

● Amicus election ● Georgia ● Iraq ● House Prices

Socialist Appeal

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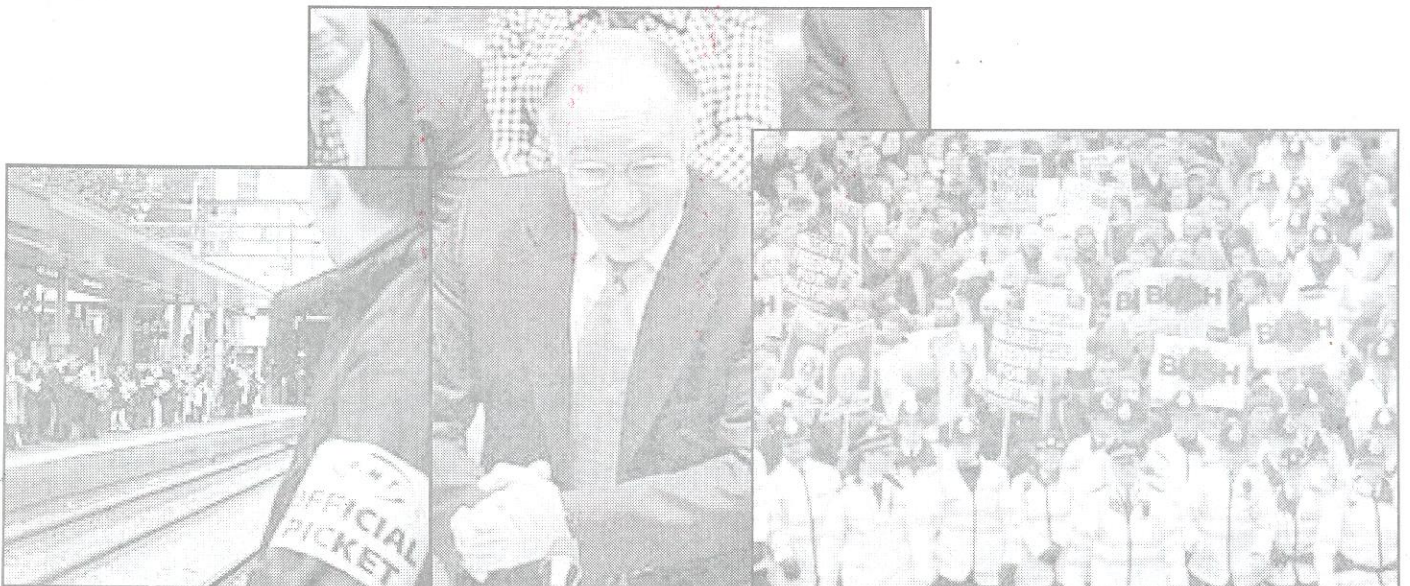
www.marxist.com

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

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The deadline for articles for issue 119 is December 15th

Making History

THIS IS how history is made. Hundreds of thousands of protestors flood the capital demonstrating their opposition to a President who holds office thanks to a rigged election. They demand democracy, they demand their voices be heard, they demand that the President go.

In Georgia the result was the resignation of Eduard Shevardnadze after 11 years in office in a 'bloodless revolution'. Once again the power of the masses was demonstrated for the whole world to see. Shevardnadze would have liked to have used the army to keep his position, however, as we have seen time and again in recent years, once the masses are on the streets in these numbers, the troops tend to go with them. The opposition preparing to grasp the reins let slip by the former Soviet foreign secretary will be no improvement. A struggle between US imperialism and Russia for control of the region and its oil supplies augur dark days ahead for the Georgian masses. Nevertheless they have demonstrated their power to topple Presidents and Parliaments. This is a lesson which will be learned and remembered for the future.

In London meanwhile, it may only have been an effigy of George Bush that was toppled but in the biggest weekday demonstration in British history 200,000 people here demanded that their voices be heard, and that the President should get out.

While Blair and Bush prattled on about the right to demonstrate in a democracy, the raised voices of the people were studiously ignored by the leader of the free world and his sidekick while

they enjoyed the pomp and ceremony of a state visit. It is nauseating indeed to see the leader of British Labour fawn so desperately over the leader of the most reactionary force on the planet. It is a day of shame for the labour movement. We can take pride in the demonstration, but cannot allow this humiliation of Labour to continue one day longer.

One demonstrator after another made the same point. If this is a democracy, how come when a majority are against war, Britain sends in the troops; when the majority do not want Bush here, he receives the most lavish welcome since Woodrow Wilson's visit after world war one; and if this is a democracy how come no-one listens to the voices of two hundred thousand ordinary people raised in protest?

Democracy

The democracy Bush and Blair promote is the democratic right to pump oil, to exploit the masses of the world, the democratic right of bosses to hire and fire, and the democratic right of governments to trample over civil liberties. To these people our democratic rights mean that we have the right to annoy them with demonstrations before they carry on regardless.

It is not just Presidents and Prime Ministers who make history, though. With six anti-war demos in one year, the biggest in history and the biggest weekday march in history within months of each other; strikes by postal workers, railway workers and firefighters; shifts to the left in the unions; and now the beginnings of new develop-

ments inside Labour itself, history is being made here too.

As we have always explained events in society must inevitably find an expression inside the Labour Party at a certain stage. In the last few months we have reported the decision of several key union leaders to form a new Labour Representation Committee, to organise reclaiming Labour from the Blairite hijackers. This month we can report the creation of a new 'moderate' left within the Parliamentary Labour Party. The New Wave, as the 15 'mainstream' MPs call themselves, are demanding an end to "neo-colonial adventures", curbs on the Government's plans to impose market forces on public services, and closer links between Labour and the trade unions.

The formation of this trend, following Blair's narrow victory on foundation hospitals - the government's 161 majority was cut to just 17 in the vote in the Commons - a policy democratically defeated at Labour's conference just a couple of months ago, is another nail in Blair's coffin. This may not yet represent a challenge to Blair's leadership. However, anyone who dismisses this development is blind to the process taking place within society and within the workers' organisations, including - albeit at an early stage - inside the Labour Party.

The Tories, meanwhile, have a 'new' leader. Michael Howard is the man who brought us the Poll Tax, and Section 28. He is a leftover from the dark days of Thatcher and Major. Surely the Tories cannot win the next election, no matter who leads

them? Labour however, and Blair in particular, can lose it. Their first response to the 'new Tory threat' has been to move even further to the right, announcing the withdrawal of legal aid from asylum seekers.

Howard is not the Tories' saviour, but they may yet be saved from humiliation by mounting disillusionment with Blair. The house price bubble cannot float on forever. The first interest rate rise, announced last month, could be the beginning of its end. Blair faces problems wherever he turns - the economy, further militancy from workers who can take no more, and even inside the Labour Party where his apparently vice like grip is weakening.

The emergence of new left groupings inside Labour are a taste of things to come. They reflect on the one hand the fear of a number of MPs that they might lose their seats at the next election if disillusionment continues to rise and, inversely, turnout falls. They are also a reflection of the changes taking place in the outlook of the working class and society as a whole. All of these indicators add up to one thing. We may not yet be on the verge of revolution, but another new stage has opened up. In this period Blair and Blairism will be defeated. The unions must step up their campaign to take the party back. The tragedy of the mighty events in Georgia is that the mass of workers do not have their own independent organisations. Through struggle they will create them. Back home we lost control of our mass organisations years ago. It is time now to take them back. □

Royal Mail bosses on the back foot

By Andy Blake (personal capacity), Branch Secretary, CWU London 7 Branch

FOLLOWING LAST months unofficial strike action by postal workers management seem to have been put temporarily onto the back foot.

This is in marked contrast to the period following the recent narrow rejection of a national strike over pay and conditions. At that time, Royal Mail management could not conceal their pleasure. Cockey jumped-up managers all over the country engaged in a new offensive against the workforce. Top managers were bragging that they had the full support of the government, the DTI and Patricia Hewitt in particular.

As a reaction to this organised provocation from on high, unofficial strike action spread like wildfire across London and elsewhere. Once again, postal workers defied the Tory laws to defend themselves. The left leadership of the CWU, while repudiating the action for legal reasons, certainly welcomed this unofficial action.

Royal Mail managers were left with their mouths open. They had completely misjudged the mood after the failed strike ballot. On October 31 the editorial in the *Financial Times* called on Royal Mail to "use the full force of the law" against the union leadership who had not called the strike or even expected it. But Royal Mail had no alternative but to retreat. Suspended union reps were reinstated. No one was victimised. Everything was done to bring things back to normal and clear the backlog of mail. A national agreement to this effect was signed

between Royal Mail and the leaders of the CWU.

Nevertheless, there are many outstanding issues to be settled. Firstly, the dispute over London Weighting Allowance has not been resolved. Secondly, Royal Mail management, despite making £3 million profit, are seeking to cut costs. They want to get rid of the second delivery. They originally proposed 30,000 redundancies, but have since retreated somewhat on the figure. They would like to pull off a long-term deal with the union, but can't be seen to be making too many concessions, especially in the short term.

In the past period Royal Mail imposed a pay deal without agreement, which included an extra £300 to all workers in the Royal Mail group. This attempt to "resolve" things by dictat has solved nothing. The imposition was correctly opposed by the union, which is now involved in negotiations under ACAS and independently with Royal Mail.

In the run up to the dispute, some local offices were pressurised into a local agreement to cut costs. Some have negotiated a 5-day week as part of introducing a single delivery. While a 5-day week is a welcome step, it has come with "strings". The management has demanded "savings", "targets", and other cost-cutting measures in return. It has meant job losses on a voluntary basis.

Management wants to cut man-hours to cut wage costs. In one case, they wanted to save 30 hours as a base line, calculated on a June work-

load. This resulted in a bonus of £26.28 for all workers involved. However, during the autumn and winter, the workload rises and the workers were asked to save not 30, but 130 hours to get the same bonus. In the cold light of day, this has stoked up great resentment and opposition. One local office in the South West, which initially accepted a local deal, was so incensed that the union rep issued an "Open Letter" on behalf of the workers condemning the deal and saying they were conned.

Compared to the previous poor rightwing leadership of the CWU, the present leaders will hopefully not be rushed into an ill thought out deal. Reaching an agreement will not be easy despite the fact that a deadline has been set for 10th December.

Provocations

Even now local managers, where there has been a history of anti-union activities, are still provoking the workforce. In West London in particular the union reps have faced a lot of trouble. There three union reps are facing dismissal for minor offences in a deliberate bid to undermine and victimise union officials. Such actions are simply an attempt to punish people. As a consequence there has been a greater back-log of mail than before. Top management have washed their hands of this, saying they are unaware of what is happening, despite the post-strike agreement. In this case, territorial personnel managers have been asked to step in and sort things out.

This shows the authoritarian manner in which local offices are presently being run.

Nevertheless, the management of Royal Mail remain committed to "economies" at the expense of the workers to make the industry more "competitive". With Adam Crosier and Allan Leighton in charge things do not bode well for the future. Leighton's record speaks for itself - and not just in the post office. As deputy chairman of Leeds United, Leighton has presided over the club's relegation to bottom of the Premiership and debts of some £50m. What's more, Leighton has spent a lot of time as an "independent" director of BSKyB selecting Murdoch's son as chief executive of the company.

Postal workers face major challenges ahead. Whatever the sweet words emanating from Royal Mail, their drive to introduce "market principles" into the postal service can only spell disaster. The bloody-mindedness of profit-minded managers will only serve to cause more disputes. Already the failure to agree on Christmas mail handling has pushed the union to authorise a number of strike ballots on the issue.

The post office should be run as a service and not as a business. The attempts to open it up to wider "competition", and all the consequences that entails, should be opposed tooth and nail. Only a service, run as a service, under democratic workers' control and management can offer a way forward. □

T&G in UK and Ireland takes an international recruiting initiative

By Rachael Webb, Branch Secretary 1/888 (RTC Branch) of the T&G

IN RESPONSE to the way globalisation affects road transport workers the T&G in the UK and Ireland is launching a pilot project to recruit non-English speaking international drivers, whose pay and conditions are inferior to both EU and UK wages and conditions.

International drivers working for such firms as Willi Betz earn less than £100 a week, live two to a cab the size of a prison cell and are normally expected to be away from home for up to 3 months at a time. German based Willi Betz owns over 5,000 trucks and semi-trailers, (each truck and semi-trailer costs about £120,000 to put on the road).

Drivers come from Bulgaria, Rumania, Russia and other former Eastern Bloc countries. Willi Betz is only one of the firms that undercut EU firms who pay EU standard wages and conditions. Turkish and Moroccan hauliers use low wage labour to undercut EU wage rates.

As trades unionists we totally and unconditionally oppose any suggestion of a racist or national chauvinist approach in defence of our jobs, conditions and pay. Neither do we for a minute believe that building a trade wall around either the UK or the EU will be in our interests as workers.

Our strategy is based on trade union principles of solidarity, which are part of our proud trade union history. We aim to recruit these super-exploited drivers into our union and struggle with the drivers in order to express solidarity in any fight they have to improve their pay and conditions. If we can help them to get the same pay and conditions as ourselves then it will not matter at all what race or nationality the driver is.

Modern capitalism uses small manufacturing units in a variety of countries and transports part finished products for use in large assembly plants. Capitalists switch production from one component manufacturer to another,

country to country in order to drive down wages. Road transport is both affected by and integral to this capitalist strategy of attempting to pit worker against worker to maximise their profits.

They, the capitalists, have an international perspective, we must have an international perspective of trade union solidarity to fight them and defend our interests as workers.

This international recruiting initiative was started by *Socialist Appeal* supporters in 1/888 (Road Transport Commercials) Branch of the T&G. We have produced T&G recruiting leaflets in Bulgarian, Russian, Turkish and Serbo-Croat.

The T&G nationally has formed a sub-committee of Transport Sector, convened by Ron Webb (National Transport Secretary) and Chaired by Jimmy Hill (Chair of national RTC of the T&G). The pilot project will involve a T&G bus being at Thurrock Services (from first exit North of the Dartford River Crossing on the M25), on Sunday 23rd November from 10.00am to hand out leaflets and publicise T&G membership. Foreign language translators will be on hand to discuss and debate with the Bulgarian, Russian, Turkish and other drivers who park in the Moto Services over the weekend.

This is a pilot project as part of an ongoing campaign to build on trade union traditions of international support and solidarity to all working people. Only in this way can we, as trade unionists, defend our own pay, jobs and conditions of work.

'Workers of All Countries Unite' is not an empty slogan, it is the only practical way that we can build our trade union movement at the same time as building for a socialist future.

☐ contact details on 1/888 Branch website:
<http://www.one888truckdrivers.org.uk/join.html>.

Stop Press

As *Socialist Appeal* went to press we received a report from Rachael about the success of the November 23rd recruitment drive.

The following is the T&G's press release describing the day's activities

Press Release from 1/888 Branch T&G about National T&G Recruiting Event at Thurrock Services on Sunday 23rd November

AS A result of International Drivers organised in the T&G raising their concerns about low wage firms undercutting EU level wages, the T&G organised a highly successful recruiting drive at Thurrock Services on Sunday the 23rd November.

Jimmy Hill, Chair of Road Transport Commercials Trade (RTC) Group of the T&G and Rachael Webb, Branch Secretary (RTC) 1/888 Branch were amongst a group of T&G lorry driver members who took a bus onto the services and handed out leaflets in Bulgarian, Turkish, Russian and Serbo-Croat to drivers waiting on Sunday to load or get loading instructions.

The weather started off badly, it was raining steadily almost without a break, then it became worse and worse. We had said before the day that if it was raining it might well defeat us on this occasion because we were relying on being able to talk to groups of Bulgarian, Russian and Turkish drivers who were cooking and enjoying socialising with each other.

In the event in spite of sodden wet leaflets and recruiting material we held two meetings, one of them in the back of a Willi Betz trailer where drivers had set out chairs and cooking facilities. We created a lot of interest. We recruited several drivers plus about 17 others who filled in forms for more information about the T&G and who said they would like to join. If the weather had been conducive to standing around talking in the open air we would have at least doubled these figures.

The recruiting leaflets can be viewed on 1/888 Branch website at:
www.one888truckdrivers.org.uk
 Click on "Branch Leaflets" and "News"

Rachael Webb

Fast track to safety

LAST MONTH the government was forced to end the scandal of private track maintenance (or the lack of it) on mainline track, and bring maintenance back in-house. Alongside this development the derailments on the Hammersmith & City and Northern Lines on the London Underground, the Rail & Maritime Transport union (RMT) has launched a campaign to put pressure on the government to kick out the private companies who have been awarded contracts to run track maintenance on the London Underground and bring track maintenance back in-house.

The union lobbied the offices of Metronet (the consortium of four companies that won the contracts for track maintenance) in Holborn last month. Union members dressed up as fat cats with nametags such as: 'Mr. Balfour Beatty' and 'Mr. Jarvis'. Bob Crow the RMT General Secretary said, "the public are well aware that if the likes of Jarvis and Balfour Beatty can't maintain the national rail network, then they should not be let loose on the tube either".

Metronet have claimed that "safety and maintenance operations have not changed since 1996". However the track checking and maintenance schedule has been cut from every 24 hours to every 72 hours. It is also rumored that Metronet has plans to cut 100 jobs in maintenance over the next three years.

Research conducted for the RMT suggests that in light of the government decision to terminate maintenance contracts on the mainline, 65% of people think that these companies should not be allowed to continue working on the London Underground. The union has been running a leafleting campaign outside major underground stations over the last few weeks highlighting their case for kicking the privateers out of the industry. The reaction of the public has been overwhelmingly positive.

Maintenance

But still LU management refuses to bring track maintenance back in-house. The RMT have dismissed claims by the maintenance companies, that the recent derailments were unavoidable, as dangerous nonsense. A union spokesman said: "the interim report on the Hammersmith derailment has painted a shocking picture of decay and neglect, and LUL and the

infrastructure companies have so far failed to address any of the urgent safety issues we have raised. Our own safety experts, the men and women who actually work on the London Underground, know that Tube safety standards have declined dramatically, and it is their expert views that must be heard".

The RMT balloted their members for industrial action short of a strike, and for strike action, over safety standards. NOP research recorded that 80% of the public would support a strike of LU workers over safety. RMT members working for LU and the infrastructure companies have backed the union's call for action. 81% of members voted to support industrial action short of a strike and 55% are in favour of taking strike action.

The Blair government has been forced to pull out of rail maintenance privatisation under the sheer weight of public opinion, and enquiries into the Potters Bar crash; even some of the private

firms pulled out due to the bad publicity they were getting. But he still has a little something up his sleeve for his friends in business.

Rail union members and the public have stood back and watched with anger as privateers who are out to make a quick buck have decimated the mainline railways. Not only has the service been reduced to the public, but the infrastructure has been allowed to decay causing a whole series of devastating train crashes.

But just imagine what would happen if this was allowed to take place on the London Underground. A serious crash or derailment would mean people trapped in wreckage deep underground with another train only minutes behind.

Bob Crow has said: "Ministers have acknowledged that in-house railway maintenance is safer and better value, surely they must bite the bullet and reverse the privatisation of the Tube maintenance before lasting damage is done."

Private investment always comes with very heavy strings attached. The union movement must back the RMT and ASLEF to force the Labour Government to renationalise transport services and maintenance. If the government invested the huge grants and subsidies that it gave to Railtrack, rail franchise holders and other transport companies we could have a transport system fit for the 21st Century. □



The longest day

LONG WORKING hours are causing health and family problems for British workers. British workers work the longest hours in Europe, and are at the top of the chart for stress, and other health problems.

By keeping wages low and forcing people to work overtime, the bosses have been able to hike up the working week. How many times have you heard someone say that they could not get by if not for their overtime?

But have you considered the amount of overtime that you are not even paid for? Official research has revealed what we all knew already - almost all of us do some form of unpaid work outside our normal paid work.

The average worker does 7 hours and 30 minutes a week of unpaid overtime worth around £4500 a year. Teachers are at the top of the scale with an average 10 hours a week unpaid - that is equivalent to more than a whole working day!

A recent poll has shown that that family life, community work, socialising, fitness and hobbies are suffering because of the squeezing up of hours.

Yet the CBI are frantically lobbying the government against implementation of the EU Working Time Directive that would limit the working week to a maximum of 48 hours.

The unions are quite correctly demanding the immediate implementation of the EU WTD. However this in itself will not solve the problem of long hours - 48 hours is still a long week, but the employers will find ways around it or ignore it altogether.

The unions and TUC must immediately launch a campaign to force the employers to accept a maximum 32 hours week with no loss of pay. Not only would this solve the problem of long hours; it would create thousands of new jobs.

● 1 in 6 (16%) of workers surveyed now work over 60 hours a week compared to just 1 in 8 (12%) of all UK workers in 2000;

● The number of women working over 60 hours has more than doubled from 1 in 16 (6%) in 2000 to approximately 1 in 8 today (13%);

● Twice as many employees would rather work shorter hours than win the lottery;

● Three quarters (75%) of employees currently work overtime, and of these, only a third (36%) are rewarded with extra pay or time off in lieu;

● 7 out of 10 (72%) highly stressed workers do not have access to any formal flexible working practices;

● The largest proportion of very stressed workers - 1 in 5 (19%) - are in their mid to late thirties

● 1 in 5 (19%) men have visited the doctor because of stress, rising to one quarter (23%) of over 40s.

● Over a quarter of workers (25%) would like to get a better balance but think that their career would suffer; and 4 in 10 (40%) unstressed workers play regular sport compared to one quarter (25%) of those with high stress levels □

by our industrial correspondent

More militant approach points the way forward for the labour movement

YEARS OF attacks and job losses under the cover of partnership have been stoking up enormous pressure on workers. The old rightwing union leadership thought they had things sewn up, but the changing mood on the shop floor finished them off in election after election across the movement - and now the willingness to fight is resulting in an increase in strike figures. This is starting from an historically low level but it is part of an upward trend and points the way forward for the future.

campaign to save their jobs. Hundreds demonstrated outside the factory last month in protest at plans to shut the factory and move production to China.

The union Amicus said that the company should be investing in the plant and workforce rather than sacking the workforce to benefit from lower wages elsewhere.

A spokesman for Amicus said: "Hoover is a powerful symbol of industry failing to invest in the workforce, skills and in technology."

Nissan: looming strikes over job cuts

AMICUS IS balloting 4800 workers for strike action at - 'the world most efficient car plant' - Nissan in Sunderland. The company announced that it plans relocate 60 jobs from Tyneside to Bedfordshire. A yes vote would mean the first strike in the factory's 20 year history.

Nissan opened in Sunderland at the height of the Thatcher era and was a model of social partnership. When Derek Simpson won the Amicus General Secretary election last year he vowed to pull the plug on the 'sweatheart', no strike, deals signed by the old rightwing leadership of the union.

The new approach is reaping dividends the union have boosted their membership in the plant to 30% compared with 10% in the early 1990s.

Hoover

WORKERS AT Hoover in Cambuslang stepped up the

Marconi

WORKERS AT Marconi's in New Horizon Park Plant in Foleshill are being balloted for strike action. The company announced plans for 70 redundancies out of approximately 250 staff at the plant. These come on top of thousands of redundancies from the company these last few years. If last-minute talks fail it is likely that workers at the plant will be on strike in the new year.

Across industry workers are clearly increasingly willing to fight - this will be the case especially where the leaders are willing to lead a struggle. For too long the workers have made sacrifices in the name of partnership. The unions must not accept any more job losses or wage restraint, they must launch a decisive campaign to increase wages and conditions. The unions must also put pressure on the Labour government to nationalise failing industries and carry out other measures in workers interests.

Amicus executive elections: Left victory needed

by Kris Lawrie

AS WE go to press the ballot for a new Executive Council in Amicus is coming to a close. There has been over a month of hot campaigning as candidates from across the union have fought for a seat on the 48 member lay Executive Council. Amicus Unity Gazette, the broad left within the union set out to contest every seat in the election [for more information on Gazette activities see www.amicusunitygazette.com].

The new union will be an industrial giant formed through the merger of the AEEU and MSF. The merger formally takes place on January 1st, when the new Executive and rulebook come into effect. Under the new rules the Executive has a lot of power within the union and it is therefore vital that we have a left Executive to tackle the problems facing the members today.

These elections have very far reaching consequences not only for the future of Amicus but also for the labour movement as a whole. In election after election we have seen victories for those standing for a more militant approach from the unions in their relations with the employers. The election of Gazette candidate Derek Simpson in last years General Secretary election on a left programme was a step forward for the movement and we will be looking to replicate that by building a strong left majority on the Executive.

Amicus is potentially a very powerful union, we

organise skilled industrial workers from all across the economy and have huge industrial muscle. A single strike by even a small layer of Amicus members could be very powerful and cause chaos for the bosses, as the recent dispute in Sellafield demonstrates.

Amicus also has huge political influence, we are one of the biggest donors to the Labour Party nationally and on a local level we sponsor one third of Labour MPs through the constituency parties.

Unfortunately in spite of the potential that Amicus has to be a powerful tool to advance workers interests both industrially and politically, the union has been on the right for a number of years and has been one of the bastions of Blairism within the movement. The rightwing have squandered our money and resources on their champagne lifestyles, while they pursued a policy of blatant partnership and collaboration with the bosses. This has taken place against a background of massive job losses in manufacturing, averaging 12,000 a month - yet we heard not a whimper from the mouths of the old leadership, let alone a campaign to protect our jobs.

The bureaucrats dreamed that the merger of MSF and AEEU would create a powerful block on the TUC against the new left trend that is emerging. With good reason the Blairites are very worried about the direction in which

things are moving - Amicus is a critical union for them and they cannot afford to lose the elections.

Over the last period the rightwing based themselves on the mood of apathy of a large section of the membership following the defeats of the 1980s, they even attempted to prolong this using the anti-union laws as an excuse to pour cold water on any struggle. But this mood is now reaching its limits, the members have endured attacks for too long from the bosses and successive governments. The rightwing in our movement is doomed as members are beginning to look around for alternatives.

Nonetheless a huge chunk of the membership will not vote in this election, many have become disengaged from the union. This is quite understandable when you consider the attacks on wages & conditions and job insecurity, combined with the role that our own leaders have played in the past period.

The sting of all these factors has not been eased by either the election of the Labour government, who continued with Tory policies, nor by the boom that took place in the late 1990s. The attacks have been ongoing and conditions have continued to deteriorate.

Action needed

But the indicators are there that we are approaching a turn in the corner for Amicus and the Labour movement

generally. The members are increasingly looking for solutions to their problems and willing to take action to change things.

We need an Executive that is worthy of our members - one that is willing to take a stand and break with the discredited ideas of partnership.

A new left Executive must wage a battle to improve pay and conditions - the members have made enough sacrifices in the last period, it is time the bosses made some. At the same time they must take an uncompromising stand against factory closures and redundancies - we must not tolerate any job losses. In cases where factories are sacking workers and cutting back on wages and conditions the union must fight for nationalisation of these industries under the control of the workforce.

In order to achieve our ends we must not weaken our links with Labour - we must strengthen them! But we have to use our muscle to reclaim our party from the hijackers and careerists who have taken it over.

We must fight for a socialist programme for the Labour Party to nationalise the big enterprises of the economy under the control of the workers and establish a socialist plan for production.

In this way we can guarantee a job and a good standard of living for all, and ensure that the resources of our society are used for the benefit of all its members. □

Discontent rages in FBU

by our industrial correspondent

THE RECENT wildcat firefighters strikes followed hot on the heels of a two-week unofficial strike of postal workers, and came at the same time as a wave of strikes across industry. On the evening of November 3rd firefighters in Norfolk decided to take unofficial industrial action. The action rapidly spread through the country and within a few days 35 out of the countries 56 Fire Brigades were refusing to carry out non-emergency duties.

This action took place in response to the employers' refusal to grant the 7% raise that is a portion of that which was agreed in the summer. The recent dispute reflects the discontent that exists with this agreement. The employers have adopted the arrogant attitude that they have taken from the beginning and backtracked with an offer of 3.5% now and a further 3.5% in the new year. They have refused to pay the full 7% because they say the changes in working practices that were a condition of the rise have not been fully implemented. They have said that the agreement was never made to pay a 7% rise in November and accused the union leadership of lying to deceive their own members.

The deal that the FBU leadership recommended to the members in June, brought an end to the dispute of nearly one year, and was met with a mixed response from within the FBU itself. Many members were unhappy about the way the leaders had handled the dispute and were not in favour of accepting a deal which meant signing away so many of their hard won work-

ing conditions. The reservations that many of the activists had with the deal proved to be right.

Under the terms of the agreement the firefighters would get a 16% pay rise split over two years; 4% immediately backdated to last November, a further 7% due this month, and finally 4.2% next summer. But the deal had very tough strings attached - the 4 main conditions that were imposed on the workers as part of the deal were:

1. **An end to the union ban on overtime.**
2. **New responsibilities for the workforce, with new medical duties including the use of defibrillators.**
3. **That fulltime firefighters be able to take on retained (part-time) duties on their days off.**
4. **Freedom for employers to make up 'mixed crews' of both retained and full-time firefighters.**

These measures will effectively break up the current system where the workforce is organised into tight units called a 'Watch'. Under this system they always work with the same colleagues and therefore get the chance to build up a relationship of trust.

In future not only will firefighters be given many extra duties, but working hours will also be increased by the back door using overtime and rest-day working. Because the watch system is being ended and crews will be constantly changed and improvised

teams will not get the chance to build up the same close working relationship, and so can be thrust into life threatening situations with people they do not know and have never worked with before.

Militancy

The employers were very worried by the strength, commitment and militancy of the firefighters, and the high level of support they had from across society. But the dispute had very serious political implications for the Blair government and they took a very hard line in the negotiations. The deal that was finally agreed was a compromise that was dragged out of the government and the employers kicking and screaming. It was the sheer determination and militancy of the firefighters that won this concession but it should have been more.

The firefighters deserved and should have had 30K with no strings as they demanded. This would have required a clearer lead and understanding from the leadership. It is clear that although this deal was gained through a struggle it was far from satisfactory and the members accepted it with gritted teeth.

Nonetheless bearing in mind that Christmas is approaching, the scheduled 7% rise would have been very welcome for firefighters at this time. The employers' decision to pour salt into the wounds and deny them the money that they were promised has backfired and was the final straw that provoked the action.

The firefighters have been mucked around by the

employers for long enough and are in no mood to make any further sacrifice, and the actions they have taken express their deep discontent.

The FBU national executive has been under great pressure from the activists to recall conference to discuss the pay deal but at the moment they are resisting the pressure and concentrating on balloting the membership over whether to continue with the deal. If the members vote against it then new industrial action will be inevitable.

Whether the membership goes ahead and votes to return to strike action or not it is clear that the frustration that exists is not going to disappear. The deal that the FBU leadership struck with the employers will mean certain attacks on working conditions. Under the deal the members are presented with a choice - whether to sell their conditions for a short-term pay rise, or whether to keep the conditions and go without. Either way the members are going to be forced to take up the fight again at some point in the future and any leaders who do not represent the workers best interests will be thrust aside and replaced with ones who will.

The dispute is clearly not dead. It is possible that the whole deal will collapse and the dispute will flare up again as a result of the current ballot, in that event they would be back to square one. The firefighters deserve and can still get a good pay rise without strings, in the event of the dispute coming back to life the demand for 30K with no strings will be back on the agenda. □

Hail to the chump!

by Steve Jones

On Tuesday November 18th, President George Bush arrived at Buckingham Palace for a three-day state visit, complete with red carpets, banquets and cannon salutes. Outside the palace gates, a huge security operation was under way. Some 5,000 British police officers were on hand to protect the President, along with the 700 or so secret-service agents Mr Bush brought with him. Certain parks and roads were blocked off, and sharpshooters were visible on the royal rooftops.

THE FACT is that most people here detest George W. Bush and all he stands for. One anti-Bush campaigner labelled him "the most unwelcome guest this country has ever received". It is not just Iraq. Nine Britons are caged up in Guantánamo Bay, an American military base in Cuba, having been captured in Afghanistan and Pakistan during America's anti-terrorist sweep, labelled as "non-combatants" and denied the usual legal protections (such as a lawyer). The President's support of Israel, his repudiation of the International Criminal Court and his disregard for the Kyoto environmental accords have also infuriated people in Britain as in the rest of the world.

The colossal power of the USA expresses itself as colossal arrogance, summed up in the so-called Bush doctrine, whereby America claims for itself the right to intervene in any country in the world whenever it deems that its national interests are threatened. The last straw was the invasion of Iraq, which a huge majority of people in Britain opposed. That is why on November 20th more than 200,000 protesters thronged Whitehall and Trafalgar Square with banners and placards against George Bush and the criminal war on Iraq - the largest ever week-day demo in London.

But all this is lost on the reverend Tony Blair, who, as a devoutly reli-

gious man, is naturally very keen about wars of all kinds.

Like George W. Bush, Tony Blair is a democrat, and, consequently, never pays the slightest attention to the opinions of the people. Speaking ahead of the march, our Tony said: "People have the right to protest and demonstrate in our country. That's part of our democracy. All I say to people is listen to our case as well. That's what a democratic exchange should be about." Translated into plain English, this classic example of Blairspeak means: "You can protest as much as you like, but I am the prime minister and I will do what I bloody well like."

The timing of the visit raised a few eyebrows. It is well known that George Bush is not popular with the British people, and his war in Iraq is decidedly unpopular, a fact that was again demonstrated by the size of the protest demonstration. So why come just at this moment?

The real reason for the timing of this visit was that George W. is

facing an election in the near future. This is another of those annoying overheads of Democracy. Like demonstrations, it would be nice to be able to do without elections. But since we must have them (because an awful lot of people believe that they can change something) it is necessary to take all reasonable steps to get elected. This includes STATE VISITS TO ENGLAND.

The fact is that lately, George W.'s standing in the polls is not what it once was. What with all those American soldiers getting killed in Iraq and three million jobs lost in US manufacturing in as many years, and a huge budget and current account deficit, and a falling dollar, people are getting a bit restive. So why not cheer them up with a bit of good news for a change? Why not treat them - entirely free of charge - to a Hollywood Spectacular with George W. Bush in the lead role, Elizabeth Windsor as the leading lady and Tony Blair with a walk-on part? That will do wonders for the PR men!

The trouble is that they reckoned without the CROWD SCENES.

So the army of police officers that occupied Central London busied themselves with defending Democracy and the Right to Protest, as well as the US President's Right to Privacy and to Invade Iraq, by setting up endless rolling road-





blocks, establishing the so-called sterile areas and generally ensuring that the people of Britain were kept about a thousand miles away from their "guest".

Thursday's demonstration left a packed Malet Street at 2.00 pm on its way to Aldwych, across Waterloo Bridge, through the South Bank and back over the river to Westminster.

The Prime Minister and his wife waved goodbye to Mr and Mrs Bush just minutes before protesters turned into Whitehall. Before he sped off back to Buckingham Palace, Mr Bush told waiting reporters it had been an "absolutely spectacular" visit. Either by careful timing or sheer good luck, he didn't hear the chants of the crowd coming over Westminster Bridge.

A sea of demonstrators noisily filed past parliament and Downing Street to reach Trafalgar Square, already full up with people who had gone directly there. Such was the size of the march that the head was arriving at the rally before the tail had finished leaving the start point! Many ordinary Londoners on leaving work joined in the demonstration, including city gents in suits and ties. School students left their classes to demonstrate, and many people came from the provinces in buses. "Wanted Bush and Blair for war

crimes," read one banner. "A killer comes to town," said another.

As a climax to the demonstration, an effigy of President Bush was toppled in Trafalgar Square, imitating the toppling of the statue of Saddam Hussein when the coalition forces entered Baghdad. The tall bronze-coloured likeness - which portrayed Bush holding a missile saying "first strike" and with Blair in his pocket - was erected in Trafalgar Square, greeting those attending the rally. At 5.22 pm, the papier-mâché statue was dragged to the ground, where demonstrators jumped up and down on it, to the loud cheers of the crowd. In the statue's top pocket was a puppet with the face of a grinning Mr Blair. Tens of thousands more witnessed and cheered the toppling of the statue of the US President than were present at the toppling of Hussein's statue.

As evening drew on, while Bush was raising his glass to Queen Elizabeth II at a grand dinner hosted by the Americans, several people tried to jump a fence into the gardens neighbouring the ambassador's home. Two men were handcuffed and searched before being bundled into police vans. A group of 20 cyclists then drove up to police barriers blowing whistles and chanti-

ng anti-Bush slogans. But the President and his guests were safely protected behind high walls, and an impenetrable barrier of Security Service goons, from this "regrettable" manifestation of popular democracy. Indeed never once during the three days of protests would Mr Bush get to 'meet the people,' except under the most controlled of circumstances. The Bush/Blair roadshow in London was only ever going to be a show, held behind glass for the consumption of the media circus running behind it.

The behaviour of Tony Blair and the right wing carpetbaggers who have hijacked the Labour Party disgusts many thousands of Labour Party members, trade unionists, students and youth. They showed their disgust by participating in the massive protest demos against Bush.

In the coming months and years they will find more effective ways of expressing their disgust - by participating in a mass revolt against the right wing that has disgraced the name of Labour in the eyes of the world. Let us purge the Labour movement once and for all of the middle class careerists who are Tories in disguise! Let us return to the ideas, policies and programme of socialism! □

There is 'something of the right' about the new Tory leader

By Phil Mitchinson

THE 'ELECTION' of Michael Howard as the new leader of the Tory Party has been described in the media as a 'coronation'. In reality, it is more a matter of handing over this poisoned chalice as quickly as possible, before the 'hang 'em, flog 'em and kick 'em-out-of-the-country' ranks of the local Conservative associations could have any say in the matter. The uncontested crowning of this Thatcherite has-been confirms how dominated the Tories still are by that wing of the party.

Howard's shotgun coronation has led to renewed warnings of the danger of a Tory revival, at least from those highly reliable sources the Labour leaders and the rightwing press. Can the Tories recover, even win the next election? What does Howard's appointment tell us about the state of British politics and the state of the Tory Party?

The Conservative party, once, outwardly at least, seen as monolithically united, now goes through leaders quicker than Henry VIII disposed of his wives. It's been three in just six years. Unlike Henry, however the Tories appear to be attracted by successively older candidates. William Hague was 36 when he became leader. He was followed by Iain Duncan Smith, 47, and now we are presented with Michael Howard, age 62. The Tories have twice skipped a generation - each time

going backwards. There is more than a whiff of desperation in these changes. If Michael Howard doesn't do the job for them, what will the Tories do next? They could try skipping yet another generation.. Maggie Thatcher (age 78) awaits the call. She is undoubtedly the candidate the rank and file members hanker after.

Joking aside, we have explained for some time that the long running crisis of the Tories, along with the mess facing the monarchy and the divisions in the Church of England, are all reflections of the crisis facing the capitalist system. Therefore, whilst we all enjoy a laugh at the Tories expense, this is a serious matter deserving our attention and analysis.

Tory MPs and rightwing commentators are

now suddenly united in fawning over Howard's professionalism, gravitas, honesty, etc, attributes that apparently eluded them when he first offered himself as leader in 1997.

Then, the Home Secretary in John Major's rejected government was regarded by those same MPs and commentators as so voter-repellent and so not the answer to the Tories' problems that he came fifth - out of five - in the leadership contest that produced William Hague.

A humiliated Howard did not even enter the contest that threw up Iain Duncan Smith. By then Hague had introduced his short-lived reforms allowing the Tory membership a say in electing their party leader. Howard quit the frontbench altogether in 1999 to find something

more worthwhile to do with his life. Having failed to find a 'rewarding' enough job in the city however, he decided to give frontbench politics another go

This is the man, remember, responsible for implementing the Poll Tax. His most memorable contribution to British politics - leaving aside serious matters like the Poll Tax and Section 28 - was his pitiful destruction in a television interview on BBC2's *Newsnight*. How many times did Jeremy Paxman ask him if he had threatened to sack Derek Lewis, the director general of the Prison Service?

Establishment

As Home Secretary he brought us the infamous Section 28. Now, he claims, his views on homosexuality have changed. As he says 'times have changed', in other words he has not, but to say so would only make him more unpopular. In this he shares the dilemma of that other pillar of the establishment, the Church of England. Neither the Tories nor the church care that much about people's personal relationships, what they worry about is how they are perceived, and both are desperately trying to change their image.

Meanwhile, Howard's Uriah Heep image can only be enhanced by the sleight of hand with which his leadership was confirmed. From their own



point of view, for Tory MPs to have allowed the aging blue-rinse membership any voice in the election of another leader would have been electoral suicide. They would only vote for the candidate who offered the most reactionary line on asylum seekers, crime and tax cuts. We explained this already a year ago citing the comments of Michel Heseltine and Leon Brittan. In December 2002 we wrote, "The 'old guard' of the Tory Party want to ditch leader Iain Duncan Smith, but they do not want the reactionary rank and file of the party getting involved."

The Tory MPs who crowned Howard are desperate instead to find a candidate who, if unable to win the next election, can at least not lose too heavily. The serious representatives of the ruling class who stand behind them need to maintain their first eleven in some kind of order because they recognise their second eleven - Blair and co - on whom they have been able to rely in recent times, are entering more troubled waters. They understand that the changes taking place today inside the unions, the increased militancy in the workplace, and indeed in society, witness the mass demonstrations against Bush, will all be reflected inside the Labour Party. Sooner or later Blair and co are finished and the bourgeoisie will have to turn back to their more stable base, the main party of big business, the Tories.

According to newspaper reports the Tories loved Howard's first performance as leader at Prime Minister's questions. On TV he looked remarkably like Ken Dodd putting in a performance at Blackpool. However, elections are decided by events, by the economy, by war, by disillusionment with the government but also by memories of their predecessors and not by amusing debates in the chamber of the Commons.

While he is so associated with the Tories' discredited past, there is nothing for

Labour to fear - and no excuse to be found in the promotion of Howard to lurch further to the right on the part of Blair, Blunkett and Straw.

It had been thought, at least by our friends the experts in the media, after eight years in office and with memories of the Conservative years fading, it would be hard for the Labour leaders to deploy the 'don't let the Tories back' argument. Of course, the main purpose of this slogan is not so much an electoral strategy as a threat to the labour movement - 'don't go on strike or you'll get the Tories back,' 'don't rock the boat or you'll let the Tories in,' and 'don't ditch Blair or the Tories could win the election.' All of which is so much poppycock.

With Michael Howard as Tory leader, it should be that much easier for Labour to remind the country of the poll tax and all the other features of the Thatcher and Major years that have been roundly rejected by everyone. Everyone, that is, except Blair and co who have assiduously stuck to Tory policies. Here we find the real Tory threat to Labour's electoral fortunes, not in the Tory Party but on the Labour frontbench, in the shape of Blair and his pro-capitalist policies. The Tories would represent no threat at all if Labour in power were carrying out policies in the interests of working people.

Blair and Murdoch

All along the attitude of the bosses and their scribes in the media in relation to Labour has been to use and then discredit. They have been able to rely on their faithful servant in Number Ten until now, but they are beginning to lose confidence in the ability of Blair to remain in charge of the second eleven..

How else can one explain the recent announcement by Rupert Murdoch that he might be about to tell his editors to back the Tories rather than Labour. The bosses' organisa-

tion, too, are edging back towards their main party. The Confederation of British Industry published a survey showing that three-quarters of its top companies believe that the government is less business-friendly than five years ago.

Despite all their woes, their splits over Europe, their inability to find a serious leader - which itself is symptomatic of the problems facing the ruling class as a whole, they are unable to find serious political representatives precisely because of the uncertainty they feel about the future and their system - the Tories, as we have long explained, are not about to expire.

Howard is not the saviour that the *Mail* and co claim. He is at best a caretaker manager. The intention will be to replace him with a new leader after avoiding utter humiliation at the next general election. Howard can't win that election. Blair and his pro-capitalist policies could lose it. Today a Labour victory with a reduced majority, due to a low turnout seems the most likely result of an election around May 2005. However, a lot can happen between now and then. The biggest electoral threat to Labour is not Michael Howard but Tony Blair. It is not the Tory policies of the Conservative Party but the Tory policies of Blair and co that threaten the jobs, wages and conditions of working people.

In reality, whoever leads the Tory Party at the time of the next General Election doesn't make much difference. The key to that election will be events. It will be war in Iraq, the economy, privatisation of public services that will be decisive. The Blair leadership of the Labour Party on its present course will create more disillusionment, support for Labour will fall again, the turnout will decline too. A Tory victory, though highly unlikely, can no longer be so readily ruled out. Not because they have a new leader, but because of a fall in support for Labour.

The dearth of leadership in the Tory Party is not the cause of their crisis, but it is not an accident either. The failings of these leaders faithfully reflect the impasse of their system. Nye Bevan once said of the Tory leaders they have nothing to say about tomorrow, and harp on about the past because they have no part to play in the future. They are a doomed party representing a doomed class and a doomed system. The crisis in the Tory Party is symptomatic of the impasse facing the profit system. The sickness of that system spreads like a cancer affecting every aspect of society.

Blair must go

The crisis of this system affects all classes in society, beginning at the very tops. For us it means stress, low pay, a housing crisis and so on. The divisions in the Tory Party are part of this process too. In fact, the three pillars of the British Establishment, the three Cs - Church, Crown and Conservative Party - are hopelessly divided over how best to proceed. Up to their necks in sleaze, or corruption, scandal or intrigue, their crises reflect the inability of the system to offer any way forward for society. These crises are unparalleled in British history, they cannot be passed over as mere entertainment. They are in fact a clear illustration of just how profound the crisis facing the system really is.

None of us want the Tories back in, nor do we want their shadows who are carrying out their policies in government today. The only answer is for the unions and Labour to ditch Blair and Blairism. Blair must go, and go soon. Labour needs new leaders and new policies, socialist policies to begin to address the problems facing British society. This is the only way to 'stop the Tories' and the havoc wreaked by the profit system they, and Blair, represent. □

Interests rates and the housing bubble

We are all at the mercy of the capitalist economy, so we should try to understand how it works, or rather fails. Here **Mick Brooks** explains the role of interest rates, the Bank of England's Monetary Policy Committee, and the effect they have on consumer debt and the house price bubble keeping the British economy afloat.

LAST WEEK the Bank of England's Monetary Policy Committee put up interest rates for the first time for ages. The Bank Rate, Minimum Lending Rate - it's gone through a few name changes - now stands at 3.75%. That's not what you'll be paying, of course. But this rate influences the whole structure of interest rates in the country.

It works like an inverted pyramid. The Bank of England lends to a few favoured financial institutions at this rate. Then these will add a bit on for themselves and lend at the new rate to the general banks. They in turn will add a cut to keep the wolf from the door. Finally the punters at the bottom of the food chain - you and me - will have to pay more.

This government boasts about the economic stability produced by their macro-economic management. They're not in charge! They're driving the economy with no hands on the steering wheel. Traditionally the hands on the wheel were fiscal and monetary policy. Fiscal policy is government taxing and spending decisions tailored to influence the running of the economy. In a recession the government runs a deficit to stimulate the economy. In a boom they pay the money back. Gordon Brown has replaced discretionary fiscal policy with a set of rules. Actually these rules, and Labour's

spending plans, are going to come under impossible strains if the economy doesn't pick up.

Monetary policy means using interest rates to influence the level of economic activity. If rates are low, people will be happy to borrow and spend, keeping someone else in a job. But the government doesn't control monetary policy either. The first thing Gordon Brown did as Chancellor in 1997 was to hand policy over to an independent Monetary Policy Committee of the Bank of England. This was not part of Labour's Manifesto promises. The MPC was charged with making sure inflation didn't go over 2 1/2%, according to the fashionable right wing view that monetary policy only affects price levels, not the performance of the real economy.

Plenty of people would argue this is wrong. The Confederation of British

Industry, for instance, has been calling for a cut in rates all year. They argue that lower interest rates can encourage firms to borrow and then invest, stimulating the economy, and industry in particular. Also if consumers can borrow at a lower rate, their buying power will help manufacturing out. A lot of trade unions agree, especially those representing our beleaguered industrial base.

But the MPC put rates up. Mortgage holders have already taken the hit. Borrowers generally are going to hurt. So what's the problem? The MPC thinks lending has got out of hand. Gross lending went up by 31% from October 2002 to last month. But surely loans have to be paid back one day? Well real wages actually fell over the past year. Remember that hike in National Insurance? That was part of the reason. So where will we get the money

from?

Most of consumer credit goes to buy a house. According to the Building Societies Association, mortgage lending tripled over the past year. One reason people are borrowing more and more is because houses are costing more and more. The average house price in England is now over £160,000 - an incredible figure to me and many others. Prices rose by 25% in 2002 and, despite predictions of a collapse, they continue to soar - a 2% increase in the month of October alone.

Housing market

If people are paying for a roof over their heads, they have to be able to afford to get into the housing market. The low cost social housing market has been virtually destroyed by the policy of selling off council houses at half price. Now these dwellings are just more unaffordable private homes. And why should a private landlord go to the 'bother' of letting flats when they can just sit on their hands and watch their investment grow by 25% a year without lifting a finger.

But how are first time buyers going to get their feet on the bottom rung of the property ladder? Increasingly they can't afford it. Since house prices rose by a quarter last year while take home pay fell, the gap



between aspirations and reality has just widened by quite a lot. In the past, first time buyers were half the housing market. Now it's just 30%.

Prices are now five and a half times household incomes. That means couples can't afford to get started unless they get a lot of help from their families. No building society will offer you a full mortgage on that multiple. Five and a half times is a record. It was last approached in the early 1990s. The gap was 'solved' in one year by a 30% collapse in prices.

What we are confronted with is a house price bubble. We commented in *Socialist Appeal* 116 that housing was the last bubble left in British finance.

In a bubble, people are buying because prices are going up. And prices are going up because people are buying. Bubbles burst. Then people sell because prices are going down. And prices go down because people sell.

It is difficult to predict exactly when a bubble will burst. Think tank Capital Economics is predicting house prices will fall by 20% over the next eighteen months. They may be right, they may be wrong. Assume it happens. Households will have got together for a mortgage now for a house worth £150,000. But in 2005 the house will only sell for £120,000. They still have to pay for the full £150,000 mortgage. But they can't move to another house because they've made a loss of £30,000. And it's a real loss.

It's called negative equity. In the early 1990s house prices collapsed after the previous bubble burst. Millions were left in negative equity.

How can it happen? Isn't it an investment in bricks and mortar? Isn't that 'as safe as houses'? In a bubble houses are not just bricks and mortar, a roof over your head. They are a financial asset that can go up and down in price.

We can all see that a share is just a piece of coloured paper. Shares went up nearly



The only thing that's keeping the economy afloat is consumer spending. And consumer living standards have gone down. So they're spending money they haven't got like there's no tomorrow. Consumer debt is now 124% of consumer income.

ten times over from 1983 to 2000 in this country. The same piece of coloured paper was 'worth' ten times as much in 2000 as in 1983. Then share prices halved over the next three years.

And just like the shares merry-go-round we were told would go on for ever, some folk have done very well out of the house price bubble. We've all heard stories of families who, by carefully following the property market and jumping from one favoured location to another, 'made' more from their appreciating house price than they did from working some years. Not if the bubble is going to burst, they won't!

Consumer boom

There's a lovely phrase the experts use - mortgage equity withdrawal. Last year mortgage equity withdrawal came to £40 billion. This means that people with their feet already on the property ladder bid up for a bigger house. And the new mortgage covers them for a nice holiday in Thailand or getting a new patio put in on top - feeding the debt driven consumer boom further.

There's a serious side to all this. Business investment fell again this year. Gordon Brown's plans for government spending are under threat from the economic slowdown. We can't seem to export stuff to pay our way for love or money. The only thing that's keeping the economy afloat is consumer spending. And consumer living standards have gone down. So they're spending money they haven't got like there's no tomorrow.

Consumer debt is now 124% of consumer income.

The MPC has had a look at

this and decided it can't go on. Some have benefited from the house price bubble, while others have been excluded from the basic right to a decent home. The Bank of England's Inflation Report comments, "It is not clear that the rises in house prices should cause households to be wealthier in aggregate." In other words they know it's a bubble and could burst any time. But what to do? They hope the small rise in rates will let a little air out. In fact most commentators believe interest rates will have to go up further.

Their dilemma is similar to that faced by Alan Greenspan, Chair of the Fed (the US central bank) over past years. As an experienced financier, he could see that the share price bubble was unsustainable. Famously, he coined the phrase 'irrational exuberance' to describe the mood on the markets. But a lot of people were making a lot of money from rising share prices. Was he prepared to be the party pooper? He was not. Now, of course, he is criticized for not taking action soon enough and letting boom turn into uncontrolled bust.

The bursting of the share price bubble has not solved the economic problems across the pond. On the contrary, financial instability seems to have been built in to the system.

In Britain the share price collapse actually led people to put their money into 'bricks and mortar' instead. In other words it accelerated and deepened the house price bubble. The USA also has an unsustainable house price bubble at present. On top of that, they have got into the habit of living at the expense of the rest

of the world over past years. The American deficit with the rest of the world is now more than 5% of their enormous national income. How can they afford that? They borrow the difference. But these sort of deficits led to runs on currencies like the Thai bhat in the financial crisis of 1997. And the dollar has taken a hit, falling by 15% against most other currencies that year.

So the US economy, like ours, is only kept from sinking by unsustainable levels of debt.

Limits

But that too, comes up against limits. Greenspan is keeping US interest rates at only 1% to try to stimulate the precarious economy. That might seem an attractive proposition for consumers to borrow yet more. But foreigners who are being asked to lend Americans money to sustain consumer spending will be inclined to look at what they are getting for their cash. First, interest rates in the States are ludicrously low on the money they lend. And secondly, the dollars they are holding keep going down against their home currency.

It can't go on. Both in Britain and the USA the only reason we haven't sunk into serious recession is because of unsustainable asset price bubbles underpinning spending. Huge and seemingly permanent instabilities have been built into the system. The monetary authorities on both sides of the Atlantic are like the Dutch boy who put his finger in the hole in the dyke. Interest rate adjustments are the only finger they can use. But it's not going to be enough if the whole dyke is crumbling.

Britain in 2003

In the final part of his article on Britain in 2003 **Phil Mitchinson** looks at changes taking place in the unions and the growth of industrial militancy. First written in September this year, the article can be read in full at www.socialist.net, along with the document *The New Situation in Britain*. The mass demonstrations against Bush's visit, unofficial walkouts by postal workers all over the country, and the announcement by Murdoch that his media empire will turn back to supporting the Tories once more provide this article with a highly appropriate background.

AS WE predicted the war in Iraq opened up new divisions at all levels in the Labour Party, even inside the cabinet, leading to the resignations of Cook and Short. Cook in particular is preparing his challenge for the Labour leadership. He has recently published a new book *Point of Departure* on his principles and beliefs. Its subtitle should be *Vote Cook for Leader*. Whether Blair faces a challenge before or after the next election, from Cook, Brown or anyone else is impossible to predict at this stage, it depends on unfolding events.

For the moment Blair is attempting to regroup and retrench. He is now skating on very thin ice. We maintain our previous position sooner or later Blair and Blairism is now finished. He and his bourgeois tendency within the labour movement represent yesterday's conditions. They represented a long period of electoral and industrial defeats, and a lack of activity in the movement which allowed the right wing to gain a stranglehold inside the unions and the Labour Party. That grip has already been broken in the unions. In the next period it will be broken inside the Labour Party too.

There has been no qualitative change in the nature of the Labour Party. As our tendency, and our tendency alone, has explained Labour remains firmly wedded to the unions and it is changes there that presage changes in the party to come.

The policy of the bourgeois media all along has been to use and then discredit the Labour Party. The ruling class were quite happy for several years to rest on Blair, after all he was doing a good job for them. That remains the case at present. However, now they are becoming uneasy, they believe, quite correctly that the

changes taking place in the unions will sooner or later be reflected in the Labour Party. The minute Blair's grip at the top is weakened they will dump on Blair and co from a great height.

The development of a new left inside the Labour Party following developments in the unions and reflecting changes in society in general is inevitable. The next period will see a left-right polarisation inside the Labour Party, in which the unions will play a key role. On the basis of events new splits inside Labour can even reach similar proportions to those in the 1930s. The timing and personalities involved cannot be accurately predicted. The Blairites will leave in droves when to stay will no longer enhance their careers. Blairism will be vomited out of the party and the ruling class will turn the venom of their media on the Labour movement once more. They will turn back to their more stable base, the Tories, which despite their woes and crises remains the main party of the British ruling class.

The Trade Unions

This process has already begun. The establishment of a government forum 'to discuss public sector reform' with the unions has met the predictable venomous reception from the *Mail* and co. Of course, Blair has no real intention of discussing anything with union leaders. This is a sham, a cover behind which Blair intends to proceed with his privatisation of public services.

The TUC general secretary, Brendan Barber, promised that the forum would not prove a talking shop, but "a chance for real dialogue at the stage of policy formation". Public sector unions need no longer be presented with *faits accomplis*.

The reality is that Blair has no intention of changing course or of 'listening to the unions'. However the fact that such a forum has even been established, that such a front is needed, demonstrates the pressure being felt by the government of increased militancy and the shift to the left in a number of unions. Nevertheless Blair intends to carry on with his pro-capitalist policy of privatising public services. He is not for turning. Remaining on this course will prepare a major confrontation with the unions which in turn will accelerate the process of polarisation within the Labour Party.

In *The New Situation in Britain* we devoted a lot of space to the new mood of militancy expressed in the strikes of local government workers and firefighters, and the connection between this changing mood and a beginning of a shift to the left in the unions. Those lines remain entirely valid and are now being confirmed with statistics which always tend to lag behind the real situation. Indeed this process is continuing to unfold in precisely the way we thought. Woodley was elected general secretary of the T&G; a new left deputy general secretary was elected in the CWU putting further pressure on Billy Hayes. A left executive was elected in PCS, and the upcoming election for the executive of Amicus looks set to go the same way.

The defeat of Mick Rix in ASLEF was not the turning of the tide in favour of the right wing as some papers predicted, but an aberration, and a warning that the process of radicalisation in the unions is only just beginning. A conscious effort is still required to organise a campaign amongst the membership, in order to expose and defeat the right wing in the movement. Such a campaign in Amicus could see a decisive victory for the left in the executive elections.



A left executive will put more pressure on Simpson as General Secretary of Britain's powerful industrial and engineering union. Expressing the changed mood and outlook of the ranks Amicus could then play a decisive role in the next period in the entire labour movement.

Developments inside the TUC have confirmed the continued shift to the left across the trade unions. One step further removed from the workers than individual unions, nevertheless the growing mood of militancy is reflected here too, both in the passing of motions against Blair's privatisation policies, and the re-election of Jeremy Dear and, after missing out narrowly last year, the RMT's Bob Crow to the General Council.

Elections in the unions provide us with one important piece of evidence about the changes taking place in the outlook of the working class. Figures for industrial action and ballots are also important. However, statistics can be interpreted in many ways, on their own they tell us very little. It is vital for us to see them in the context of the overall processes at work in society, in the economy in politics and in every aspect of life. We must see them not in isolation from other events, but as part of a process. Therefore it is important not to base ourselves on one statistic, any more than we should base ourselves on one poll or one anecdote. Instead we must collate as much information as possible, all the available evidence, and see it in the context of what went before, if we are to understand what is likely to come next.

Last year marked a 12-year high in the number of days spent on strike. Railway workers and postal workers have already taken action in 2003. For years we answered the nonsense of 'experts' in the press about the 'end of the class struggle.' This gibberish was still being repeated nine months ago when *The New Situation in Britain* was published. Now the facts are answering them for us.

Official statistics recorded

1,323,000 working days spent on strike last year, the highest since 1990, as firefighters and local government workers took to the picket lines. The total was more than double the 525,100 counted in 2001 and over twice an annual average of 496,000 in the previous decade.

Compared to the seventies and eighties last year's figure still appears to be very small. In the 1980s, an annual average of 7.2m days was spent on strike, although that was a fall on the 12.9m in the 1970s. Strikes occupied 24m days alone in 1972 (45% in the pits) during Ted Heath's spell in Downing Street and 27m in 1984 (this time 80% in the pits) when Thatcher was in Number Ten, and the miners were left out in the cold..

Strike figures

Upwards of 29m working days were spent on strike in 1979, a postwar record, and the total is regularly, if wrongly, pinned on the winter of discontent towards the end of Callaghan's Labour government. Just over half of the 29m strike days were, in fact, accumulated during a national engineering dispute after Thatcher had moved into No 10, in a struggle for a shorter working week. In other words, that period of militancy did not end with the electoral defeat of Labour, it continued in the first period of Tory rule and was expressed politically too in the shift to the left inside the Labour Party which almost secured Tony Bann the deputy leadership.

Even those years appear relatively harmonious, however, compared with the greatest of all British industrial conflagrations - the 1926 General Strike and lengthy miners'

dispute of the same year - which saw an incredible 162m days spent on strike or locked out from work.

Current figures may fall short of these records, but the important thing is not the number itself, but the trend, the direction the figures are moving in, their causes, and the context of events in society against which these developments unfold.

Was the first national firefighters' strike for a quarter of a century, and the first-ever joint national strike by blue and white collar council workers, concrete evidence of a new wave of militancy? This is what we argued. At the time the media was dominated by stories arguing that this was not the case. Now, nine months later, they have changed their minds, and that view is shared by the 370 big companies, collectively employing 1.7m people, and 22 trade unions, covered by a recent survey conducted by the law firm DLA. According to their report, a third of public sector employers, half of those in the private sector and two-thirds in the recently privatised sector, are braced for a surge in strike ballots and stoppages in the coming 12 months.

We have previously explained the relationship between this growing militancy and the election of a new layer of left wing officials in the unions. At the time the media was full of denials of such a relationship. Now we read this everywhere. Eventually these people come to the same conclusions as the Marxists, although somewhat slower and in a particularly distorted black and white variation.

"A new, assertive, more confident generation of left-leaning trade union general secretaries was elected to lead their members rather than hold them back", argues Kevin

Maguire in *The Guardian*. This is true of course but it fails to mention the pressure being placed on these leaders by the rank and file, and the changing outlook which led the members of the unions concerned to elect new leaders.

Job insecurity, unprecedented levels of indebtedness and stress, low pay, all serve to undermine any attempt by the bosses or the union leaders to peddle the myth of social partnership. British workers have taken the whip from these masters long enough. The result is a new militant outlook, more industrial disputes, and more activity inside the unions. More activity means a shift to the left. The right always rests on inactivity and a lack of participation by the membership. That was the case for most of the Nineties. This was the basis for the swing far to the right at the tops of the unions, and in turn was one of the conditions which allowed Blairism to rise to the top of the Labour Party, as scum rises to the surface of stagnant water. This whole process is now being transformed into its opposite.

The staff of collapsed no-win, no-fee personal injury firm The Accident Group found themselves with no-job, no-pay when they were sacked without warning by text message in May before a strike ballot was discussed. British Airways check-in staff walked out on unofficial strike at Heathrow in July in order to pre-empt management plans to impose electronic timekeeping. If an increase in militancy were



simply a result of new left leaders not only would we have no explanation for how such leaders come to be elected, but we would have no explanation for the BA strike, which was clearly against the wishes of Bill Morris and co at the top of the union. For Marxists it is necessary to understand the impact of events on the outlook of workers. The years of pent-up anger, long hours of toil, historic levels of indebtedness and stress, the failure of Blair and co to solve anything, the war in Iraq, all combine to draw the proverbial 'line in the sand'. The patience of the working class can only be pushed so far.

An analysis of days spent on strike last year published in June's Labour Market Trends by an official in the Office for National Statistics noted that, although the 1,323,000 working days was a 12-year high, the number of stoppages was the lowest on record. There were just 146 labour disputes in 2002 that resulted in stoppages, with just two of the disputes, the firefighters and a one-day council

strike, accounting for around 60% of the strike days.

In other words the vital change illustrated by these figures is that these were major national strikes, as opposed to the very bitter, but usually very local disputes in the previous period.

The first six months of 2003 saw just 186,000 days lost on strike - leading some journalists to ponder that last year's jump was an aberration. They are deluding themselves, however. Marxists do not take such an empirical view basing ourselves on bald statistics alone. As we have pointed out on many occasions workers cannot be on strike perpetually. There are ebbs and flows in the number and size of disputes taking place. At the TUC the bosses' leader, Digby Jones of the CBI, appealed for "a return to moderate trade unionism". The bosses are clearly shaken by the rising tide of militancy, even though it is still in its early stages.

Stormy period

All the available evidence - and it is our task to analyse all the factors in the economy, in politics, in international relations, in the relations between the classes which can help us understand the direction in which events are moving - points to a stormy period ahead in British politics. Workers cannot be on strike permanently, that is self-evident, but a new period of struggles on the industrial front has undoubtedly

begun. This is intimately and dialectically linked with a shift to the left in the unions, and an increased activity and participation in the movement. This must inevitably find a reflection inside the Labour Party.

The new left General Secretary of the powerful T&GWU, Tony Woodley, a vocal advocate of the campaign to reclaim Labour, spells this out in a recent article in *The Guardian*, "Working people need a coherent and unified political voice, underpinned by an electoral discipline. It is clear that this will largely fall to the trade unions, which founded Labour and have sustained it through good times and bad. I believe that the majority of union affiliates to the party now share a broad common policy agenda - and also share a desire to see Labour's policy making democratically opened up once more."

Woodley, like Labour MP Glenda Jackson before him, has called on Blair to resign over the war in Iraq. His call for a shift to the left at the top of the Labour Party in order to prevent the Tories winning the next election has already gained an echo in the movement, prompting Blair's spin doctors to make a public reply.

Understandably given the Blair government's capitalist policies and their treatment of the working class, the bourgeois idea of breaking the link between the unions and Labour gained some ground in the movement. This development was to the delight of the sectarian groups on the fringes of the movement who saw it as proof of their 'theory' that the Labour Party was now no different to the Tories and the Liberals. Unfortunately for them however, this was a temporary phenomenon, which has now run its course. The revulsion felt by sections of workers at their union being formally linked to the actions of Blair is entirely justified. However, as



The result is a new militant outlook, more industrial disputes, and more activity inside the unions. More activity means a shift to the left. The right always rests on inactivity and a lack of participation by the membership.

soon as there is the real prospect of a struggle within the workers' organisation, especially a struggle by the unions to reclaim the Labour Party, support for this policy based on frustration collapses.

Whilst the FBU and Bectu are continuing to move towards disaffiliation, this idea has failed to gain much support elsewhere. In all the big unions, UNISON, the T&G, Amicus, the GMB and others, new left leaders, or old leaders under renewed pressure from below, are instead calling for the union movement to co-ordinate a campaign to reclaim Labour. Mick Rix has made a more concrete call for a campaign to organise the deselection of MPs who support privatisation etc. He is now calling for the convening of a conference of trade union and Labour Party members to take the party back. Organised seriously, taken to every member of the party and every trade unionist such a campaign would undoubtedly get a real echo. The idea of disaffiliation has now run out of steam. The process which is now underway will

not see more impotent splits of small groups to the left, but a polarisation and a struggle between left and right within the unions, and within the Labour Party

Add to this already explosive mix the current political crisis of Blairism, and we can assume that this process of radicalisation and renewed activity in the movement will provide us with immense opportunities for our ideas in the next few years. There is no guarantee that Blair will last until the next election. If he does there is no guarantee that Labour would win. That may still be the most likely variant. But win or lose the next election, the next period will see the end of Blair, the development of a new left inside the Labour Party and the unions reflecting events in society. The process which brought Blair to power in the first place is moving into reverse, just as the conditions which Blairism reflected are turning into their opposite. Blair is faced with a political crisis, a weak and unstable economy and the prospect of a major confrontation with the working class.

This is not the end of the matter for us of course, but just the beginning. It will be the beginning of a new period in which we can build the Marxist tendency in the labour movement. Of course we must fight alongside the left in the unions and inside the Labour Party where they are raising progressive policies, and calling for greater democracy. However, the left always bring with them too all the outdated reformist nostrums of yesteryear, Keynesianism etc. We must be able to answer these.


Task of Marxism

The task of Marxism is to make conscious the unconscious strivings of the working class. The molecular process of change within the working class is conditioned by the crisis of capitalism which is unfolding at the present time. White-collar workers, industrial workers, students and youth, all sections will be looking for answers to their problems and the problems of society. Those answers can only be provided by the ideas of Marxism. Therefore we must study those ideas and

take them into the labour movement energetically and enthusiastically. We must explain that only the socialist transformation of society can meet the needs and aspirations of the working class, and put an end to the nightmare of capitalism.

Theory is the bedrock of our tendency. Our attention to this question throughout the very complex period which now lies behind us allowed us to remain on course. A continued, even increased attention to the question of theory and education will be vital in the stormy period opening up in Britain and internationally. Along with our work in the labour movement, and an energetic turn towards the youth, this is the precondition for building support for the ideas of Marxism, and building becomes more urgent by the day. Events are beginning to speed up even here in formerly sleepy old Britain and we must be prepared. We must be prepared with ideas, and we must get organised in readiness for the great events which impend. □

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BUSH HAS been in Britain on the first state visit of a US president to this country. The trip was obviously planned long ago and when it was organised Blair probably was not aware of how strong the antiwar mood in Britain would become. But the consistent lies on the part of both Blair and Bush have convinced even many of those who initially went along with their arguments that the whole war was totally unjustified. It has exposed the real reasons for the occupation of Iraq - to get their hands on the oil and to achieve a strategically important position in the Middle East.

Both leaders are facing flagging support at home. Blair earlier in the year went and spoke to a joint assembly of the US Senate and Congress. He got no fewer than 17 standing ovations. This was at a time when at home few people would have bothered to stand, let alone clap. Now it is Bush's turn to find some solace outside of his own country. He needs a publicity stunt to show that he has support around the world. Instead he is being met by thousands of protestors. On Monday evening one sole 61-year-old woman managed to climb up to the top of the gates of Buckingham Palace and unfurl a US flag upside down. Instead of ridiculing her, the bystanders were all expressing support and saying how she reflected the real mood in Britain!

Bush wants to portray an image of a President flying around the world

The Iraqi quagmire

By Fred Weston

receiving massive support. Unfortunately for him the country whose government backed his war effort the most is now showing bitter opposition. The Bush administration had demanded the closing off of large parts of central London. The excuse given was that of security. How can the man be endangered when the British police have mobilised 14,000 officers to patrol the streets of London, simply to protect him. Not satisfied with that, Bush has brought with him no fewer than 700 US security officers and secret agents. No expense is spared when it comes to such an important figure in world history! Children can starve, workers can lose their jobs, healthcare can be cut, but the millions of dollars which this operation is costing is obviously money well spent.

This visit could not have come at a worse time from the standpoint of the imperialists. Some within the British Establishment had suggested cancelling the visit. But the answer came back that it was now in the "Queen's diary"! And we can't make changes to the Queen's plans. After Clinton was involved in the Lewinski scandal one of his visits was cancelled. Obviously those who organise the Queen's diary have their priorities right!

While all this farce is unfolding the situation in Iraq is becoming a nightmare. The total number of American soldiers killed during the Iraq war and since it was supposed to have ended has now reached over 400. The number of British deaths stands at over 50. And recently the Italians got a shock with the death of 19 of their soldiers and policemen. Thus the overall figure of "coalition" deaths is creeping close to the 500 figure.

The situation is destined to get worse. In the so-called "Sunni triangle", north and west of Baghdad, the attacks on US and other foreign troops have been increasing steadily. There are

around 30 daily attacks taking place. Since September this has led to a doubling of the daily casualties. On top of this we have the 1500 injured US soldiers who have been flown back to America, while a further 9,000 have been taken out for various other health reasons, one of which is "mental stress".

What is happening in Iraq is that the US and its allies are beginning to get bogged down. The US military machine proved very good at occupying Iraq. In terms of conventional war they have an unbeatable army. But that is not the end of the story. It is one thing to win a war; it is another to hold down a whole people. Opposition to the presence of foreign troops in their country is growing among the Iraqi people. The official version is that the attacks are carried out by "pockets" of Saddam supporters. This is a lie to appease the consciences of people back home. And it is becoming increasingly difficult to sell this version of "the facts". It is becoming increasingly evident that the resistance movement is growing and getting ever more confident.

Vietnam syndrome

If it were merely a question of superior arms, the US could stay for a long period, for as long as they believed necessary. But an army is made of ordinary men and women, most of them working class youths who did not join the army to get killed but to get a job and earn some money.

What the resistance movement in Iraq is achieving is clear. It is showing the other side of the US military, their inability to deal with guerrilla warfare. It is also bringing back the old "Vietnam syndrome". In Vietnam the US had the military means to destroy the country ten times over. But they were thrown out, because the US soldiers

did not want to be there. The morale of the US army collapsed.

The US imperialists are now facing a similar scenario today in Iraq. The fact that a large number of the 9,000 soldiers taken out of Iraq were affected with "mental stress" is an indication of what is happening.

All this is beginning to have its effect, particularly back home in the USA. There is growing opposition to the continued occupation of Iraq. The reality of the situation is beginning to sink into the consciousness of millions of ordinary Americans. They are being asked to support a military effort that costs billions of dollars while at home jobs are being cut and many are suffering severe cuts in their standard of living.

Thus, while from the purely military point of view the US could maintain its operations for a period, it is the political situation at home that is beginning to worry Bush. He wants to be re-elected. He thought a quick, sharp, successful war would have electoral dividends and make him easily re-electable. Now even this obtuse president is waking up to the fact that things aren't that simple.

Instead of the "shock and awe" (does anyone remember that one?) that was supposed to cow all resistance throughout the Middle East a different scenario is emerging. Soon after the successful US occupation of Iraq (and especially with hardly any resistance being put up by the Iraqi army) the mood among the Arab and Muslim masses was a sombre one. It seemed no-one could stop the US juggernaut. Now the view coming across is that the US army can indeed be defeated over time, or at least pinned down in an unwinnable operation, if the resistance movement can keep up the pressure.

All this may explain why last week Paul Bremer, America's chief administrator in Iraq, hurriedly flew back to the USA for talks with the President. Apparently one of the options they discussed was



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a speedy transfer of power to an "Iraqi government". Initially they had a plan to get a constitution drawn up and then to proceed to elections. Now they are even thinking of calling elections without a constitution. This reveals their desperation.

US intelligence is trying to work out how strong the resistance movement is. Calculations vary from a couple of thousand to possibly tens of thousands. No one can really say. However, that is not the main point. The real important question is that an overwhelming majority of Iraqis do not want the US military in their country. And a whole people cannot be held down against their will for long. In these conditions the resistance finds fertile soil and can operate with plenty of backing from many of the people.

The difficulties the US imperialists are facing in Iraq are forcing them to look for another way of holding down the country. One idea is to build an Iraqi army and police that would take over and allow the US troops to withdraw, or at least to drastically reduce the number of troops they

have to station in the country.

The problem with this is that they would have to find a political force with sufficient authority to unite the different interest groups in the country. But that is easier said than done. The present Iraqi Governing Council (the puppet government set up under US patronage) has no authority within the country. They are seen as mere stooges of US imperialism. They are known to be more for their in-fighting, corruption and nepotism.

Economic measures

How much this so-called Governing Council considers the genuine needs of the Iraqi people can be seen from the economic measures they announced back in September. *The Economist* (September 27, 2003) pointed out that, "If carried through, the measures will represent the kind of wish-list that foreign investors and donor agencies dream of for developing markets. Investors in any field, except for all-important oil production and refining would be allowed 100% ownership of Iraqi assets, full repatriation of prof-

its, and equal legal standing with local firms. Foreign banks would be welcome to set up shop immediately, or buy into Iraqi ventures. Income and corporate taxes would be capped at 15%. Tariffs would be slashed to a universal 5% rate..."

This is a programme of total surrender to the imperialists, in particular to the US imperialists. It is particularly revealing of what the major capitalist institutions would like to do to the whole of the so-called "developing" world. They want a free hand to exploit the peoples of the world, to squeeze every last cent out of the sweat of the workers of these already impoverished countries. It is no wonder the Iraqi Governing Council has little support in the country. Even many Iraqi businessmen expressed surprise at such a programme. What would be left for them if the imperialists take everything?

Thus the Iraqi Governing Council is no real option. The other option would be to lean on one of the power groups within the country to the detriment of the others. Saddam Hussein's regime was in fact based on the Sunni minority. The majority of Iraqis are Shiites, who were terribly oppressed under Saddam Hussein. However, they are opposed to the United States also, for their own reasons. They too do not wish to be governed by a foreign power. To make things worse the Shiite clergy wish to model themselves on the Iranian Shiite model. That is precisely what the US imperialists do not want. Let us remember that back in 1991, when the Shiites of the south rose up against Saddam Hussein, the US stood by while the regime crushed them. The US feared an Iranian type development in



the south.

The other group are the Kurds in the north, but they cannot offer a solution to the power vacuum that has opened up. They could not govern the country.

If the US and its allies were to withdraw from Iraq in the present situation they could risk the break up of the country, with power falling into forces hostile to the US. They cannot allow that to happen. That means they are stuck there for the foreseeable future.

Resistance grows

This explains the desperate measures the US military have been taking in the recent period. They have bombed ex-Republican Guard buildings. They have increased their military operations against the guerrillas. It is in the nature of a guerrilla movement that it cannot be pinned down. It has no bases. There is no front line where the opposing forces face each other. Guerrillas attack and then disappear. But the obtuseness of the US military has no limits. Lieutenant General Ricardo Sanchez, the top US general in Iraq recently made a statement in which he said, "The most important message is that we are all going to get pretty tough, and that's what is needed to defeat the enemy, and we are definitely not shy of doing that when it is required." Thus we have the scenes on our television screens of US soldiers entering civilian homes and manhandling women, handcuffing terrified men, and of bewildered children squatting outside their homes as their parents are treated in this barbarous manner.

The US military may be obtuse, but at least some of the CIA officials have a clearer view of what is happening and also understand what effect all this could have. Recent updated figures have revealed that anything between 11,000 and 15,000 Iraqis were killed during the "war". How this could have endeared the imperialists to the Iraqi people is anyone's guess. The more attacks take place, the more Iraqis are killed now that war is supposed to have ended, the more will the resistance increase its sympathy among ordinary Iraqis.

The CIA officials understand this and realise that support for the resistance is growing in Iraq. A recent CIA report concludes that stepping up operations against the guerrillas could cause more civilian casualties and thus push more and more Iraqis into supporting the anti-US resistance. That is in fact what is already happening.

The whole situation in Iraq is turning into the opposite of what Blair and Bush had envisaged. It has become a quagmire. They believed they would go down in history as great war leaders. Instead they will be remembered as two of the most hated men in history. Nothing can save them from this fate. All the state paraphernalia, all the pomp and ceremony of a British state visit will not save them. They are hated in the Arab and Muslim world. They are hated by millions in Europe. And most importantly they are hated by many at home. Bush and Blair will live to regret their Iraqi adventure. □

Iranian Workers' Solidarity Network

Comrades!

Supporters of labour rights throughout the world!

In the next few weeks the International Labour Organisation (ILO) is to open its office in Iran. It is obvious that the policy of inviting the ILO into the country has the backing of both factions of the Iranian regime; otherwise this unprecedented step would not have taken place. One of the ILO's main tasks is to help the regime in setting up "labour unions" for Iranian workers. Various debates in this context have taken place in the media during the past few years. New developments, particularly since the fact-finding visit of the ILO representatives to Iran last year (27 September to 3 October 2002); have made this the burning issue of the Iranian labour movement. This visit was followed by the ILO providing training and advice to the Iranian regime's representatives when they travelled to Geneva and further help and assistance on labour relations from countries like Jordan.

The regime and the ILO intend to amend the existing Labour Code so that new obstacles will be created in the path of the Iranian working class. "Labour unions" in a society where the workers cannot set up organisations that are independent of the regime, and also independent of all its factions, "fronts" and supporters, will represent a trap that will sink, limit, and ultimately neutralise the workers struggles for the most basic of political rights and economic gains.

The workers' main demands, which have been set out in numerous struggles during the past few years, are to set up truly independent workers' organisations, to have the right to strike and to elect genuine representatives.

Iranian Workers' Solidarity Network intends to launch a long-term solidarity campaign for the support of Iranian workers in achieving their just demands. We hope to organise a range of activities to help Iranian workers set up truly independent and militant workers' organisations. With the help of labour activists and progressive elements throughout the world we can build a campaign that mobilise solidarity action together with moral and financial assistance.

One of the main aims of this campaign will be to bring pressure on the regime to give access to representatives of the international labour movement to gain first-hand information on the working and living conditions of the Iranian working class to the world. A visit by a panel of trade unionists will be able to provide the workers of other countries evidence about the true nature of the ILO-regime "labour unions" and the struggles of their brothers and sisters in Iran.

Send messages to contact@marxist.com and iranwsn@yahoo.co.uk
Iranian Workers' Solidarity Network (IWSN)

Poverty and Unemployment in America

by John Peterson

"They're sending \$87bn to the second richest oil nation in the world but can't afford to feed their own here in the States."

Dan Larkin, Unemployed

THE CRISIS of unemployment and poverty in America continues to worsen. Despite a nominal increase in jobs in recent weeks, what is not reported is what kind of jobs are being created.

Manufacturing jobs, the backbone of any economy, continued to be lost for the 37th month in a row in October. For the vast majority of Americans, the days of high quality jobs with decent wages, security, and full health and retirement benefits are a thing of the past. The effect this is having in terms of unemployment, homelessness, and even hunger right here in the US is a devastating indictment of a system which places profits before human need and suffering.

So although the unemployment figure dropped from 6.1 percent to 6.0 percent, the real situation is being concealed by the government's "revised" method of compiling the figures. According to a report on "Understanding The Severity Of The Current Labor Slump" by Lee Price with Yulia Fungard, a number of factors must be considered in order to understand the severity of the current labor slump:

The record length of time that jobs have failed to recover -Prior to the current slump, jobs had never fallen over a two and a

half year period since monthly job numbers began in 1939. As of October 2003, payroll jobs had fallen by 2.4 million below the level of March 2001.

The growth in the working age population since the recession began in March 2001 -Even as jobs were shrinking by 1.8 percent, the working age population (i.e., the number of people of working age) was growing by 3.4 percent. Had job growth kept up with working age population growth over that period, 6.9 million more payroll jobs would have been filled in October 2003.

The effect of the "missing" labor market on the unemployment rate -The

unusually prolonged loss of jobs has caused an unprecedented number of people to refrain from actively looking for work, and therefore to be excluded from the unemployment measurement. Had the labor force grown more in line with the population - as it has in past labor slumps - another 2.3 million people would have been in the labor force in October 2003.

Missing labour

This "missing" labor force is significant because the unemployment rate would have been 7.4 percent had the 2.3 million "missing" workers been considered as unemployed. The 7.4 percent unemployment figure provides a better measure of current slack in the labor market than the actual unemployment rate of 6.0 percent. The 1.4 percentage-point difference reflects the people pushed to the sidelines

of the labor market who can be expected to seek work again once job prospects improve. As a result, the official unemployment rate should not be expected to fall very much when the employment picture actually begins to improve.

The loss of wage and salary income -Although real hourly wages have grown since the start of the recession, those gains have been more than offset by declines in the number of jobs and the amount of hours paid per job.

This slump saw the longest duration of job loss - 28 months.

This slump is the first time in which there was not a full recovery of jobs 31 months after the recession began.

This slump is the worst in terms of the rise of the unemployment rate (after adjustment for the "missing" labor force) 31 months after the recession began - up 3.2 percentage points.

The current slump has also been the most severe in terms of the loss of aggregate real wage and salary income 30 months after the recession began - down 1.2 percent.

According to the authors of this study, because of the extended period of job loss, the current labor slump is the most severe on record by several important measures. And this is the very best this system has to offer!

In the year 2002, 1.7 million Americans slipped below the poverty line, bringing the total to 34.6



million. That's an astonishing one in eight of the population. Over 13 million of them are children. In fact, the US has the worst child poverty rate and the worst life expectancy of all the world's industrialized countries, and the plight of its poor is worsening. 31 million Americans were deemed to be "food insecure" (they literally did not know where their next meal was coming from). Of those, more than nine million were categorized by the US department of agriculture as experiencing real hunger, defined by the US department of agriculture as an "uneasy or painful sensation caused by lack of food due to lack of resources to obtain food."

22 million on food stamps

In 25 major cities the need for emergency food rose an average of 19 percent last year. The number of Americans on food stamps has risen from 17 million to 22 million since Bush took office. There are more Americans living in poverty now than there were in 1965 - what happened to "progress" and things getting better from generation to generation? What is Bush's solution? "Faith-based" charities!

And the Democrats are no better. Let's not forget that it was Clinton who dismantled the system of social welfare we fought for in the 1930s and 60s. He slashed the welfare rolls from 12 to 5 million in a matter of years, and now that there are no jobs to go around, there is no safety net for millions of the most vulnerable members of American society. But the fact of the matter is, we don't want welfare - we want quality jobs, health care, housing, and

education, and we don't mind working hard to get these things. But the capitalist system is based on the endless pursuit of profit - our interests come second to the interests of the CEOs and billionaires.

And this in the richest country in the world! So where is all the wealth workers create going? It's no mystery - it's all in the hands of a tiny minority of ultra-wealthy parasites who leech off our hard work, blood, sweat, and tears. There is absolutely no material reason why we can't have full employment, free universal health care and education, and much, much more. But to get this we need to fight for it - the capitalist class and their political representatives are not going to give up their wealth, power, and privileges without a fight. This is why we need to work towards building a mass party of labor which can genuinely fight in our interests. By basing itself on the unions and the working class generally (the vast majority of American society), such a party could rapidly come to political power and fight to implement a socialist program to improve the lives of everyone. The fact that voter turnout is generally so low shows just how frustrated Americans are with the choices being offered. Nowhere does it say that we must choose between the two parties of the rich. This is not real democracy! Join the Workers International League in building a revolutionary alternative to the nightmare of capitalism!

www.socialistappeal.org

9/11

and the story that stays under-reported

by M. C. Perez

SOME MONTHS back the New York Times reported that the Environmental Protection Agency was being pressured by the Bush White House not to reveal the real dangers posed to workers and residents of Lower Manhattan by contaminants raised in the collapse of the World Trade Center. Levels of dioxins and carcinogens, long known to damage the human nervous system and cause birth defects, were found by the EPA, shortly after the September attacks, to have been at 1,500 times above normal levels.

Still, the Bush regime and the then outgoing Mayor of New York, Rudolph Giuliani, led many residents and workers to believe that once the outside air had cleared, little threat was posed to those in an office environment, which was not true.

In addition it would now appear that many of those firefighters lauded as "heroes" after 9/11 are suffering from long-term health effects that will go neglected by worker safety authorities.

An investigation of worker's compensation claims in New York has charged that many firefighters did not receive protective gear during the first two weeks of the clean-up, which involved prolonged exposure to asbestos and the handling of thousands of body parts. 40 percent of the workers who cleaned up Ground Zero had no health insurance, and 75 percent have reported ongoing respiratory difficulties.

Manhattan's Mt. Sinai Hospital, in noting the numerous cases of people denied medical compensation by the Worker's Comp Board, has referred to the aid system created by federal and state agencies as "dysfunctional". Funds collected for the clean-up crews have largely been directed for volunteers who helped clear out Ground Zero, with the justification from the State Worker's Board that employer's insurance is expected to cover claims generated by workers. Regional directors of the Occupational Safety and Health Administration have also argued that workers at the site often failed to wear protective respiratory equipment. But the firefighters' spokespersons have replied that protracted rescue operations were often hindered by such equipment, and in any event, it is impossible to wear a respirator for twelve hours.

Two years after the worst terrorist attack on United States' soil, the attitude of EPA, OSHA, and New York State Worker's Compensation Boards appears to be "business as usual". Deep as the tragedy of September 11th was, it is a far more profound tragedy that Bush, Giuliani and other figureheads of the United States ruling class are allowed to so handily dismiss the right to basic health care to so many of the Firefighting labourers. Where are all the paeans to our heroes now? ☐

Georgia's "peaceful revolution" heralds new conflicts

by Alan Woods

DRAMATIC EVENTS in Tbilisi indicate a sharp turn in the situation in the Caucasus. Opposition supporters stormed Georgia's Parliament on Saturday and took it over, forcing President Eduard Shevardnadze to flee as thousands of protesters outside demanded his resignation. Opposition leader Mikhail Saakashvili led hundreds of his supporters as they forced their way into the chamber, overturning desks and chairs, fighting with members of parliament.

Shevardnadze, who was foreign minister of the USSR under Mikhail Gorbachov, has ruled the ex-Soviet republic since 1992. But, in common with most other former Soviet republics, the country has been in permanent crisis. It slid into its biggest political crisis in years after the parliamentary elections on November 2nd, which the pro-Shevardnadze party won according to the official results. Opposition and many foreign observers claimed were rigged.

According to final results, the pro-Shevardnadze *For a New Georgia* bloc finished first with 21.3 percent of the vote, while the Revival party, which sometimes has been critical of the government but sided with Shevardnadze in the present crisis, finished second with 18.8 percent. Saakashvili's National Movement came in a very

close third with 18 percent of the vote, while the Democrats who allied with Saakashvili got 8.8 percent. The Labour party had 12 percent.

On Friday, the U.S. State Department called on Georgia's government to conduct an independent investigation into the results. State Department spokesman Adam Ereli said the poll results reflected "massive vote fraud" in some regions and "do not accurately reflect the will of the Georgian people."

This was undoubtedly true. The reactionary Bonapartist Shevardnadze was certainly no stranger to ballot rigging and all kinds of other dirty manoeuvres. Under pressure from the streets, Shevardnadze acknowledged that there had been some problems with the election. "About 8 to 10 percent of the ballots were invalid," he said, but added that this should be dealt with in the courts. But he then proceeded to convene the new parlia-

ment amid tight security. Police, covered in body armour and holding shields, were posted in front of all the main government buildings.

But even as Shevardnadze was speaking, opposition supporters stormed through the chamber doors. Television broadcasts showed demonstrators overturning desks and chairs as they ran up to the podium. Leaping onto the speaker's podium, just after the president convened the body, the Opposition leader addressed the crowd:

"The velvet revolution has taken place in Georgia," Saakashvili said, as the hall applauded him.

"We are against violence."

The 75-year-old Shevardnadze was hustled out of the chamber and then the parliament building by his bodyguards. Saakashvili ordered all pro-government deputies out of the building, amidst some scuffling. He then

handed over the podium to opposition leader Nino Burdzhanadze, who was the speaker in the last parliament.

A general without an army

"I will not resign. I will resign when the presidential term expires, according to the constitution," Shevardnadze said before he was driven away from the parliament, accompanied by armed guards in riot gear. His intention was clearly to hang onto power - by force if necessary. But his hand was forced when the armed forces went over to the Opposition. In the moment of truth the President was a general without an army. After talks with the Russian Foreign Minister Igor Ivanov on Sunday Shevardnadze agreed to resign his 10-year presidency.

The takeover came after at least two weeks of daily street protests by opposition supporters. Before Shevardnadze opened Parliament, tens of thousands of opposition supporters packed the capital's Freedom Square and other streets, kicking an effigy of Shevardnadze and carrying placards reading, "Your century was the 20th. Now it is the 21st." They vowed not to leave the streets until Shevardnadze was removed.

These events were immediately hailed in the western media as a "peace-



ful revolution". But the reason why, in the moment of truth, the old regime collapsed like a pack of cards was that the so-called independence of Georgia on a capitalist basis was to bring wars, misery, chaos and unemployment that is officially admitted to be 17% but in reality is much higher. A huge number of people have fled the country. There is widespread discontent that found an expression in the events of the last few days.

Unfortunately, this so-called "revolution" will solve nothing but only increase the sufferings of the Georgian people. Mikhail Saakashvili, a 35-year old lawyer studied in the USA and France. He is regarded as a pro-Western, radical reformer - that is to say, a bourgeois counterrevolutionary and an agent of US imperialism. His differences with Shevardnadze were more a question of personal ambition than anything else. A former head of Tbilisi council, in 2000 he was appointed justice minister by Shevardnadze but quit the government the following year, when he formed the United National Movement.

Saakashvili represents a new generation of bourgeois politicians - young, pushy, confident and impatient to push aside the older, more cautious leaders like Shevardnadze and occupy their places - and the lucrative salaries, perks and privileges that go with them. There is an old established tradition in the Caucasus that political office is simply a convenient way of filling one's pockets at the public expense. Of course, the same can be said of Britain and the USA, but these activities are normally carried on with a modicum of discretion, whereas in countries like Georgia the plundering of the exchequer is carried on shamelessly and in full view.



The new "independent" capitalist Georgia combines all the most repulsive features of the old bureaucratic regime with the monstrous injustices and exploitation of capitalism. And these crimes are carried on blatantly. The new regime will carry on the same honoured tradition, with the difference that the scope for robbery will be even greater with the inevitable flood of businessmen arriving on flights from Dallas and New York with suitcases full of dollars for bribes in order to secure profitable contracts. The ordinary Georgians will see not a single cent.

Deceived

The present euphoria will soon wear off once the people of Georgia realise that they have been deceived.

Nothing substantial will change. The previous parliament will remain in place. The same old gangsters, thieves and swindlers will stay in place. This was the central message of the "revolutionaries" - continuity.

"The country must [now] get back to its usual rhythm of life," Ms Burdzhaniadze said, asking security forces to resume their duties.

The one big change will be a further shift towards the West and especially the USA. The United States has welcomed the new government. In a statement, the

US Secretary of State Colin Powell said he looked forward to working with Ms Burdzhaniadze "in her effort to maintain the integrity of Georgia's democracy as she strives to ensure that this change in government follows the constitution."

"The United States and the international community stand ready to support the new government in holding free and fair parliamentary elections in the future," the statement said.

The indecent haste with which Washington supported the Opposition indicates that there is more to this than meets the eye. Ever since the fall of the USSR, the Caucasus has been the centre of a ferocious struggle between Russia, the USA and Turkey for control over its rich resources and oil wealth. In this great power struggle, Georgia occupies a key position. This small country of nearly 5 million inhabitants is strategically located on the Black Sea south of Russia and north of Turkey. The former Soviet republic is the site of an important pipeline to ship oil from the Caspian Sea to Turkey beginning in 2005.

Russia remains a key power in the region, and has been trying to reduce America's influence. In order to pressurise Georgia and retain its control over the country, Moscow has accused Tbilisi of giving support and refuge to Chechen fighters. It has

backed separatist movements in Abkhazia and Ossetia, as a means of weakening Georgia. There is no love lost between the Kremlin and Shevardnadze, who, despite his past as a Kremlin bureaucrat and "Communist", adopted the position of bourgeois nationalism. The problem is that the Opposition is, if possible, even more pro-American than Shevardnadze. Therefore, although Moscow acknowledged that the election was marred and called for the "mistakes to be corrected, it insisted that this must be done "in the realm of the law.[...] The alternative is chaos," the Russian Foreign Ministry growled. And Moscow has it in its hands to cause tremendous chaos in the region, if it wants.

This was a warning to the Americans and their Georgian friends not to push things too far. But the warning fell on deaf ears. With Georgian President Shevardnadze's resignation, a radical, pro-U.S. opposition has come to power in Tbilisi. This is part of a general thrust to increase Washington's influence in the Caucasus, but it will have set alarm bells ringing in the Kremlin. The Russians will not remain with arms folded while a key country on her southern border passes directly into the camp of US imperialism.

Disintegration

These events will undoubtedly pave the way for greater conflict and disintegration in Georgia. The Russians will tighten the screws on Georgia. So-called independent regions and pro-Moscow political leaders are only too willing to pick a fight with the new leadership in the capital. Since neither side enjoys majority support, chaos and violence will likely prevail, causing further upheavals, wars, blood-

shed and misery throughout this beautiful but unhappy region and sabotaging U.S. plans to pump Caspian oil westward.

Nino Burdzhnadzze was giving her first televised national address following the resignation of Eduard Shevardnadze.

"We have managed to overcome the gravest crisis in Georgia's recent history without shedding a single drop of blood," Ms Burdzhnadzze said. But she spoke too soon. The intrigues of the imperialists will cause a lot of blood to flow before the crisis is settled one way or another. The new leaders are already casting a nervous look over their shoulders at Russia. Declaring the disobedience campaign over, she said the country must work to strengthen its ties with its neighbours and "the great state of Russia". But fine words will not impress the Kremlin. Russia will be looking very closely at the policies and conduct of the new government in Tblisi, and preparing to tighten the screws. The result will be new wars, chaos and horrors without end.

The Caucasus, for those who know them, are like a paradise on earth. A wonderful climate, staggeringly beautiful scenery, a rich agriculture and colossal mineral wealth. The peoples of the Caucasus, despite all the linguistic, ethnic and religious differences, share a common history and traditions, and close cultural affinities. They are among the most delightful, hospitable and generous people on earth. In that respect they have something in common with the peoples of the Balkans, which the region resembles in some respects.

Yet this beautiful garden with its tremendous potential for development and prosperity has been reduced to a burnt-out shell, a horrific battleground where people slaughter one another for the sake of artificial frontiers that have no real meaning. The great historical tragedy of the Caucasus is that the peoples of the region have been cut off from each other, cruelly divided and Balkanised. This renders them incapable of resisting the constant interference of the great powers, both those that surround them and the transatlantic giant.

All are now queuing up to get their greedy hands on the wealth of the region, and in order to realise this objective, are prepared to plunge it into chaos. Behind every rival faction we will find some foreign power or other - Americans, Russians, Turks,

Germans, plotting, inciting to murder, bribing, corrupting, provoking wars and secessions in the name of "self determination" and everywhere and always spreading misery, chaos and death. Here we see a perfect reproduction of the history of the Balkans before 1914. And the results for the Caucasian peoples will be no less terrible.

At bottom, the problem is the absence of an independent movement of the working people of the Caucasus. The proletariat has allowed itself to be dragged behind other classes in an alleged struggle for "national independence". It has subordinated itself to bourgeois nationalist demagogues whose only interest is to stick their snout in the pig trough of the state treasury and sell themselves and their country to the highest bidder among the imperialist states. What kind of "national independence" is this?

Nationalist demagogues like Shevardnadze, encouraged by US imperialism, promised the peoples a glowing future of prosperity and "democracy" under an independent capitalist regime. But ten years later, all these dreams have ended as a heap of smouldering ruins. The balance sheet for millions of people has been death, destruction and misery.

Pawns of Washington and Moscow

Washington and Moscow treat the small, weak, divided Caucasian states as mere pawns in a game in which the whole region acts as a gigantic chessboard. America makes a move, Russia responds, and the result is a war, an assassination, an explosion, a military coup or - a "bloodless revolution". We are now awaiting the next move in the game. We do not know when or where Moscow will respond, but one thing we do know: the losers will be the ordinary people, the poor, the defenceless.

The only hope for the peoples of the Caucasus lies in a radical break with capitalism and imperialism. Drive out the bourgeois robbers and expropriate the property of the imperialists! Then perhaps the word "independence" might acquire some kind of meaning. But for these small countries in their mountainous stronghold, no progress can be made by erecting artificial barriers. Georgians, Abkhazians, Armenians, Azeris, Chechens, and all the other peoples of the region must come together in a

socialist federation of the Caucasus, on the basis of complete equality, democracy, fraternity and friendship.

Does this seem impossible? But it has been achieved once before. The Bolshevik Revolution of October 1917 gave the peoples of the Caucasus land and freedom. It united them in a Transcaucasian Federation that put an end to centuries of strife and created a spirit of genuine proletarian internationalism and brotherhood. It pulled the Caucasus out of semi-feudal backwardness and opened the way to economic and cultural development through a nationalised planned economy. This is what radically transformed the lives of the Caucasian peoples and gave them a future.

It is true that under Stalin and his successors much of this good work was undone. What was achieved once can be achieved again. The spotless banner of Leninist internationalism was replaced by loathsome Great Russian chauvinism, and this was mirrored in the Soviet republics by local nationalist bureaucrats, such as Eduard Shevardnadze, who deliberately encouraged separatism and national antagonisms that resulted in the break-up of the USSR.

What was achieved before can be achieved again. The ordinary people of Georgia, Armenia, Azerbaijan and other Caucasian nations, look back with longing to the days when they lived at peace. If they had a choice, they would choose to enter a voluntary federation in which the resources of the Caucasus would be pooled for the benefit of all. The establishment of a socialist federation under modern conditions would be on a qualitatively higher level than in 1923. It would prepare the way for a rapid development of the productive forces, with the elimination of unemployment and poverty and the creation of conditions for prosperity and abundance. Under such conditions, the basis for conflict and war would cease to exist, along with the old, primitive hatreds and feuds.

Only on such a basis can the true potential of the Caucasus be realised. A beautiful garden can bloom at last. Men and women can raise themselves up to their true height and the Caucasus will cease to be a bloody battlefield where rival imperialists settle their scores and become a real example for the whole of humanity. □

In the Cause of Labour

A History of British Trade Unionism

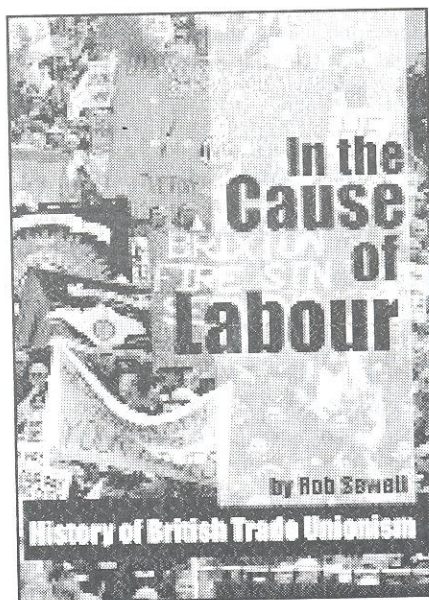
Foreword by Jeremy Dear

AS THE press talks of a rebirth of militant trade unionism there could not be a more important time for this major work to be published. Trade union reps spend hours every day sorting out individual problems - from questions of wages to cases of discrimination, from redundancies to unfair dismissals and health and safety problems.

Poor management, under-investment, ageing technology, a lack of training and skills development all contribute to problems at work.

Yet those who study the history of our movement know that it is not bad bosses or the nature of individual industries or workplaces which are really at the root of the problems we face but the economic system itself that demands ever increasing levels of profit. Additional profit can be achieved by selling more or by reducing the costs of production. Since the market is finite more and more companies and nations seek to compete on the basis of the lowest possible cost of production - so wages are squeezed, jobs are lost, factories are closed, whole industries decimated and ultimately production is moved at the whim of international capital from country to country in search of the cheapest labour to exploit.

My own industry has seen remarkable changes in the past twenty years as ever more avaricious companies go in search of more and more profit. The length of the working week has increased, newspapers are bigger and more programmes



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are produced for broadcast yet the numbers working on them have decreased. Wages have fallen in relation to many other professions and ownership of the media is concentrated in fewer and fewer hands.

Unions themselves have been under attack. When dozens of pieces of anti-trade union legislation were introduced under Thatcher newspaper employers in particular began ripping up agreements and removing unions rights to bargain. As a result casualisation swept the industry and terms and conditions suffered. Today there are trained, qualified journalists in London earning £14,000 a year in companies which make millions of pounds profit every year. Individuals doing the same job were earning more 20 years ago.

My industry is not unique. In manufacturing, in the service sector, in traditional and new industries there is a drive to get more work - and hence more profit - out of every worker. Speed-ups, new production methods and often just plain bullying are used to extract every last crumb.

In these circumstances it is no surprise that virtually every union is reporting record levels of stress.

For those who seek to maximise profit there has always been an obstacle - trade union organisation. That's why in the drive to increase profit at the expense of working people union organisation itself had to be attacked. Unions were seen as a burden on business.

That's why Thatcher brought in the new anti-trade union laws - to

undermine the effectiveness of unions to be able to represent their members.

Yet as a society we have never been richer - but the wealth is increasingly being concentrated in fewer and fewer hands.

As a result of the onslaught on trade unionism - and the failure of the union leaderships to respond - many trade unions suffered falling membership and declining influence. But in the past few years we've seen a resurgence in the idea of collective action and in the belief in trade unions as organisations created to fight for workers interests.

These changes have begun to be reflected in many ways - more industrial action, more battles for trade union rights, the election of a succession of left wing trade union leaders and on the political front the election in 1997 of a Labour government.

Unions hoped that would signal a change in working lives. And whilst there have been some gains unions have welcomed the fundamental balance of power in the workplace has not shifted. The Labour government has been beholden to the interests of big business. Working people have become increasingly disillusioned with a continuation of Tory policies on privatisation, public services, pay and in particular the failure of Labour to remove the anti-trade union laws.

This timely book sets about identifying the processes that underpin the problems we face on a daily basis. It exposes the economic system that gave birth to trade unionism and the key episodes that shaped the British and international economic landscape. It does so through the history of the development of the trade union movement from its birth to the Tolpuddle Martyrs, New Unionism, Chartism to the bankrupt policies of partnership and the struggles of today.

It does not view episodes as isolated events shaped by great individuals but as part of a process of increasing exploitation. It provides the path from the battle against immediate problems to the tasks confronting trade unions today.

The rebirth of militant trade unionism - reflected in the election of series of new, more radical general secretaries, dubbed the awkward squad by the media - shows that more and more workers are drawing conclusions that they need to seek other means to protect their conditions. But recent events also



➤ Workers spent literally years on the dole, with little prospect of work in the Depression. Hunger marches became a regular feature, epitomised in Labour history by the famous Jarrow Hunger March of 1936 and the struggles of the National Unemployed Workers' Movement.

show more than that. Developments on both the industrial and increasingly on the political front show workers are drawing broader conclusions and asking broader questions.

They are drawing the conclusion that fighting wage cuts or redundancies in just one company or just one industry or even in just one country is no longer enough. In order to secure lasting change they have to win political change. In order to win political change they have to have a political voice.

Unions in Britain formed the Labour Party as their political voice. Today's Labour government is failing to speak up for the people who elected them. Unions are now beginning to demand more in return for their money and support and organising to reclaim Labour for policies which advance the cause of labour.

If we are to avoid the mistakes of the past we must learn the lessons of our history. Through that process we can

arm ourselves with the policies and programme necessary to achieve change on both the industrial and political front. Without a fundamental understanding that our problems flow from the existence of an economic system that puts the needs of shareholders above those of the workers, the drive for profit above the satisfaction of need then our movement is doomed to repeat the mistakes of the past.

Rob Sewell's book is not just another history of the trade union movement. It is a history rooted in a Marxist analysis of the struggles of working people in Britain. The struggle for better conditions at work, the struggle against exploitation and ultimately the struggle to transform the trade unions and labour movement into a fighting force capable of changing society.

For all who are active in the movement today it is a vital weapon in our battle for a better world.

History of British Trade Unionism Book launch/public meeting

Speakers: Rob Sewell (Author)
Jeremy Dear (General Secretary NUJ)
Phil Willis (Amicus, EC candidate)
Nigel Pearce (NUM, NEC)

**11 December, 7.30 pm at
Conway Hall, Red Lion Sq.
Holborn, London**

fighting fund

Big drive needed

FIRST OF all on behalf of all those involved in producing *Socialist Appeal*, may I take this opportunity of wishing all our sellers and readers the compliments of the festive season. This year has been a dramatic one, not least with the ongoing opposition to the war in Iraq, ending with the magnificent weekday demonstration against Bush's state visit to the UK. On the industrial front we have seen a number of important struggles over the year, most noticeably the stand of the airport workers over the summer and the more recent fight of the post workers against management provocation. Time and again we have seen that just when the bosses think they have got things sown up, the workers are more than ready to prove them wrong. On the political front Blairism continues to unravel in the face of reality. More than ever the task now is to build on the fight to purge the party of the right wing carpetbaggers and their pro-capitalist programme. The growing opposition to foundation hospitals, student fees, attacks on the rights of asylum seekers and so on must inevitably lead towards a more fundamental fight to reclaim the organisations of our class and turn them towards socialism.

We have tried to both report and analyse all these dramatic developments over the last period, only hindered by a lack of resources. We always have

to compete against the big guns of the capitalist media as they spew out their propaganda about how great capitalism is, nothing will change, etc, etc.... They can count on the support of millions of pounds and dollars, in the future we will be able to count of the support of millions of workers and youth in struggle. But for now we have to rely on you - yes, you!

Our Xmas fund drive to raise £7000 is progressing but the last few weeks have been slow. Whether that is due to the fall-out from the post strike is hard to say but one thing is clear we have a lot to do over the next few weeks - we should aim to get in around £4000 by the new year which can be done if action is taken now. Every reader should consider what they could donate, however small - but hopefully large. Sellers should be out now approaching all your readers to make a donation to put on top of the one you will be making. If every one reading this journal acts then we will shoot pass the target and you will be making a firm investment in a socialist future. So do not delay, post today! Send all donations to us at *Socialist Appeal*, PO Box 2626, London, N1 7SQ.

Thank you in advance

Steve Jones

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CRISIS IN CONSTRUCTION

MASS RALLY 2ND DECEMBER 2003

Parliamentary Lobby 2nd December
Assemble 10.30 am
College Green
Opposite the Houses Of Parliament

noticeboard

Dec/Jan 2003-4

**Merry Xmas and a revolutionary
New Year to all *Socialist Appeal*
readers and supporters!**

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.

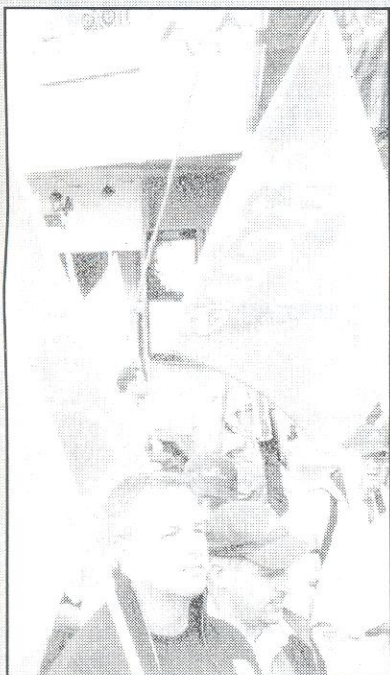
✚ **Socialist internationalism.** No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.



Socialist Appeal

Marxist voice of the labour movement

Construction on the march



CONSTRUCTION WORKERS will gather outside parliament on the 2nd of December to protest against the British bosses attempts to undermine wages by exploiting foreign workers.

The bosses say they are over a barrel and have to reduce costs. They point to the fact that they have recently

lost many big contracts in Britain to foreign competitors. But the British employers, like employers in all countries are profit hungry. It is not our wages but their greed for profit that is causing their bids to be uncompetitive.

The European Posted Workers Directive was introduced to regulate wages and conditions in industry and guarantee the same rates for European workers regardless of nationality. In all the countries where it was introduced employers are bound by the law to pay all workers according to national rates. If British workers go to Europe they are supposed to receive the same rates as local workers, but the British government has refused to sign up to this agreement.

In Britain construc-

tion workers fought hard in the past to force the employers to respect the NAECI agreement, which guarantees good rates of pay and conditions for workers. But now it looks as though the employers are beginning to square up to attack these national agreements.

This is a common trend in many industries at the moment and has the support of the Labour government. The Government has not fully implemented the Posted Workers Directive because they want to use the exploitation of our brothers and sisters from other countries to undermine conditions for British workers.

We have to nip this in the bud now. If the employers are trying to divide us by nationality - then we must unite as working people.

Construction workers in Britain should be paid NAECI rates on the job regardless of nationality - an injury to one is an injury to all!

The unions must demand that the Labour government immediately implement the European Posted Workers Directive in full, along with any other legislation that is in the interests of workers.

At the same time we must launch a campaign to recruit all the workers in our industry - foreign and British - into the union; that way we can unite together not only to defend but to improve the NAECI agreement and send the bosses packing.

Phil Willis.

Amicus-AEEU Shop
Steward.

Amicus Unity Gazette
EC candidate.

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