact that some of the 118 numbers are more memorable than others. 118118 is the easiest of the lot. Nowhere can that be seen clearer than in the case of 'The Number'. This company is a bunch of freebooters that recognise its fortune is the fact that it grabbed '118118'. How did they get it? They didn't pay a penny for it - yet that number's worth millions. So

they're going for a moon shot by spending pots of money up front to be Numero Uno in the DQ industry.

You know those barmy runners with ridiculous moustaches that take up full page adverts in all the national newspapers and dominate the advertising hoardings? That's them. You think it comes cheap to pay Gazza or some other has-been (sorry, Gazza) to have their head stuck on a jogger in an ad and then have a stupid piece of facial hair drawn on top? I suppose OfTel calls this innovation. The rest of us call it a waste of money. And whose money? Ours, of course!

The *Financial Times* (23rd August) summed up



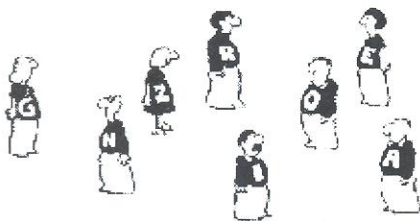
**The government's simplistic scheme could be called 'carry on capitalism'. The word 'innovation' seems to be a synonym for 'rip-off'.**

the problems, "Since there is a clear advantage to having a single number to call for assistance, the case for abandoning it would have to be strong. Unfortunately OfTel's scheme is flawed in principle and practice. Competition, which usually brings down prices, improves quality and encourages innovation does not produce these

benefits by magic. If it is to work consumers must find it easy, or at least worthwhile, to compare price and quality."

The government's simplistic scheme could be called 'carry on capitalism'. The word 'innovation' seems to be a synonym for 'rip-off'. The service is rubbish and the prices are a joke. This is capitalism in action, and it stinks. □

## TUC backs NUJ Campaign



The Trade Union Congress has given its full support to the NUJ's campaign to reinstate Adli and Abdul-Hadi. At the Brighton Congress a motion was passed supporting the principle of public service broadcasting and the motion also stated that "the Congress is also alarmed by the peremptory sackings of two BBC Arabic Journalists in breach of agreed procedures and calls on the BBC to accept an independent inquiry into racism at BBC".

As we have reported previously the two journalists sacked at the beginning of the war as part of the propaganda campaign orchestrated by the mass media and the Government have been campaigning for their reinstatement with the support of the entire union (NUJ).

The NUJ has declared its support to the two journalists that were dismissed on 19 February 2003 without prior warning, no disciplinary proceedings, not even a chance to present any defence.

The campaign has been picketing and leafleting every major BBC event since: The proms, Greg Dykes' public speeches, etc.

In April the NUJ balloted their members at the BBC over the sackings. By a two-thirds majority, they voted for industrial action to start on 15 May.

The campaign is underway. It is now time for the wider Labour Movement to get involved and help the two victimised NUJ members, one of them a National Executive Committee member, to be reinstated. The NUJ has shown its willingness to fight for their members and will continue to do so. It is also important that a fresh layer of militant journalists take an active part in the union's campaigns. □

by Pablo Sanchez, NUJ member



# Where is Britain Going?

**Phil Mitchinson** takes a look at developments in Britain over the past period. In the *first of three articles*, he examines the drawn-out crisis facing the British economy.

OVER THE last nine months the pace of events internationally and here in Britain has continued to accelerate. Both at home and abroad the war in Iraq has dominated all questions. Despite the quick victory of US/UK military forces over Saddam Hussein's regime, the war has solved nothing for imperialism. On the contrary, as we predicted, they have instead created a far more unstable situation throughout the Middle East; in Iraq itself, where a guerrilla struggle is now underway that could drag on for years; and at home in the US where Bush may yet lose the next election. The consequences of the imperialist adventure in Iraq have had an even greater impact in Britain than in the US. Here the furore over the death of weapons inspector Dr. David Kelly and the Hutton inquiry represent the most important crisis faced by Blair to date.

We could not begin to look at Britain without registering the astonishing developments of the last nine months. How could one fail to mention the biggest single demonstration in British history? On February 15, 2003, two million men, women and children marched through the streets of London. At first glance they may appear to have achieved nothing. Indeed no demonstration of this kind, even one as massive as two million, could dissuade imperialism from its course of action. Britain alongside the US proceeded to bomb the living daylight out of Iraq and then invade. Yet at the same time that demonstration marked the beginning of the end of Blair.

Vitally important as the question of war is - and as real as the revulsion felt by millions at being dragged into this conflict was - this historic demonstration illustrated something still more profound. It acted as a focal point for years of frustration with the failures of the Blair government. As such it represented a fundamental turning point in the situation in Britain.

## Britain

Seen alongside the growth in militancy and the beginnings of a shift to the left in the unions, the sound of two million pairs of feet marching through the streets of London announced the opening of a new chapter in British politics. In the context of international developments, the millions and millions who marched worldwide and the development of class struggles in Europe and internationally, it is clear too that the new situation in Britain is part and parcel of a new, profoundly unstable and tumultuous period in world history.

The impact of the war in Iraq has been far greater here than in the US to date. Often unexpected events like the death of Dr. Kelly can play a key role in politics. Despite all their best efforts at spin, Blair has been seriously damaged by the widespread belief that Britain was led to war on the basis of lies and deceit and that a cover up extends to the very top of the government. New Labour was meant to be all about image and presentation. Blair was the holier than thou figure of the pious vicar. Now he and his entourage have

been exposed as liars. As a consequence, public confidence, expressed in poll after poll, has plummeted.

According to an ICM/*Sunday Telegraph* poll 67 percent of people believed the government lied to them about Iraq's weapons of mass destruction. A YouGov/*Daily Telegraph* poll found only 22 percent viewed the government as 'honest and trustworthy' down from 56 percent in 2001. A *Time/CNN* poll found that only 6 percent believed the government is a more reliable and honest source of information than the BBC.

The view of the mass media - *The Mirror* has nicknamed the prime minister B.Liar - tells us just as much.

While we suggested a year ago that Blair could lose the next election - though that was not the most likely scenario - no-one else shared that view. Now it is a commonplace. Were the Tories not in such a dire state themselves they would now be making a more significant recovery. Instead the threat to Labour's third term comes from the widespread disillusionment which would inevitably see the turnout at the next election fall once again. At least that would be the case if Blair were still Labour leader at that time. That is not guaranteed. This fact alone demonstrates the extent to which events in Britain have accelerated. Yet this is only the beginning.

All this as a result of imperialist war, i.e. foreign policy, which is only an extension of the capitalist policy being pursued at home. Just as Blair and co are desperate to prove them-

selves worthy of the bosses in the city of London by carrying out their wishes to the letter, so in the international arena they are keen to prostrate themselves before US imperialism. In other words, as a result of politics and international relations, Blair is in deep trouble. Marxists must study these questions, and not just economic or industrial developments, if we are to understand the processes unfolding in society. In advance of an economic crisis which still looms and - firefighters aside - in advance of a major conflict with the unions - which likewise cannot be avoided - in reality Blair is already doomed.

## Economy

The International Monetary Fund has raised serious doubts about Gordon Brown's forecasts for the economy in its latest report. It has cut its assessment of UK





growth both this year and next and expressed serious concerns about Britain's inflation-prone housing market. These geniuses believe that the Bank of England should raise interest rates in order to rein in house price inflation! The consequence of such a policy would be to devastate consumer spending which is single-handedly keeping the economy afloat, because that spending is entirely reliant on credit as we have explained previously.

The IMF is projecting that Britain is on course to undershoot the Treasury's 2%-2.5% prediction for growth in 2003 arguing that the strong growth in house prices in some industrial nations, especially Britain, is a risk to global recovery.

Hefty consumer spending on the back of rising house prices has been the mainstay of UK growth in recent months.

Like Blair and Brown the IMF thinks the British economy will grow, but unlike them they predict that growth will be just 1.8% this year, down from 2% in the spring.

In 2004, it anticipates that Brown will miss his growth target by an even bigger margin. The chancellor said in the Budget earlier this year that the UK would grow by 3%-3.5% next year, but the IMF has now cut its spring forecast of 2.5% to 2.3%.

Brown blames the sluggishness of the global economy and the weakness of the eurozone in particular, for the performance of the UK. So much for the Euro being a panacea for what ails British industry. Once again the utter reliance of the British economy on the world market is exposed for all to see.

With growth falling well short of government projections as we explained earlier in the year, to maintain even their meagre spending plans would require a rise in taxation or borrowing. Otherwise those spending plans will need to be severely cut. In all



likelihood we will see the worst of all worlds for the working class with cuts in spending and increases in borrowing and taxes, all of which we will have to pay for.

Despite the swift end to the war in Iraq and low interest rates across the world, the IMF is anticipating a slightly less robust recovery in the global economy than they were five months ago and remain worried about the threats to the global economy from the burgeoning US trade deficit, which it believes could trigger a "disorderly" adjustment of exchange rates.

Their world economic outlook cuts predictions of growth in the 2003 global forecast to 3.1% from 3.2% and its forecast for 2004 from 4.1% to 4%.

They predict US growth of 2.2% this year and 3.6% next, while Japan is upgraded from 0.8% to a still puny 1.1% this year followed by even less growth in 2004. Their predictions for eurozone growth are still less optimistic, they have cut their forecast to 0.7% in 2003 from 1.1%.

Germany is expected to see no growth at all this year, down from a forecast of 0.5% in April, with France and Italy both cut to 0.8%.

Recession in Europe and the enormous deficit in the US with no significant recovery in the long running saga of Japan means there is no saviour for British capital on the world market.

A record slump in manufacturing investment has exposed the CBI's claims of seeing the now mythical "green shoots of recovery". Like Bill Murray in the film *Groundhog Day*, no matter how hard they try to see the shadow of the groundhog proclaiming the arrival of spring, they will wake tomorrow to find the same frosty



**With growth falling well short of government projections as we explained earlier in the year, to maintain even their meagre spending plans would require a rise in taxation or borrowing.**



conditions as today.

Like the IMF, the CBI has cut its growth projections and official figures shows that manufacturing firms cut investment by 10.1% in the second quarter of the year - the sharpest reduction since records began in 1994.

"These figures are another nail in the coffin of the chancellor's growth forecasts," said Steve Radley, chief economist at the Engineering Employers' Federation.

Export orders and output deteriorated still in August, with firms producing goods for the consumer market - such as food and drink and pharmaceuticals - more successful than those making capital goods, which have suffered from the continued decline in investment.

As a result, while the Treasury had pencilled in GDP growth of 2-2.5% for this year, the CBI has cut its projection to 1.8% from 2.1%.

Even without a rise in interest rates most economists expect consumers to rein in their spending later this year as falls in real income growth bite. The Treasury claims that industry will then take over as the engine of economic growth. This is wishful thinking. The sharp decline in business investment proves this. Total business investment fell by 1.1% in the second quarter and by 3.5% on the same period last year, according to the Office for National Statistics.

The CBI said rising business costs, uncertainty about the economic outlook and the need to top up pension contributions had all contributed to businesses' deci-

sions to leave investment plans on hold in the first six months of the year. The failure of Britain's capitalists to invest in new machinery, updating, research and skills means that while there is no sign of the international recovery they all claim to be waiting for, when it does come - and there will inevitably be some recovery in the world market eventually - British industry will be in no position to take advantage of it. In other words the long term decline of British manufacturing would not be magically turned around by any new recovery in the international market, the rate of that decline might be slowed, but relative to her rivals, British industry would continue its historic descent.

"I do think that does pose a serious risk of leaving us at a disadvantage in terms of benefiting from a pick-up in global activity when it comes," Mr McCafferty said.

There is no evidence of the long-awaited and much trumpeted rebalancing away from consumption and into production. Retail sales fell far, far less in July than they rose in June. More disturbing still, according to economists, people are compensating for slower real income growth by borrowing more. Despite the newspaper headlines about a recovery in manufacturing the figures prove otherwise. 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 order books are declining less rapidly than in the previous month.

Decisively, 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: years of battling with an overvalued currency, the impact of cut-throat global competition on profit margins, the black hole in pension funds have all taken their toll on industry. Above all it has been British capitalism's failure to invest in the productive sectors of the economy, their concentration on speculation, asset stripping and services over years which has resulted in the terminal decline of British industry.

## Manufacturing

The Engineers' Employers' Federation predicted a new upturn in their most recent report. Or, at least, that is what it said in the headlines. However, further on we read that it is too early to speak of a full-scale recovery and, unlike in previous recessions, manufacturing investment was still being scaled back after a 40% cut in the past five years.

It also indicated that the engineering sector, which has been shedding jobs at the rate of 10,000 a month, would continue to lay off staff. It expects 68,500 job cuts this year, compared with 104,000 in 2002. This is hardly a convincing description of a recovery.

Steve Radley, EEF chief economist, said: "We face the best growth in engineering and manufacturing for four years but we cannot be that confident about recovery in the world economy yet."

His forecasts suggest engineering, the part of manufacturing most squeezed in the recent recession, will grow by 0.5% this year, 1.7% in 2004 and 2.7% in 2005.

After a 0.1% shrinkage this year, manufacturing as a

whole is expected to expand by 1.5% next year and 1.8% in 2005. This follows the slump which began in 2001 and reached its trough last year when engineering shrank by 9%. In other words even growth along the over optimistic lines they predict will not begin to repair the damage done in the previous period.

So far, it is export demand that has propped up order books, with domestic orders still declining, but the bulk of the stimulus is coming from outside the eurozone where Germany, France, Italy and Holland remain in recession.

"The most critical factor affecting confidence over the coming months will be the state of the European economy," Mr Radley said. "It's absolutely critical that we see a resumption of growth."

In 1983 and 1993, Radley pointed out, the shifts out of recession had swiftly prompted a recovery in investment but, while fewer companies are planning cuts for the first time in two and a half years, less than a fifth are anticipating increases and 30% are still cutting back.

"One of the biggest constraints on investment is uncertainty and concerns about the strength of the global recovery," Radley added.

Manufacturing in general and engineering in particular has been hammered so much over the last couple of years that what is being touted as an improvement is simply a decline in the rate of destruction. The best that can be said about investment spending is that fewer companies are planning cut-backs.

A recovery would require investment. The capitalists will not invest however, unless they can see a market where they could sell their goods. There is no evidence of an improvement in the home market for those goods, and exports depend upon a recovery in the world



**Brown's spending plans, announced in the last budget, are dependent on his unrealistic economic forecasts - which in turn were based on an upturn in the world economy which has stubbornly failed to materialise.**



market. The chorus of manufacturers calling for interest rates to be cut further, despite their current historically low levels, will no doubt grow in volume again in the coming months. However, they are unlikely to be heeded given the unprecedented levels of indebtedness and the continued gravity defying housing market. Indeed, claims that there is a recovery in industry would only encourage those that argue for an increase in interest rates. Such a policy would undermine any investment - if there was any to undermine - while pulling the rug from under house prices and credit, in other words consumer spending.

House prices are still rising across Britain, although there has been a certain slowdown in London and the south-east. Average prices rose by 1.3% in August according to the Halifax. The Nationwide and Halifax both reported that annual house price growth was 19.1% in August with the average house in Britain now worth £133,908.

Martin Ellis, the mortgage bank's chief economist, said the housing market had bounced back strongly after what he called a "lull" between February and May, when the run-up to war in Iraq dented confidence.

That confidence actually translates as historically low interest rates. The Bank of England reported that 111,000 new mortgages were approved in July, the highest level since last November. Cheap borrowing costs have helped stave off a sharp slowdown in the housing market despite weak growth in real incomes and surging household debt. However, even the exuberantly confident Halifax still expects price growth to ease later this year and early next year as first-time buyers are priced out of the market.

The housing bubble has not burst yet, but burst it will. In January 2003 we wrote, "But there is still one bubble left in UK capitalism - the property market. While UK industry stagnates and the



financial sector cuts its throat, house prices go on rising at a 30% rate. This cannot last. And while it does, in the words of the deputy governor of the Bank of England, Mervyn King, it is causing 'major imbalances' in the economy.

"Sir Eddie George, the governor of the Bank of England, has confirmed that the fear of stoking the boom was one reason why they had held back from lowering borrowing costs.

'The risk of cutting interest rates now is if it would exacerbate larger risks further down the road... of a larger shock later on,' he said."

### House price bubble

Since then the Bank of England has indeed cut interest rates again. This has had the temporary effect of forestalling a fall in house prices, and the number of new mortgages, but it only postpones the inevitable, as they themselves explained. They are like heroin addicts who despite knowing the dangers of the next fix nevertheless cannot help themselves.

Nationally, the average home is now worth 4.75 times the average income - close to the peak of 5 times in the housing bubble of the late-1980s. In London the figure is much higher.

"Looking at the fundamentals, it is hard to feel relaxed about the ongoing boom in property prices and the ever-increasing house price-to-income ratio," said Alan Castle, of Lehman Brothers.

"The longer the boom continues, the more chance there

is of an unpleasant correction."

The Bank of England has again declared that the pace of consumer borrowing is unsustainable after households took advantage of the lowest interest rates since 1955 to run up a record £10bn more debt in June, and £9.9 billion in July, up 14% in twelve months. Households are now sitting on total debts of £888 billion which is 124% of annual disposable income.

KPMG said a quarter of the consumers it surveyed admitted to borrowing more simply to "make ends meet" by paying basic living costs such as household bills. "Net pay is falling in relative terms, partly due to the increase in national insurance contributions, and people are opting for credit and loans to top up their incomes," said KPMG's Carolyn Stepler.

Since Blair came to power the British economy has coughed and spluttered along with a growth rate of around two percent per year. However, in the same period household spending has grown by four percent per year. While industry remains in the doldrums and manufacturing investment continues to fall, the economy is being kept afloat by credit cards and unsustainable house price inflation.

Despite Brown's constant claims of prudence - in reality the unwillingness of a Labour government wedded to the market to invest in public services - he has in reality presided over record breaking high street borrowing and

personal indebtedness. British household liabilities exceed incomes by one third. That is a record. The KPMG survey claims that many people have no idea what interest rates they are paying on their loans or credit cards. More than a third - 36% - had only a rough idea how much interest they were paying. While interest rates remain low and repayments likewise it does not matter. However interest rates only have to rise a fraction to plunge many into misery. Average credit card debt now stands at £1100 per head, double the figure just five years ago. Total consumer debt excluding mortgages now stands at £3400 for every adult in Britain, £1150 more than in 1998.

Government debt is also burgeoning with the public sector owing 50 percent more than it is worth. The Treasury's own forecast predicts net government borrowing of £100 billion between 2003 and 2006.

For all the wishful thinking of those at the EEF who imagine they can see the green shoots of recovery, ignoring the figures they quote themselves, investment will not recover until profitability does. Given the weakness of the world market, Japan, Europe and the US it is hard to see that happening for some time yet.

The house price/credit card economy cannot continue indefinitely. There is always a morning after the night before and this time will be no different. As David Walker argues in *The Guardian*, "People think they can easily work off their debts - by doing overtime, winning promotion or getting a new job. But that's to make a heroic assumption about economic conditions. Orgies do not go on forever. The economic cycle has not been abolished; unemployment will start growing again - history is littered with gurus who proclaimed its end." (*The Guardian*, 29/8/03) □





## The UNT marches towards the refoundation of the trade union movement

by Luis Primo, El Militante - Venezuela

LAST AUGUST 1 and 2, Caracas was a hive of activity. Large delegations of workers, with high expectations and a joyful mood, filled the main room of the Parque Central complex. There were more than 1200 delegates present at the First Congress of the National Workers' Union (Unión Nacional Trabajadores - UNT).

During the two day meeting, all kinds of topics were debated. They ranged from such questions as the problem of the work inspectors, that in some states were hand-in-glove with the bosses, to that of some state governors and city mayors who, while claiming to be supporters of the revolutionary process, had actually implemented some anti-union measures. However the three main discussions were on The Declaration of Principles, the Statutes and the Plan of Action that the UNT would be adopting for the coming period.

In spite of our natural tendency towards disorganization, the debate was exceptionally rich in content and, most importantly, there was a level of workers' participation and democracy that had never been seen before in a union of this type, especially if we com-

pare it to the old Venezuela's Workers Confederation (Confederación de Trabajadores de Venezuela - CTV).

"Participation and information equals power, so if all workers do not have equal information there is no democracy and power does not belong to us", said a worker in Workshop 2, where the Statutes were being discussed, when he realized that most of the workers were unaware of them and that they had not yet been discussed by the union's rank and file. As a result, in the end, neither the Statutes nor the Election Rules were voted on. As Orlando Chirinos, National Coordinator of the UNT, said in his summing up, "the workers demanded greater democracy by voting that all documents should first be sent to all the branches. The meaning of this is that we do not want statutes whose purpose is to create a trap for the workers."

"Our aim is to transform capitalist society into a self managing society, that will create a new model of independent, autonomous, anti-capitalist development and that will emancipate humanity once and for all from class exploitation, oppres-

sion, discrimination and exclusion." This statement is to be found in the Declaration of Principles, which was discussed and approved with some added remarks in Workshop 1. Furthermore the Declaration states that the new union will be guided by the principles and values established by the history and traditions of struggle of the international working class, such as Autonomy, Democracy, Solidarity, Internationalism, and class based trade union unity and independence.

### Permanent mobilization

The most important session was probably the one on the union's Plan of Action which was discussed and approved in Workshop 3. It was also discussed in the plenary session, which turned out to be more significant. The workers declared, among other things, the following: they declared themselves to be in permanent mobilization against coup d'etatism, the private employers' association and those government measures which are in conflict with the interests of the working-class; they committed themselves to the struggle for the emancipation of the working class and for a government of the workers;

they called for the removal from Public Administration of those who had taken part in the coup and who had carried out acts of sabotage; to promote participation in the decision making process, through "co-government", workers' management of the companies and the setting up of an independent workers' inspectorate; the nationalization of the banks; the rejection of any foreign intervention and the setting up of new companies under workers' control. These are perhaps the most relevant political points that were discussed.

In the discussion on the immediate demands that the union should be raising, the following was elaborated: a 36 hour week and the creation of a fourth shift to reduce unemployment; to participate in the discussion around the Reform of the Labour Law; elaboration of the collective bargaining agreements by the rank and file workers; banning the bosses' right to fire; promote Unemployed Workers' Committees; promote Health and Safety Committees; to fight for a general increase in wages and fight to achieve the same rights as permanent workers for workers on short term contracts and tempo-



rary workers.

These points in the UNT's plan of action, together with others, were approved by acclamation and with great enthusiasm by the worker delegates attending the First Congress of the UNT. It is clear now that this programme needs to be carried out in practice and fought for concretely. The Provisional Coordinating Committee has a huge responsibility now. Its task is to give political guidance to the Plan, and to make the rank and file workers fully aware of what they are doing.

We believe that if we are to achieve the rebirth of the trade union movement in Venezuela it is necessary to promote a united Venezuelan social/trade union movement that is independent, democratic, internationalist and guided by principles of solidarity. When we speak of a "social/trade union" movement we do so to underline the need for the trade unions to build close links with all the forms of organized opposition that stem from the people. This would

allow for a struggle to develop that would increase the standard of living, not only for the working class but also for all the people in general. Most importantly, it would also have to develop international solidarity that would bring together the international struggle, as well as regional and international organizations, to face up to global capitalism.

However, we also believe that if we want to transform -here in our own mother country- the capitalist relations of property, production and distribution, this will only be accomplished when the working class are called on to decide on the destiny and the use of production, communication, distribution and the means of consumption. This will only happen when we the workers are able to organize production techniques and new way of collective and democratic production. This process will influence the very being of the workers, creating a new working class culture that will develop a revolutionary consciousness. A funda-



**A fundamental aspect of the UNT's policy is to break with a purely trade unionist and corporative tradition and develop a political and revolutionary consciousness. This is to be achieved through workers' management of production.**

mental aspect of the UNT's policy is to break with a purely trade unionist and corporative tradition and develop a political and revolutionary consciousness. This is to be achieved through workers' management of production.

The First Congress of the UNT was a total success both in terms of the workers' involvement, and more importantly in terms of the Plan of Action adopted by the Congress, which gives the union a left-wing, revolutionary and working class orientation.

The Venezuelan trade union movement, with the setting up of the UNT, can be compared to the horse in our national coat of arms. The words in a well-known Venezuelan song say more or less the following: "we are going to remove

the bridle from the horse in the coat of arms so that he can run free, but to the left because we are tired of seeing him go to the right."

Visit the website of the Venezuelan Marxists, El Militante



<http://venezuela.elmilitante.org>

## "Workers' control is the only way forward"

Extract of an interview with Hermann Albrecht of the Bolivarian University Front at the Simon Bolivar University in Venezuela

How would you describe the policies of Chavez since he came to power?

FIRST OF all he introduced a new constitution that was discussed by the people and later on voted on and approved. It is a major breakthrough because it establishes the involvement of the people in all economic and political fields. For example within this new constitution people have the right to elect all government officials and they can also be revoked halfway through their mandate. But unfortunately it also limits the scope of the revolution since it accepts the concept of private property.

Another important feature is that apart from dividing the state into three parts, the executive power, the assembly and the judicial power, the new constitution has added the "moral power". The moral power is there to protect the people and regulates what the other parts of the state can do. Also this new constitution provides mechanisms which allow improvements or modifications of the constitution at any time. It also introduces the concept of local organisation committees and in all fields it allows and promotes the people's participation. But the essential fact is that since it protects private property, the economic policy of the constitution remains a reformist one and not a revolutionary one.

What do you think is the way forward for the people of Venezuela?

The only way forward is to force Chavez to decisively advance towards genuine socialism with the workers in control of the main industries and the banking system. This would be perfectly possible and there would be no big danger of a US intervention, because this would involve the risk of provoking uprisings of revolutionary movements all over Latin America.

Chavez is for most of the poor people and the working class a kind of hero. He was the second most acclaimed public figure after Fidel Castro during his visit to Argentina when Kirchner was sworn into the presidency. Everyone was trying to hear Fidel Castro's speech, but there were also demonstrations in favour of the Bolivarian revolution and of Chavez.

See full interview at [www.marxist.com/venezuela.asp](http://www.marxist.com/venezuela.asp)



# Swedish referendum reveals class divide

by our Swedish correspondent

THE REFERENDUM held in Sweden on Sunday (September 14) on whether or not to join the Euro has upset the plans of Swedish big business. But its impact goes beyond the borders of Sweden and is being discussed seriously in other countries, especially in Britain where Blair is finding it difficult to convince the people of the "benefits" of adopting the Euro.

Swedish big business put all its weight behind the pro-Euro campaign. All the main bourgeois parties and almost the whole of the mass media were backing the campaign. The Social Democratic government, dominated by the right wing of the Social Democratic party, with the support of most of the trade union leaders, were also trying to get the working class voters to support entry into the Euro.

Campaigning against entry into the Euro were the Greens, the Left Party (the former Communist Party Stalinists now turned left reformist), the left wing of the Social Democratic party and the Centre Party (a small farmers' party). It was clear that generally speaking there was a left-right divide over this issue.

Up until one week before the referendum it seemed that no one was going to win an outright majority. This was already looking bad for the pro-Euro campaign. In spite of their Public Relations consultants, the large number of campaign workers loved

specifically to work on the pro-Euro propaganda machine and the huge amount of funding they had received, they just could not convince enough voters that the Euro would be good for them.

However, suddenly in the final crucial build up there was a dramatic turn of events. On the Thursday before the referendum the Swedish Foreign Minister, Anna Lindh, was knifed while she was shopping in a department store, and died the following day. This had a tremendous impact on the whole situation. Initially there were rumours that the referendum might even have been called off. Prime Minister Göran Persson very quickly clarified the question when he declared that the referendum was going to take place as planned. However, he added that no campaigning or debating would take place during the

remaining three days up to the referendum.

Anna Lindh was a prominent figure in the pro-Euro campaign and this led a lot of people to think that a "sympathy vote" for the murdered Foreign Minister might even mean that the anti-Euro camp would lose the referendum. The murder of Anna Lindh was perceived generally as an attack on the "Swedish democratic system" itself, which probably was a contributing factor in getting a high turnout of voters. On the other hand there was clearly an element of the sympathy vote which pushed a layer of Social Democratic voters to vote 'Yes', who otherwise may have voted 'No'. Indeed, one opinion poll released just after the event showed that for the first time the pro-Euro position now had a small lead.

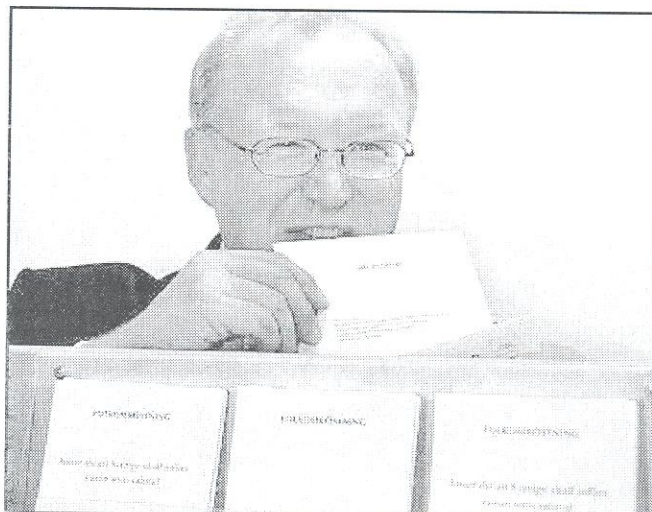
This, however, did not materialise on the actual

day of voting. The 'No' vote won with a decisive majority of 56.3% against 41.5% for the 'Yes' vote. There were 2.1% abstentions. The turnout was also very high, with 81.5% exercising their right to vote. So no one can play the game of claiming large numbers abstained - the result is indisputable.

The question we have to ask ourselves is how was it possible for the 'Yes' campaign to be defeated when it had such big backers, when the media campaign was overwhelmingly in favour and the government, elected by the workers of Sweden, was also heavily in favour of going into the Euro? What conclusions can we draw from all this?

The Social Democratic party has been in power for 18 of the last 21 years. At every election the party has promised new reforms to improve the already very battered welfare state. The problem is that after every election the party did the opposite of what it had promised. Instead of reforms, the government has carried out huge cuts in public spending, while unemployment has remained stubbornly high. Apart from some small minor reforms, instead of alleviating the pressure on the working class, the government has continued its onslaught with one counter-reform after another. Sweden generally has an image internationally as being a country with a very advanced welfare state, with the greatest degree of

Swedish Prime Minister Goeran Persson casts his vote in the euro referendum



to had been em



equality anywhere in the world. That is quite a dated view. Things have changed as a result of the policies of the last twenty years or so. The facts show quite a different process taking place. It is one of decline and worsening services. According to the UN Human Development Report (1999) Sweden is now in the top three industrialized nations for increased inequality, i.e. the process of class polarisation, of differentiation between rich and poor is rapidly accelerating.

All of this has taken its toll on working men and women in Sweden. Most people have been forced to tighten their belts and hope that the Social Democratic government would somehow take them back to the epoch of the expanding welfare state and increasing standards of living. It was a case of hope over reality. Now however the penny is beginning to drop. Workers are being forced to wake up to the reality of what the government is doing (and plans to do). Their mistrust of all the "authorities" has gradually grown stronger. The strike of the municipal workers earlier this year was already an expression of this changing mood.

During referendum campaign, for the first time ever, the Social Democratic leadership issued joint appeals with big business. This provoked the angry reaction of many ordinary workers. They instinctively mistrust anything coming from the bosses. The huge financial resources that were provided to the "Yes" campaign, together with the fact that the prime minister tried to silence those ministers who favoured a 'No' vote, further increased people's suspicions towards the pro-Euro camp. The massive 'No' vote in Sunday's referendum reflects the strong anti-establishment mood that has emerged in Sweden over the recent period.

The campaign, however, was full of exaggerations on both sides. The 'Yes' camp warned of all kinds of calamities



## Most people have been forced to tighten their belts and hope that the Social Democratic government would somehow take them back to the epoch of the expanding welfare state and increasing standards of living.

ties - almost as if the horse-men of the Apocalypse were about to be unleashed - if the result were to be a victory for the 'No'. They promised 100,000 new jobs, a cut in interest rates that would give homeowners an additional 1000 kroners a month and much more. However, these promises proved to be so unrealistic that in the end even the 'Yes' campaigners realised it was for the better if they withdrew such ludicrous claims.

### Class terms

Unfortunately the anti-Euro campaign did not pose the issue in class terms. This, in spite of the fact that it was mainly working class voters who were against the Euro. Many exaggerated claims were also presented by the 'No' campaign. Many on the left argued simplistically that if we did not join the euro everything would be fine and everything would stay as it has always been. Surely what workers want is for things to improve and not stay as they presently are? Nothing will stay the way it is. We are in the middle of an international crisis of capitalism. Sweden cannot escape the pull of the world market. It depends on exports to keep its industries going. Therefore a fall in the world market will seriously affect the Swedish economy. Already the Swedish government is being forced to cut public spending, with the excuse that this is "necessary" because of Sweden's position in the world market. Now more than ever it is necessary to raise the socialist perspective within the Swedish labour

movement. Capitalism cannot offer any solution to the problems of the Swedish workers.

The 'Yes' campaigners also accused the 'No' camp of being nationalist. This unfortunately had a grain of truth in it. There was indeed an element of nationalism in some of the arguments of the 'No' campaign. This is inevitable, and we have seen it also in other countries where this question has come up. However, we should not exaggerate this element as it this was not the dominant factor in the victory of the 'No' vote. According to opinion polls the most important reason given for voting 'No' was "democracy". People did not want to surrender powers to the European Central Bank.

In spite of the attempts to blur the class issues and raise all kinds of smokescreens, both by the 'Yes' and 'No' campaigns, the people of Sweden took a clear decision, a class based decision. The working class voted 'No', with the exception of a small number of die-hard Social Democratic party loyalists and supporters of the party bureaucracy. The bourgeoisie and upper middle class voted 'Yes', with the exception of a few conservative elements, whose decision was based purely on a nationalist outlook.

The Swedish people in general, and the working class in particular, took the opportunity to express their spirit of rebellion in this referendum. It was a rebellion against the elite, the capitalists and the labour-movement bureaucracy.

As a result of this, the positions of the right-wing labour leaders have been weakened. The left in the Social

Democratic party has received a boost of renewed self-confidence. The reason for that is clear. We have just defeated a right-wing Social Democratic prime minister who had the full backing of big business and, furthermore, on an issue that they believed was of fundamental importance.

However, we must not ignore the effects of the murder of Anna Lindh on the ranks of the Social Democratic party. The right-wing leaders of the party will try to exploit this tragic event to cut across the left-right polarisation which has begun inside the party. Thus there may be a tendency to close ranks in the short term, but this will soon wear off. The renewed confidence of the left wing of the Social Democratic party may also attract a layer of youth that has now been awakened to political consciousness by the tremendous class polarisation that the referendum has brought to the surface. An influx of a new layer of working class youth into the party would strengthen the left, for they would be joining to support the left against the right. This would prepare the ground for a powerful left wing to emerge in the future.

A process of class polarisation has clearly begun in Sweden. It is a question of "them" against "us". The referendum has merely given this a tangible expression. It is the result of years of suffering attack after attack and a general worsening of conditions. The fact that the bosses were defeated in this referendum has given lots of people in Sweden a newfound belief that something can be done to change things. They can see that the bosses can be defeated. This bodes well for the development of the class struggle on a higher plane in the coming period in Sweden.

☐ See *Socialisten*, the Swedish Marxist paper website.

[www.socialisten.nu](http://www.socialisten.nu)



## Fiasco reveals real nature of WTO

by Mick Brooks

LAST SEPTEMBER 14, world trade talks broke down in Cancun, Mexico. Everybody blamed everyone else. Before the conference, British delegate Patricia Hewitt had predicted, "if we fail, it will be a disaster for world economy." And this is true, for the collapse could stun the already fragile prospects of economy recovery.

What is the World Trade Organisation? Why is it so important? The WTO is the successor to the General Agreement on Tariffs and Trade (GATT). Unlike the GATT, which met for rounds of negotiations intended to reduce tariffs on imports and other restraints on international trade, the WTO is a permanent free trade cop. Indeed, it sees itself as a Judge Dredd empowered with handing down justice in case of disputes between nation states.

Its defenders declare this marks it out as a rules-based organization. The alternative, they say, would be the law of the jungle where the rich countries bully the poor. In actual fact that is precisely what the WTO is - a forum for the rich nations to bully the poor more effectively.

Readers may recall the Seattle Conference of the WTO in 1999, which collapsed in chaos, while hundreds of thousands of "turtles to teamsters" protestors outside were tear-gassed and batoned into insensibility by the authorities. A coalition of "anti-capitalists" had formed in recognition that the unfettered rule of free trade really meant the unlimited power of big business to loot, pollute and exploit all over the world.

Let's look at what sort of court decisions the WTO dishes out. It struck down the "US Clean Air Act". You see, the Act restricted the right of companies to poison the planet. It

was important for the WTO to defend the "freedom" of irresponsible corporations to make as much money as possible by cutting corners as part of the ideological battle for free trade.

The WTO did not allow legislation ensuring that shrimp nets had escape vents for endangered turtles, who asphyxiate by the thousand in these things. Such laws would discriminate against foreign capitalists and so must be protectionist!

You think minimum labour standards are a good idea? But you'll be preventing some other country "specialising" in cheap wage products. Take Colombia as an example. Hundreds of trade unionists are murdered each year by right wing death squads. That helps keep wages low and gives Colombia a "comparative advantage" in labour intensive products. It would be against the free market god to interfere with that!

Anything that stands in the way of capitalist profit, the WTO holds, is a restraint to the sacred right to trade. And if the people of a country vote for this, then the WTO will not hesitate to strike down democratic reforms. Yet none of us voted for the WTO.

How does the WTO get away with this? It claims to be a "democratic" organisation, where all the 146 nations have one vote. In theory, the poor countries could outvote the rich on the floor of the WTO. (This is quite unlike the other economic bodies, the International

Monetary Fund and the World Bank, where nations are perceived as shareholders - so imperialist countries can always win, since they can afford more shares).

So to get round that they don't have votes! The right wing economist Bergston explains, the WTO "does not work by voting. It works by consensus arrangement which, to tell the truth, is managed by four - the Quads. The US, Japan, the European Union and Canada. Those countries have to agree if any major steps are going to be made, that is true. But no votes."

This means in practice that the Quads cut deals in the green room and present the results as scraps to the others. The WTO can't get away with it from now on! After the revolt at Cancun, the Malaysian delegate for one declared, "No more are we sitting outside corridors being given sweeteners. No more!"

### Historic rebellion

The Mexico rebellion is historic. The WTO mincing machine has been stopped in its tracks. The immediate issue that provoked the Cancun revolt was agricultural protectionism. Whereas farmers in less developed countries are, if not in a majority, still a sizeable minority of the population, in the West they are statistically insignificant. Workers in British agriculture make up 1 per cent of the population. While "third world" farmers are super-exploited, those in

advanced capitalist countries are cosseted.

For instance, the USA pays out \$4 billion in subsidies to 25,000 cotton farmers. Work it out for yourself. We are not talking about sharecroppers in dungarees and straw hats wielding hoes. These people are getting \$160,000 a head from the American government. \$4 billion is actually more than the entire crop is worth! As a result - because nobody actually wants to buy this cotton - it is sold at a loss ("dumped") on the world market. Peasants in countries such as Mali are literally driven to starvation by US cotton displacing what ought to be their export crop.

But let's go back to Europe. The European Union subsidises sugar beet producers to the tune of £1 billion. "Our boys" manage to produce the goods at £430 per tonne, while cane sugar can be bought in the underdeveloped countries for £175. Nothing for it but to slap a tariff of 140 % on imported sugar to enable the likes of the beet barons in East Anglia to survive. This is a crop that would not be cultivated in Britain if there were a genuine free world market! Again the surplus is dumped on the world market, impoverishing the poor farmers of the underdeveloped countries.

The European Union negotiates as a bloc. But don't you feel insulted when negotiator Pascal Lamy assures you he is putting forward "our" interests in keeping "third world" farm products out of Europe? "We" have never been asked, and the Common Agricultural Policy is costing us plenty. In reality the EU trade mission has been captured by the interests of a handful of well-to-do farmers from France and Ireland.

Overall the USA and the EU featherbed rich farmers at



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home with \$400 billion per annum. Most of this money destroys the livelihoods of the wretched of the earth. This costs us eight times as much as the aid we fund them with.

Previous rounds of GATT and the WTO have been dedicated to convincing the developing nations of the wonders of free trade. They have had their arms twisted to unilaterally abandon tariffs on farm goods. The advanced countries, of course, have not been so stupid.

The poorest country in the western hemisphere is Haiti. It was persuaded by WTO free trade rules to open its markets to foreign, mainly US, grain. The mighty United States did not reciprocate. As a result, Haitian farmers were devastated by subsidised food imports dumped from the States. This wasn't just happening in Haiti, of course. All over the world WTO rules led to poor countries unilaterally abandoning tariff protection for their farm products. This was the direct cause of the impoverishment of "third world" peasants, some of the poorest people in the world.

Half the world's people live on \$2 a day or less. By coincidence, \$2 is the amount in subsidy each cow in the EU gets in subsidy from the Common Agricultural Policy. European cows probably regard themselves as hard done by compared with their Japanese cousins. Japanese cattle are subsidised by \$7 each and can expect regular rations of beer (and I did not make that last bit up).

An example of what this impoverishment of mere humans means was given in *The Observer* on September 14. The terms of trade for coffee have collapsed. As a result Niassia, farming in Kenya, used to get £70 for her coffee crop. Now she gets £10 for a



whole year's work. As she says, "We might as well have been growing grass for the cows." These days the producers get 2 pence of what we spend on a cup of coffee. As a result of this catastrophe Niassia has had to withdraw her ten-year-old boy from school. She can no longer afford the school fees - £3.72 a year!

### Neo-liberal

But all this wasn't enough for the Quads. Two years ago the "Doha development round" had been launched at the Qatar conference. That meant "new" issues were to be forced on to the agenda. Pascal Lamy, negotiator for the European Union, pressed for concessions on the free movement of capital - even though the EU has failed to deliver on its promises to withdraw subsidies to European farmers.

The proposals for the liberalisation of capital movement are basically a revival of a favourite neo-liberal project that used to be called the Multilateral Agreement on Investment. The programme allows for big business to roam the world tendering for public projects - schools, hospitals, nothing is safe - on the basis that lowest bid wins. The inevitable result would be that everyone would have to pay for services we regard as essential to a civilised life, and that we quite naturally think ought to be free. After all, if we don't pay, where are these corporations going to raise their profits from?

The MAI proposals were

thrown out by the Organisation for Economic Co-operation and Development (the OECD, the rich countries' club) a few years ago. Here they are being sneaked in by the back door at the WTO.

As the talks at Cancun drew to a conclusion, the West was confronted by something new - a coherent body of opposition to their ever-increasing demands. This came from the G21, a group of "third world" nations whose spine was formed by India, China and Brazil. Really, nearly all poor countries were sick of being treated like dirt.

The American representative Zoellick tried his usual combination of carrot and stick. Bribes of special treatment are offered to small countries to break down their solidarity with the others. Meanwhile Zoellick gets the knuckledusters out for the awkward squad. He apparently tried to bribe Costa Rica, Guatemala and El Salvador over the course of the talks. It was made clear that import quotas from these countries into the USA would be increased if they "co-operated" but would fall if they stood out.

### Bilateral deals

This is an old story. In a recent book, *Behind the scenes at the WTO*, sources who prefer to remain anonymous point the finger, "There were some nasty personal attacks and outrageous threats made to countries in Doha." And, "It was also made emphatically clear that any US support in other

areas of mutual interest will be subject to our support in Geneva."

Though small countries may feel themselves bound by WTO decisions, America is not. A member of the Clinton administration declared, "We do not believe anything the WTO says or does can force the US to change its laws."

In the end the West didn't get its way. That is, at least, one in the eye for imperialism. But it leaves the framework for world trade policy in tatters.

Now the US has made it clear it will begin negotiating a series of bilateral deals with small countries. Naturally, in these negotiations, the States will hold all the cards. America already has signed free trade agreements with Chile and Singapore. The trouble with a deal between two countries is this. If the USA lets in Chilean goods, that means it is locking out the other 144 countries in the WTO. That is the argument for multilateral negotiation.

The problem is, the WTO is not a genuinely open multilateral body. It is a forum for imperialist domination. As a committee of the United Nations concluded, "The assumption which the rules of the WTO are based on are grossly unfair and even prejudiced. Those rules reflect an agenda that serves only to promote the dominant corporate interests that already monopolise the arena of international trade." Maybe the Mayans had the right idea. When they founded Cancun, they named it in their language "the nest of vipers." □



## Crisis in the Middle East

by Yossi Schwartz, Jerusalem

ONLY A few days ago the Prime Minister of Israel, Ariel Sharon seemed to believe that his dream of removing, or even killing, Palestinian Authority Chairman Yasser Arafat was going to become true within just a few days. At the beginning of August an attack on a Jewish settlement in the 1967 occupied territories in reaction to Sharon's provocations was carried out by a Tanzim cell from Nablus. The Tanzim, as everyone in Israel knows, is affiliated to Arafat's Fatah movement.

However, Sharon's excessive appetite has complicated the situation. Sharon's endless provocations aimed at ending the ceasefire by his open policy of assassinations of Palestinian leaders, including the attempt to kill the founder of Hamas, Sheikh Ahmed Yassin, pushed Hamas into declaring an end to the ceasefire. Sharon had hoped they would retreat in the face of the huge military war machine of Israel but Hamas had other ideas. They carried out the suicide bombing that took the lives of 13 Israelis in two individual acts of terror.

The attempt on Sheikh Ahmed Yassin put an end to the attempts to provoke a military confrontation between the Palestinian Authority and Hamas and

also led to the resignation of US-backed Palestinian Prime Minister Mahmoud Abbas and to the nomination of Ahmed Qureia's (known as Abu Alaa), a politician close to Arafat, to the post of Prime Minister of Palestine.

The White House informed Sharon's government that Bush was opposed to the forced removal of Arafat. This was a clear indication that without the participation of Arafat the US do not feel they can control the situation. A forced removal of Arafat would cause a great destabilization of the region, as the Arab rulers hurriedly informed the Bush administration.

In our latest article we wrote: "Sharon is tempted to play the card of war against his Arab neighbours, in particular the Lebanon and Syria. If such a war were to take place it would end in defeat for the Arabs yet again. That is why all the Arab bourgeois regimes desperately want to avoid war. But they may not be able to avoid such a scenario. At least one section of the Israeli ruling class seems intent on provoking war. This is reflected also in a wing of the US ruling class, the most reactionary and obtuse wing. The US imperialists would prefer to hold the situation back, as they have enough

on their hands with the situation in both Iraq and Afghanistan. But Sharon may have other ideas, for his own reasons."

Sharon has never given up on his idea of controlling the West Bank and Gaza directly without having to deal with the Palestinian Authority as a middleman. Now he may not even have to wait for too long before he gets the approval of the US head of state for the forced removal of Arafat. This has become clear on Tuesday, night after the US veto of the United Nations Security Council resolution which demanded that Israel should refrain from harming or expelling Palestinian Authority Chairman Yasser Arafat.

### US imperialism

This veto has shocked the Arab rulers, as well as the middle class left in Israel who were pinning their hopes on the ability of the American imperialists to avoid a new war. The reaction of the Palestinian

diplomats was expressed by Erekat, the Palestinians' so-called chief peace negotiator, who said Tuesday, "It's a black day for the United Nations and for international law. I hope that Israel will not interpret the resolution as a license to kill Arafat."

"Washington was turning its back on the internationally-brokered road map to Middle East peace. In some of the most scathing Palestinian criticism since U.S. President George W. Bush formally launched the peace plan in June, cabinet minister Yasser Abed Rabbo said U.S. policy had become a 'hostage' to Israeli hardliners." (*Haaretz*, September 17 2003).

Syria's UN Ambassador Fayssal Mekdad expressed regret at the vote, calling the resolution "highly balanced" and noting that most of the language came from previous resolutions that had been adopted by the Security Council. "The fact that the U.S. delegation used its veto is something



**A forced removal of Arafat would cause a great destabilization of the region, as the Arab rulers hurriedly informed the Bush administration.**





extremely regrettable," he said "It only complicates a situation in the Middle East that is already very complicated."

Indeed the US veto reflected Tel Aviv's position that a UN resolution which ensured Arafat's safety would be seen as a condemnation of Israel and support for terrorism. According to the rulers of Israel, backed by the US, extrajudicial executions have now become acceptable in International law!

### Lenin's Imperialism

Thus the clouds of a new war are beginning to cover the skies of the Middle East. In his well-known book 'Imperialism the highest stage of Capitalism' Lenin argued that imperialism and its wars are not a question of policy but represent a stage of decaying capitalism. This is a profoundly true statement that is ignored by the middle class lefts who tail-end the imperialist rulers and their local agents.

However, it is not true that wars are inevitable. They can be prevented, but only through the revolutionary struggle of the working class for a new society based on the needs of the majority of the people rather than on the profits of the small class of the big capitalists served by politicians like Bush and Sharon.

The same government of Sharon that wants to drown us all in blood is that same government that is attacking the working class and poor in

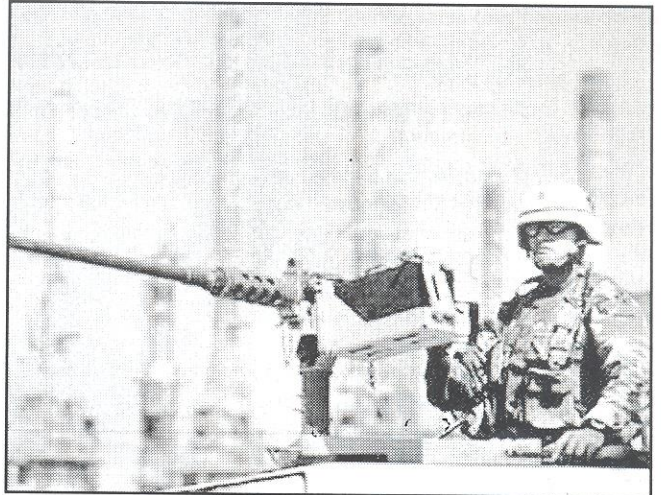
Israel for the benefit of their masters, the bankers and the owners of the large industries.

This opens up a situation where the masses of workers are going to fight this government. The role of the Marxists is to connect with the struggles of the labour movement in Israel, and also with the struggle for the emancipation of the Palestinian people from the many years of oppression at the hands of the state of Israel.

We are totally and utterly opposed to the removal or the killing of Arafat. The most dangerous enemies of the working class are Bush and Sharon. At the same time, unlike the Middle class lefts who endorse Arafat, we do not give him and the group around him, any political confidence. We oppose Sharon for the same reasons that Lenin and the Bolsheviks opposed the military coup of the white General Kornilov, but without in any way making political concessions to Kerensky.

This coming Saturday evening "Peace now" has called a march against the Bush government in Tel-Aviv. Naively, the leaders of the movement called for it with the assumption that the US would oppose Sharon's move to remove Arafat. The Marxists are going to intervene in this march to explain why there is no solution within the capitalist system, and will explain the socialist way out of the whole impasse we are facing. □

## Opposition Grows Within US Forces



"I ONCE believed that I served for a cause: 'To uphold and defend the Constitution of the United States'. Now I no longer believe that," Tim Predmore, a member of the 101st Airborne Division serving near Mosul wrote in a blistering opinion piece in his home newspaper, the *Peoria Journal Star* in Illinois. "I can no longer justify my service for what I believe to be half-truths and bold lies."

He wrote that he now believes the Iraq war was about oil, not freedom, "an act not of justice but of hypocrisy".

"We have all faced death in Iraq without reason or justification," he added. "How many more must die? How many more tears must be shed before Americans awake and demand the return of the men and women whose job it is to protect them rather than their leader's interest?"

The dissenters - many of whom have risked deep disapproval from the Military establishment to voice their opinions - have set up websites with names such as "Bring Them Home Now". They have cried foul at administration plans to cut veterans' benefits and scale back combat pay for troops still in Iraq. They were furious at George W. Bush for reacting to military deaths in Iraq with the phrase "bring 'em on".

And they have given politically embarrassing prominence to such issues as the inefficiency of civilian contractors hired to provide shelter, water and food - many of them contributors to the Bush campaign coffers - and a mystery outbreak of respiratory illnesses that many soldiers, despite official denials, believe is related to the use of depleted uranium munitions.

"It is time to speak out because our troops are still dying and our government is still lying," Candace Robison, a 27-year-old mother of two from Krum, Texas, and a politically active serviceman's wife, told a recent protest outside Bush's Texas ranch. "Morale is at an all-time low and our heroes feel like they've been forgotten." □

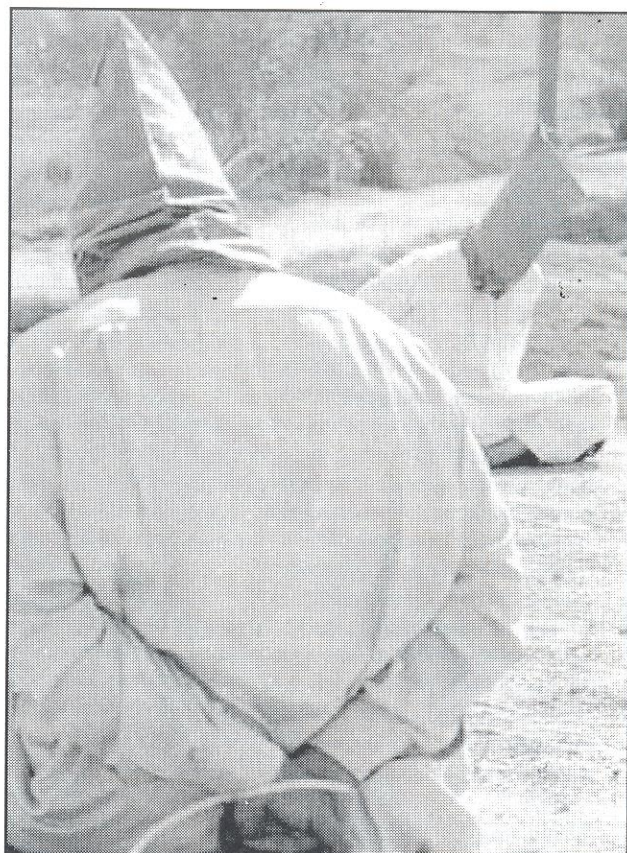


## Breaking The Silence- Truth and Lies in the War on Terror

A Special Report by *John Pilger* -ITV, 22nd September.  
Reviewed by *Mark Turner*

IT IS rare, these days, to see the bloodhound like features of John Pilger on television. Rare, but welcome. Occasionally ITV let him out of his kennel and nervously let him off the leash for a short run. For John Pilger made his name as a crusading, left journalist, exposing the truth from the perspective of the poor, the oppressed, and the exploited, especially focussing on the casualties of American imperialism such as Vietnam and Cambodia. In the 70s and 80s, when it was trendy to be on the left, a Pilger documentary merited a prime time slot, and would be well trailed in advance so that everyone could tune in to the main event. Now, it's difficult to see who can watch them- students will probably be in the pub, and if you work (unless you've just come in from an afternoon shift) you'll be nodding off. But they are worth the effort to find.

This programme began in classic Pilger style; black and white stills of crying, injured, women and children, charred bodies in bleached, dusty streets among sad ruins, accompanied by the chilling words of 'freedom' and 'liberation' from Blair and Bush. So, even before you see those baleful Pilger eyes, you're already angry. It's not just his face that is like a bloodhound- his journalism sniffs out and exposes those embarrassing facts which give the lie to the hypocrisy of the imperialists. His opening statement accused the US of being 'a rapacious impe-



rial power', and that the US and UK were responsible for the terrorism that dare not speak its name, because it's our terrorism'. Next they screened an interview with a mother who showed cherished photographs of her entire family; they had been all killed in the bombing of Kabul. After graphically describing the injuries they suffered, she said that while some spoke of the joy of freedom, 'for us day and night are all the same; full of sorrow'.

Pilger bombarded us with facts- more than 3000 people were bombed to death in Afghanistan, more than were killed on September 11th. As for all

the empty promises of recreating 'civilisation', of the \$10 million spent in Afghanistan since the invasion, only 3% of international aid has been on reconstruction. Cluster bombs remain, unexploded, like litter, amongst the rubble of bombed out buildings used by children as playgrounds. An Afghan government spokesman gave an ironic smile to the camera and confirmed that of the £300 million budget they had, there was NO money for reconstruction. Bush's much lauded minister for women, after her international heralding, as an example of how the west was building women's rights with spent shells, was

almost immediately pushed out of office. She was forced out by the warlords who now run Afghanistan, who Pilger chronicled as being just as bad as the Taliban. They have re-established the opium trade which accounts for a major proportion of all the heroin sold in British streets. In truth most of the damage caused to Kabul, was caused by these ruthless terrorists armed and bribed by the US. And women? They have no access to healthcare or education, are subject to mass rapes and being stopped and arrested for being accompanied by a man other than their husband- even if he's a taxi driver, then they are subjected to 'chastity checks' by the warlords' gunmen.

All of this served as the first chapter in Pilger's attack on the 'war against terror'. He linked the Invasion of Afghanistan with the US' original arming and training of the Mujahadin, when Jimmy Carter authorised \$500 million for support of Islamic extremists there, 6 months before the Soviet invasion. He then went on to chronicle the US' real role as the sponsors of international terror for decades. The School of the Americas was a US special training camp for terrorists from Panama, Guatemala, Honduras and so on. Including, of course, Al Qaeda and Osama Bin Laden. He showed newsreel of Donald Rumsfeld warmly shaking Sadaam Hussein by the hand in 1986, and detailed US



government records of the supply of chemical, biological and conventional weapons to Iraq. Then he questioned the author of the now infamous, Project for an American 21st Century, William Kristol, who a George Bush senior aide described as one of 'the Crazy's'. Pilger put it to him that the US had intervened in 72 countries since 1945, and when Kristol denied it, he produced the list. Of course it should have come as no surprise to the man who has argued that in this Century the US should 'fight multiple wars simultaneously' to establish global domination.

What really touched a nerve, was Pilger's questioning of a US government official on the amount of civilian deaths in Iraq- 10,000 he estimated. An unseen Colonel then stepped in to stop the interview! In another interview, a US government official ended the interview, then asked Pilger 'are you a member of the Communist Party?'

This was the side of the coin we don't see on TV news. In reality it is left propaganda, and none the worse for it- we



need more! But this kind of campaigning journalism causes too much fear in the capitalist independent companies, and even the BBC fights shy of such controversy. We only have to look at the way a bland journalist like Andrew Gilligan has been treated to see why.

Pilger's case is one which *Socialist Appeal* would sup-

port, and it joins those, like ex Labour Environment Minister Michael Meacher, in rightly stating that the 'war against terror' is a smokescreen for a pre determined, aggressively imperialist US foreign policy, designed to protect American capitalism's oil supply and strategic interests. Also, that September 11th has been used as an excuse for these entirely

hypocritical 'simultaneous, multiple wars'. However, the only problem with John Pilger is that his documentaries have the effect of depressing you with the accumulation of horrific facts and figures. His hang dog features and morose commentary match his usual implied message- 'there's nothing we can do -we're all dooomed!' In this documentary he inches towards the class perspective he sorely needs, but falls short, rather like Michael Moore, in solutions. Like Moore he can only offer, 'there are only two world powers, the US and public opinion, which is growing stronger as it sees through the lies and hypocrisy', is more or less his conclusion. Ultimately, only the working class, internationally, can defeat the might of the imperialists, and overthrow the system which makes this 'horror without end' a necessity. But we should give the bloodhound a pat on the head for this concise, moving and agitational documentary, before they lock him away again, and wait for his next outing. □

## Selling Socialist Appeal...

### ...at the Burston School Strike commemoration

By Joey Matt

**NEARLY 1000** trade union members and labour movement activists recently met at Burston in Norfolk at the rally to commemorate the longest strike in history. This strike was called by the young school students in this little village back in 1914 in protest at the sacking of two progressive teachers. The strike ended in 1939 with a mass movement against the misery and the exploitation produced by the capitalist system.

This rally was an opportunity to meet many rank and file trade union and Labour Party members. It was clear that the majority are very disappointed and angry with the Blairite policies of privatisation of public health, the imperialist occupation of Iraq, and other attacks on the living conditions of working class people. Most of the speakers reflected this growing mood in their speeches.

At this Labour movement event there was a *Socialist Appeal* stall. The ideas of Marxism got a very good reception from the



people attending the meeting, which goes to prove that socialist ideas, far from being dead, as the ruling class would like us to believe, are alive and kicking and are seen as a valid alternative to the nightmare of capitalism. □



# fighting fund

## Hunt down the magnificent seven!

LAST MONTH saw the death of actor Charles Bronson, best known for the Death Wish films and a host of other action films. He was, of course, also one of the Magnificent Seven, as featured in the classic 1960 film of the same name with Yul Brynner and Steve McQueen. Of the actors who played the various members of the Seven only one - Robert Vaughan - has now successfully avoided being hunted down by the Grim Reaper. All the rest have ridden off into the sunset.

But I want to talk about hunting down a different magnificent seven - the 7K! This month we are launching our autumn/Xmas appeal target of £7,000, to cover donations received by us from September up to the middle of January next year. This cash is urgently needed to help fund the work of our journal and keep the red flag flying. We have no backers

from big business - and we don't want them anyway - and are reliant instead on support from ordinary people to keep going. People like you. During the next few months, leading up to the end of the year, *Socialist Appeal* sellers will be busy organising fund raising events, arranging collections at meetings and approaching all our individual readers to give a special donation to help meet the £7,000 target. We are confident that there will be a good response to this drive and that the target will be quickly met and, hopefully, surpassed.

With about a week to go in September it looks likely that we will pass the first £1000 mark - so that is one of the magnificent seven in custody, six more to go! Please keep the momentum going and send in what you can to us at *Socialist Appeal*, PO Box 2626, London, N1 7SQ.

Steve Jones



A WARM welcome to all delegates and visitors to Labour Party conference, especially those of you who are reading *Socialist Appeal* for the first time. We hope that you will consider taking out a subscription at

the very least to help ensure the spread of socialist ideas inside the party. With the Blairite machine starting to fall apart the need for a serious struggle to reclaim our party has never been greater. Why not go one step further than just subscribing and take a bulk order of the journal to sell at your ward or GC meeting. Write or phone us now and we will send you some copies to sell - you will be surprised to find out just how keen people are now to see a socialist voice inside the party. Use *Socialist Appeal* to help enthuse other party and trade union activists to renew the struggle and fight for a better future.

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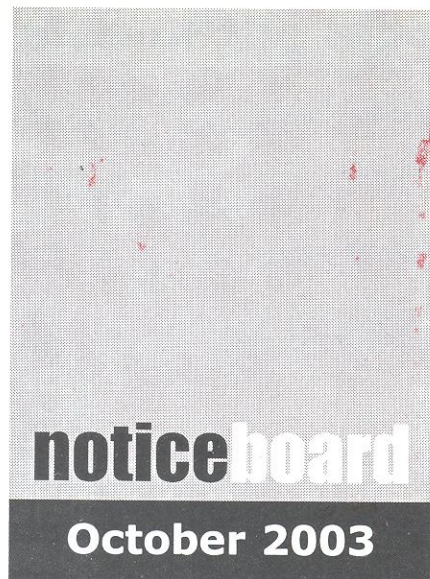


## Appeal Website relaunched

AFTER MONTHS of hard work the new *Socialist Appeal* website ([www.socialist.net](http://www.socialist.net)) has been re-launched with new contents and the archives of the past 3 years.

The website's aim is to provide a source for trade union activists, Labour movement militants and youth of information and political analysis.

We aim to also provide information and regular update of the events and activities of the Labour movement in Britain. Of course, for all those seeking international news and analysis there are several links to the international Marxist website, *In Defence of Marxism* ([www.marxist.com](http://www.marxist.com)), as well as a wide range of other international labour movement links.



The website also aims to contain a lively correspondence, and all those who want to give their opinions are urged to write to the website.

We believe that our website can have the same effect in Britain as our sister website *In Defence of Marxism* has had internationally. And we hope that all those willing to join us in the struggle for a socialist future will use this important resource and help us spread the viewpoint of genuine Marxism in Britain.

The Editorial Board of *Socialist Appeal*

## 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.

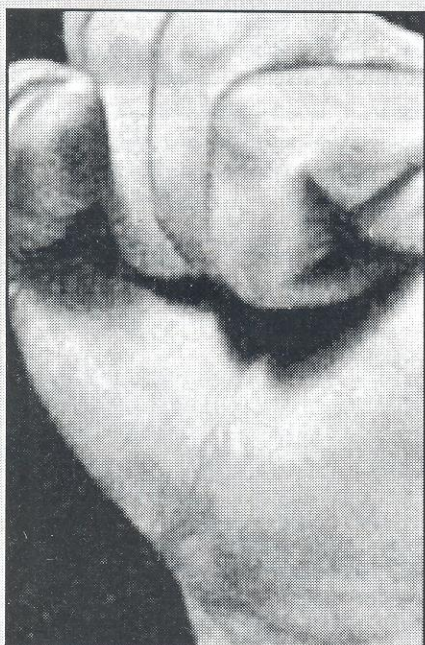


# Socialist Appeal

Marxist voice of the labour movement



## Support the postal workers!



**DURING OCTOBER,** postal workers across London are set to walk out over the issue of London weighting following the failure of management to negotiate a successful solution or even consider any meaningful discussion at all on the claim - which in any case only adds up to a measly £300 extra per year on the London workers pay packet.

A press report in *The Observer* described man-

agement's approach as follows: '...union negotiators described a meeting with human resources director Tony McCarthy ... at which he allegedly slid the company's 14.5 per cent productivity-linked pay offer across the table and told them to sign - as confrontational. A source said: "They said three things. First, the world has changed, here is the agreement, sign it. Second, what is your position on London? Any more strikes and the world will change again. Third, we want to change the industrial relations structure and the relationship." ' (September 21st) This is a threat which cannot go unanswered.

The bosses have, of course, been emboldened by the narrow defeat of the CWU national ballot for action on pay which, had it been successful, would have led to the first national post strike over pay for seven years. Undoubtedly management now believe that they have 'won the case' over this claim and that

CWU members really do feel that there is no more money available to give them a living wage. In fact nothing could be further from the truth. The ballot was lost for a number of reasons: in particular, a feeling that the union leaders were not very confident of getting a victory and were looking for a way out, a failure to campaign among parts of the membership and most of all the recent experience of how the firefighters were badly treated by a supposedly Labour government. Threats by the government to bring in scab contractors to break the strike did not help.

But most CWU members already know the truth about how the Royal Mail has been run - and run down. It has gone from being a very successful service, the best in the world, to being a shambles and losing money hand over fist. The fact that management are quite happy to pay themselves huge bonuses on top of their already inflated salaries whilst leaving

their workers to operate on a pittance is an irony lost in the boardroom.

In that sense the 11,417 votes for, 4316 votes against, result of the CWU ballot on London weighting is an indication of what is to come. Given the tremendous strength of the union in London and the importance of the capital city to the national mail service as a whole, it is clear that a critical fight is on the cards. Every postal worker should give full support to the action and this should be matched by solidarity action from the rest of the trade union movement both in London and elsewhere.

Royal Mail chief executive Adam Crozier, formerly employed by the Football Association which under his steady hand also started to lose money, may think he has scored the winning goal over the unions but London now has the opportunity to quickly strike back and show Crozier and the rest a red card. □

[www.marxist.com](http://www.marxist.com)